FOCUS ON ECONOMIC GROWTH

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Summit, April, 2014

Connecticut Economic Development Strategy

- Build on our strengths (talent, “anchors” location)
- Focus on key clusters and areas of innovation for business growth and recruitment
- Improve the business environment with fiscal stability and streamlined governmental processes/ regulation
- Collaborate with key partners (economic development, education, energy, transportation)

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Economic Strategic Framework

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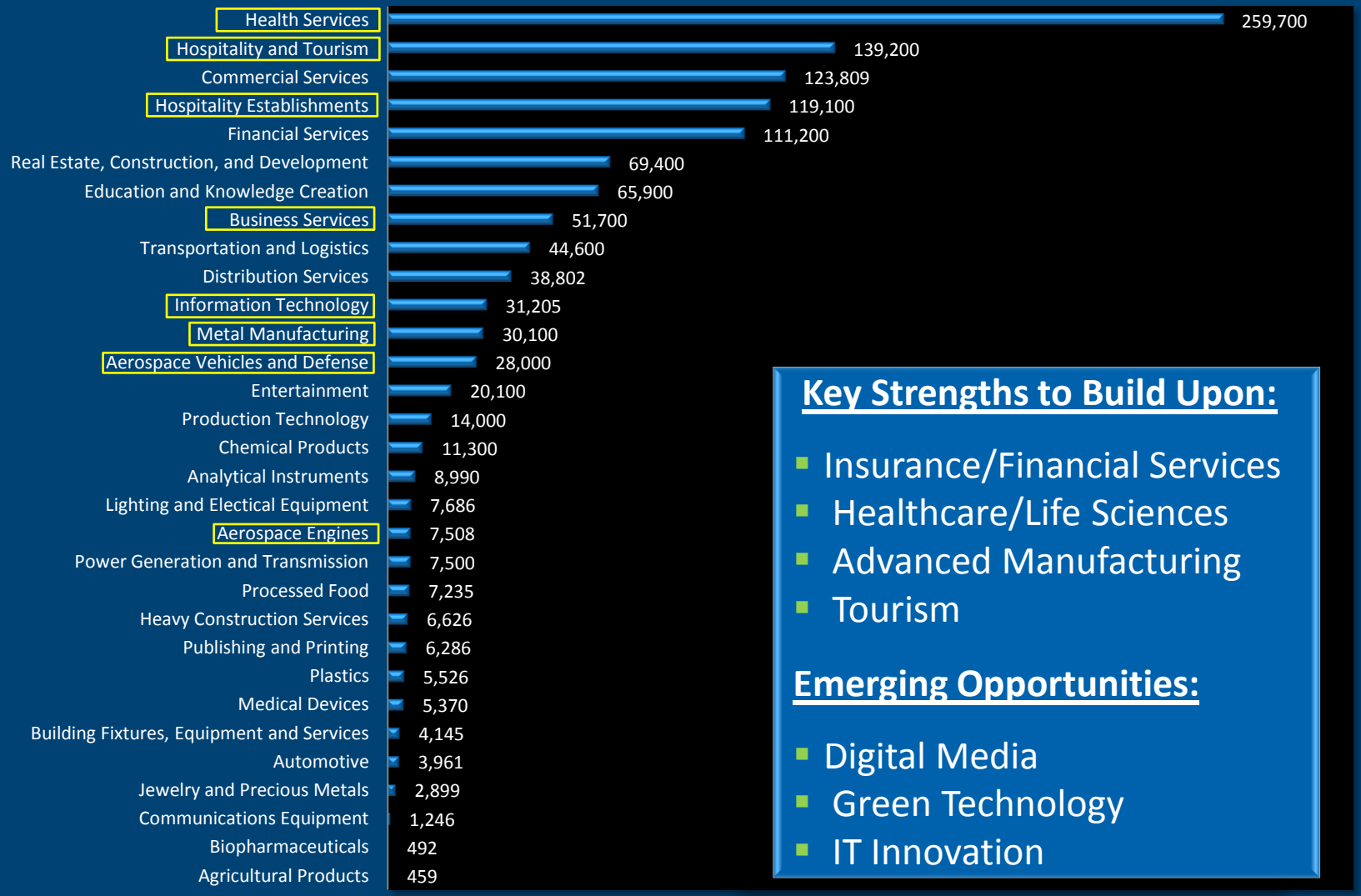
Composition of CT Economy

Employment By Cluster, 2014



Key Strengths to Build Upon:

- Insurance/Financial Services
- Healthcare/Life Sciences
- Advanced Manufacturing
- Tourism

Emerging Opportunities:

- Digital Media
- Green Technology
- IT Innovation

RESULTS

Program Results Summary

State-wide effort to improve the economy by:

- Building on our strengths
- Addressing areas in need of improvement
- Cultivating a business climate second to none and built to last
- Providing a disciplined approach to investment

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Summary as of 4/14

- 1,121 companies directly assisted through DECD loans/grants, with up to 12,228 jobs to be created and 33,698 jobs retained
- 1200+ companies have benefited from JET, creating 3100 new jobs
- More than $1.9 billion has been leveraged from the private-sector to grow jobs and expand the economy through these programs

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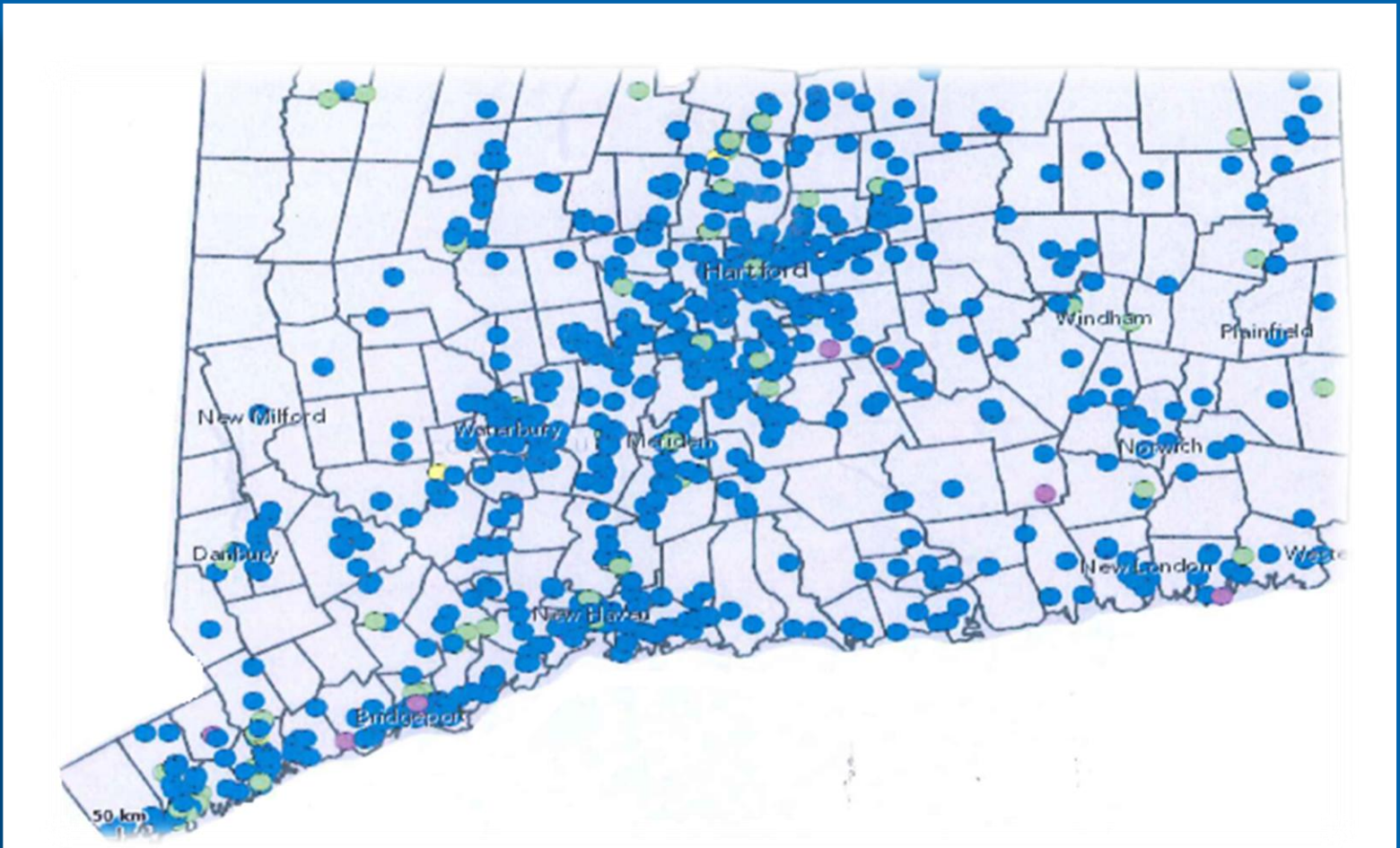
Recipients by Location



This interactive map, containing information on all companies, assisted by DECD programs can be found at www.ctopenforbiz.com

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Small Business Express Program

Supports the retention and growth of small business with a combination of loans and grants

- As of April 4, 1,047 companies have been provided $142 million in financial assistance
- Companies promise to create 3,752 jobs and retain 10,931
- Loans are structured to provide repayment of principal and interest over 5 to 10 years
- All levels of jobs, from entry level to PhD, are included

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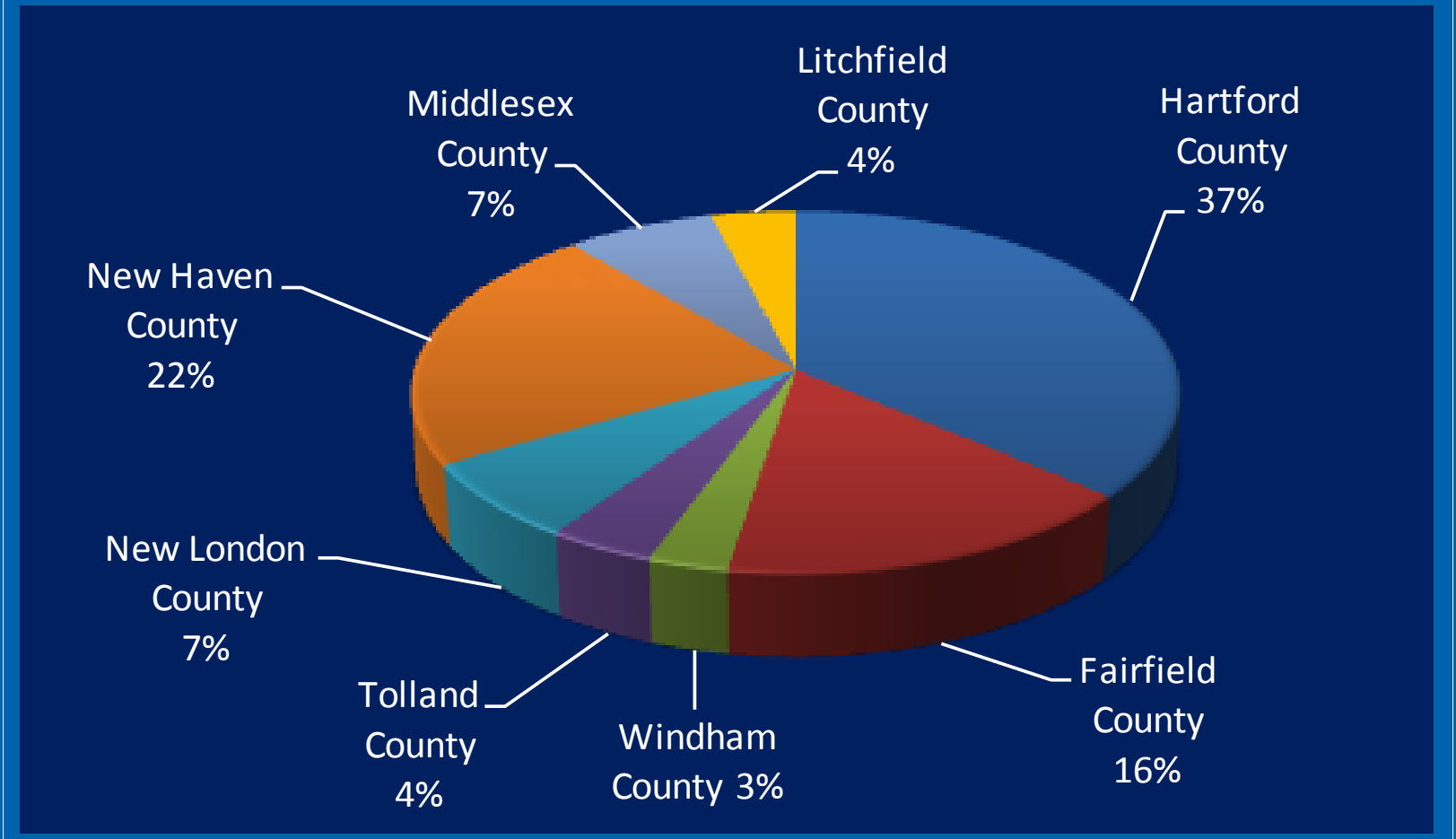
EXP Geographic Disbursement



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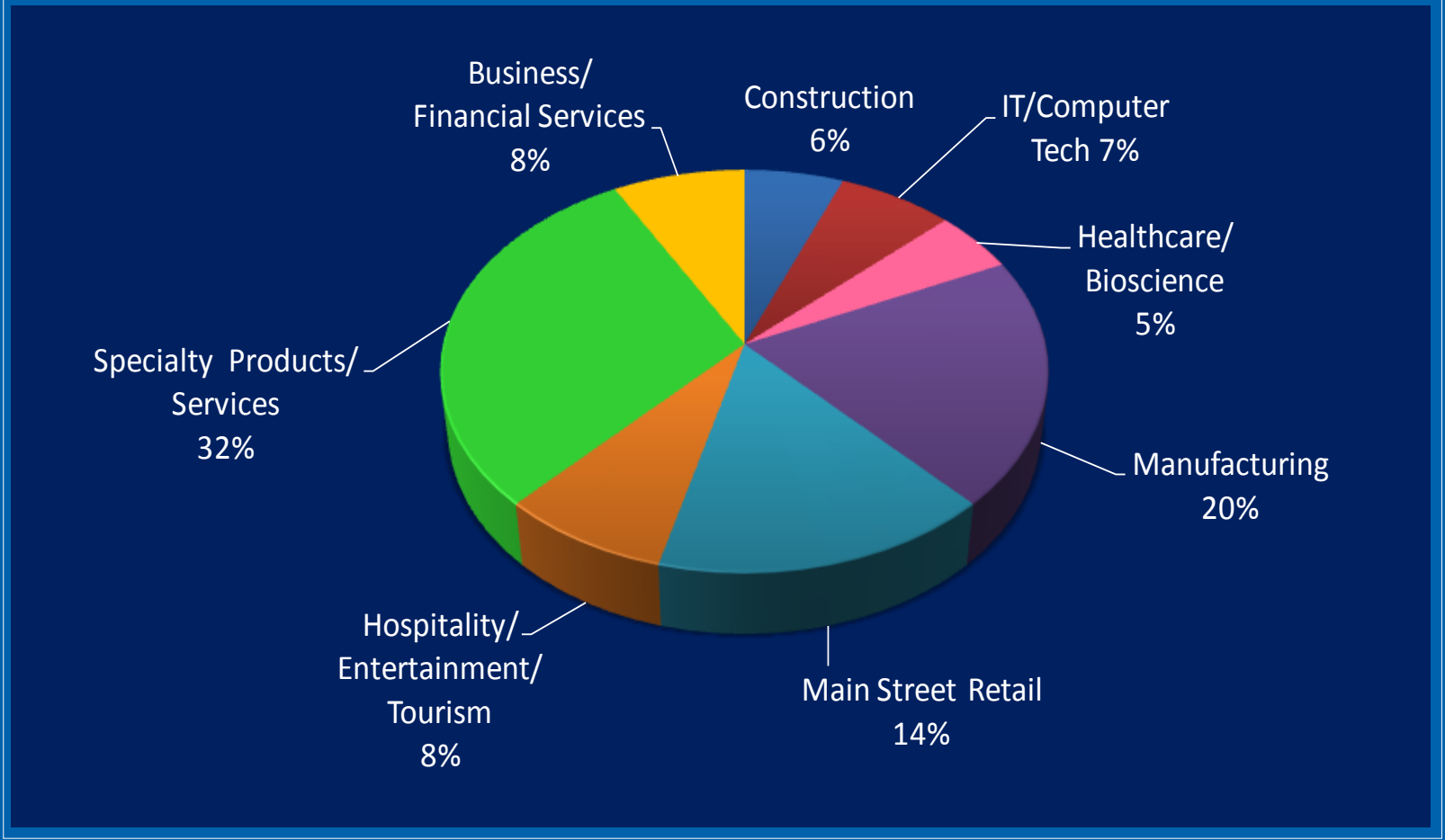
EXP Industry Mix



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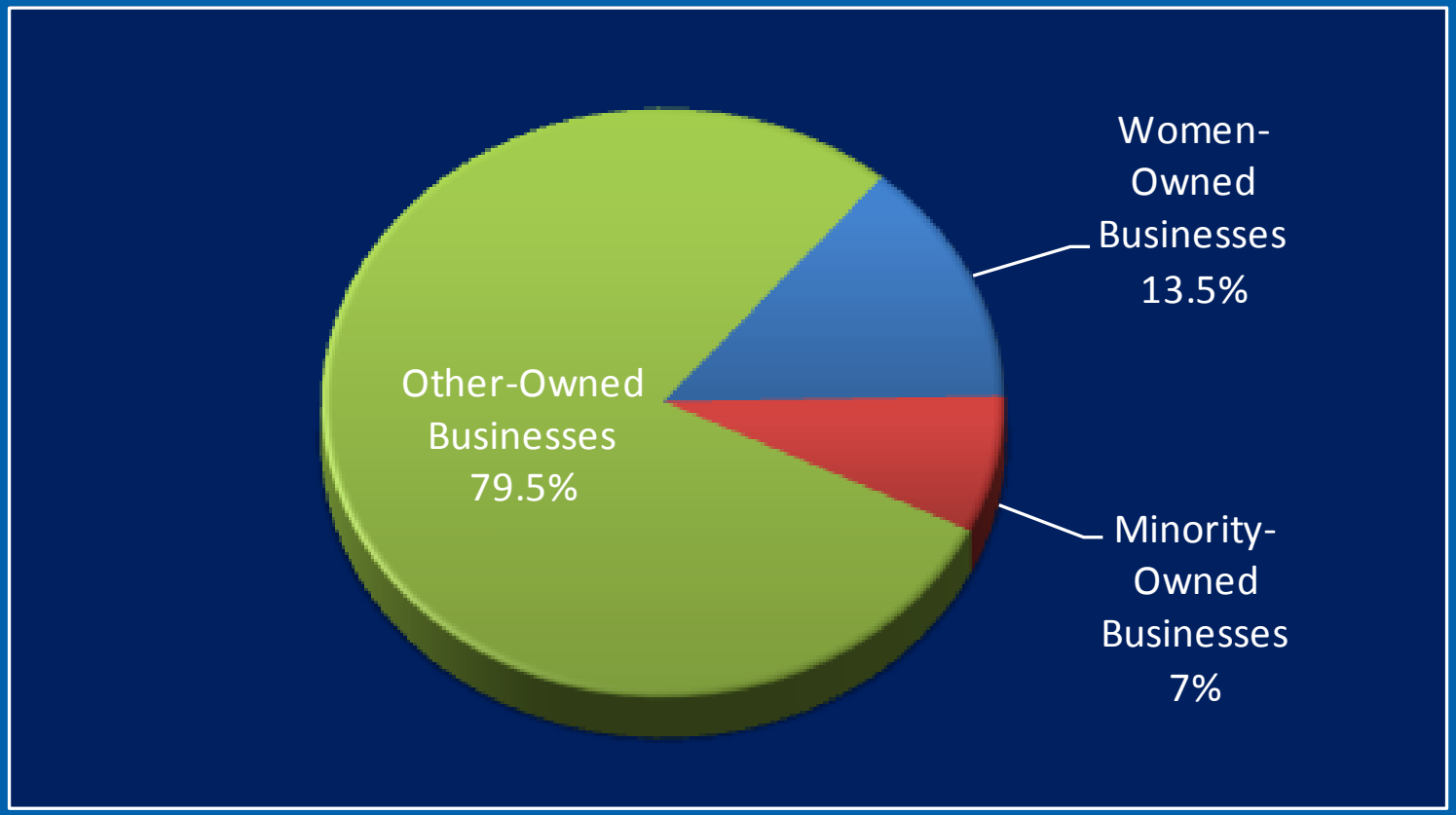
EXP Business Mix



DECD is finding new communications channels to improve diversity

State-wide average % of women-owned businesses 28.1%
State-wide average % minority-owned businesses: 12% (US Census Bureau, 2007)

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Manufacturing Assistance Act (MAA) Funding Helps Mid-Sized Companies

Incentive-driven direct loans and grants for all mid-sized companies growing jobs and building their business in CT

Since 2011 MAA has been assisting mid-size companies:

- 55 companies in 31 different municipalities
- 10,077 jobs retained and 3,112 to be created
- $165M in total state assistance leveraging $557M
- 11 companies in the state's largest urban centers
- 23 manufacturing (42%) and 11 financial service (20%) companies were funded, all in our targeted business growth sectors

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First Five Program

For larger companies that create 200 jobs within 2 years or invest $25M and create 200 jobs within 5 years

- 11 announced deals across several targeted clusters including Insurance/Financial Services, Healthcare/Biotech and Digital Media
- 12,690 jobs to be retained; 2,200 to 5,248 jobs to be created
- Over $214M in direct state assistance leveraging more than $1.3B in private investment
- Diversity of geographic locations including Bloomfield, Bristol, Hartford, New Haven and Stamford

Job Expansion Tax Credit (JET)

Eligible companies received a $500 per month tax credit for each new job. Incremental credit for hiring the unemployed, disabled and veterans at $900 per month.

• Companies Enrolled in the Program	1,274
• Companies Receiving Credits	385
• Total Jobs Created	3,101
• # of Unemployed Hired	212
• # of Veterans Hired	68
• # of Vocational Rehabilitation Service Recipients Hired	5
• Total Credits Issued	$14,611,900

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Measure our Success

Metric	Measurement	2013	2012	% Change 2013 vs. 2012
Net Job Growth	Total Nonfarm Jobs *(annual avg.)*	1,650,217	1,639, 200	+0.7%
Retain Large Companies *(>1,000 jobs)*	Total Large Company Jobs *(4 quarter avg.)*	294, 918 (2013Q3)	295,422 (2013Q2)	-0.2%
Net Firm Creation	Business Starts Minus Stops (*annual total)*	986 (through 2013Q2)	543	Expect to more than double
Exports	Billions of dollars	$16.48B	$15.96B	+3.2%
State Revenues	Billions of dollars *(end of fiscal year)*	$16. 893B	$15.825B	+6.7%

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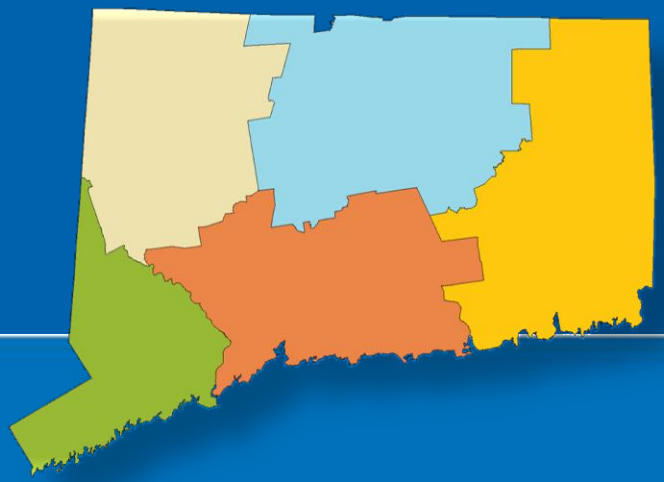
NEW PRIORITIES

Strategic Approach

- DECD 's strategic plan provides a roadmap to set priorities, focus resources, strengthen operations, ensure common goals, build consensus through collaboration, and measure success
- Key objectives include:
  - ✓ Invest in the business clusters that drive Connecticut's economy and encourage entrepreneurial development
  - ✓ Ensure a workforce that meets the needs of employers
  - ✓ Create sustainable communities
  - ✓ Invest in infrastructure and support systems that will foster business growth

Business Ambassador Program

- DECD staff will proactively reach out to CT businesses:
  - ✓ To foster retention and growth strategies for businesses, jobs
  - ✓ To promote assistance programs
  - ✓ To help evaluate capital investment opportunities
  - ✓ Identify businesses at risk of leaving or expanding out of state
- Targeted industries include those in the strategic plan
- Regional Representation
- Ease of contact/communication



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Litchfield County

- Dave Raccio
- Eric Hampton

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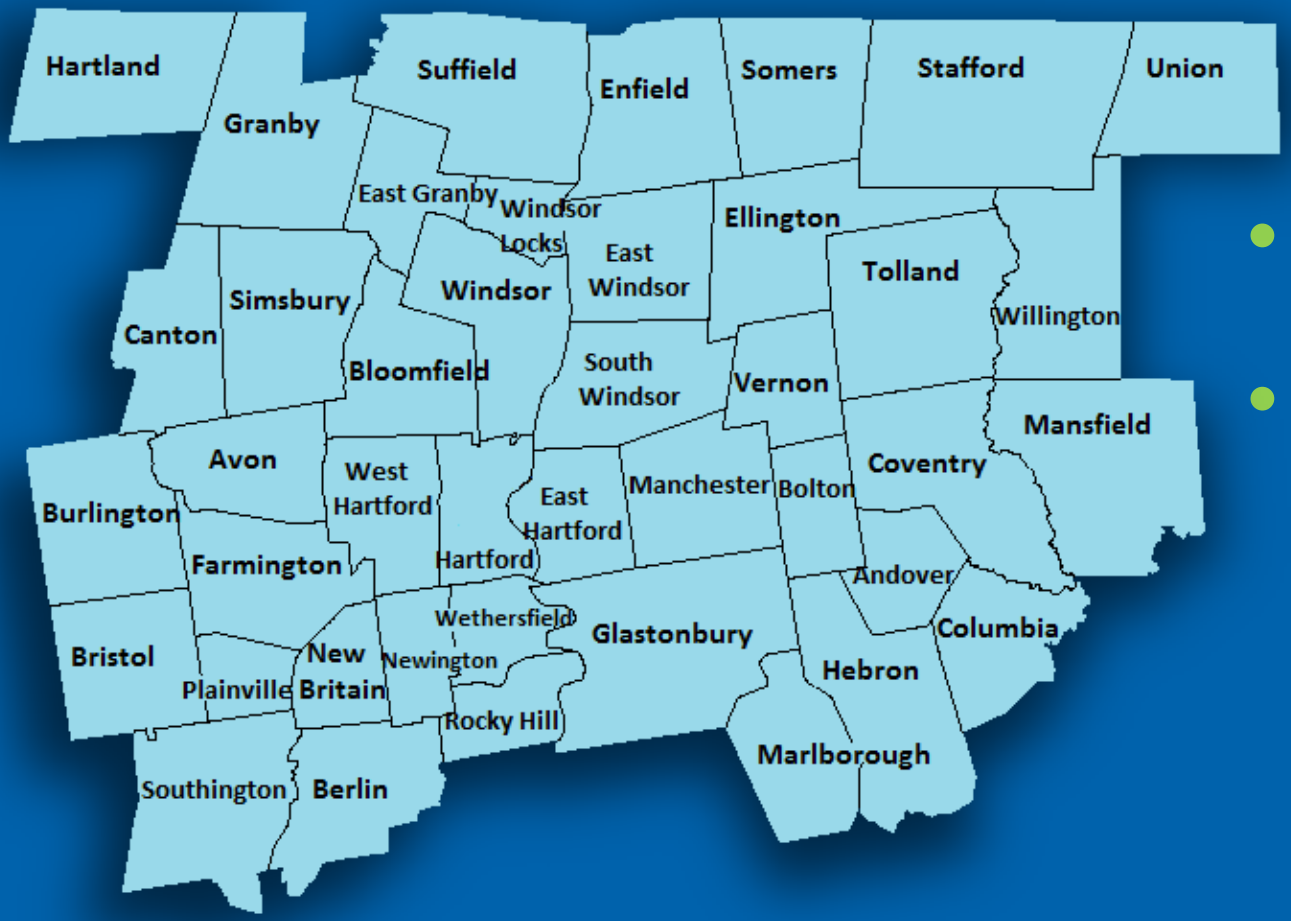
Hartford/Tolland Counties



- Rob Rigney
- Pat Gillanders

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Windham/New London Counties

- Tricia Paesani
- Peter Lent

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Middlesex/New Haven Counties

- Eric Hampton
- Dave Raccio
- Peter Lent

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Fairfield County

- Cowlis Andrews
- Tricia Paesani

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Manufacturing Innovation Fund

- Assist manufacturers in making the innovative and strategic investments necessary to remain competitive, win vital new business, and grow jobs in the state
- Focuses on talent development
- DECD to administer with an Advisory Committee composed of industry experts

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Manufacturing Innovation Fund

- Initially, the fund will be capitalized with $25 million and will have four critical components:
  - ✓ Funds to help capitalize manufacturers innovation/growth
  - ✓ Support for educational/training programs and research collaborations
  - ✓ Ability to match federal grants proposals
  - ✓ Creates *Manufacturing Investment Districts* in which manufactures will be given priority

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Building on CT's New Brand

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- Strategic domestic and out-of-state focus on business
  - ✓ Includes TV, digital, banner ads
  - ✓ Focused on targeted clusters
- New Tourism spring campaign launches in May

DECD

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