



SEED



HARVEST

# Focus on Economic Growth

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*Commissioner*

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# Our Updated Economic Strategy

- Build on our strengths (talent, “anchors,” location)
- Focus on key business sectors for business development
- Drive for innovation
- Tailor programs to address greatest needs
- Simplify governmental processes/regulation
- Collaborate with key partners (energy, education, transportation)

Connecticut  
*still revolutionary*

2015

Economic Development Strategy

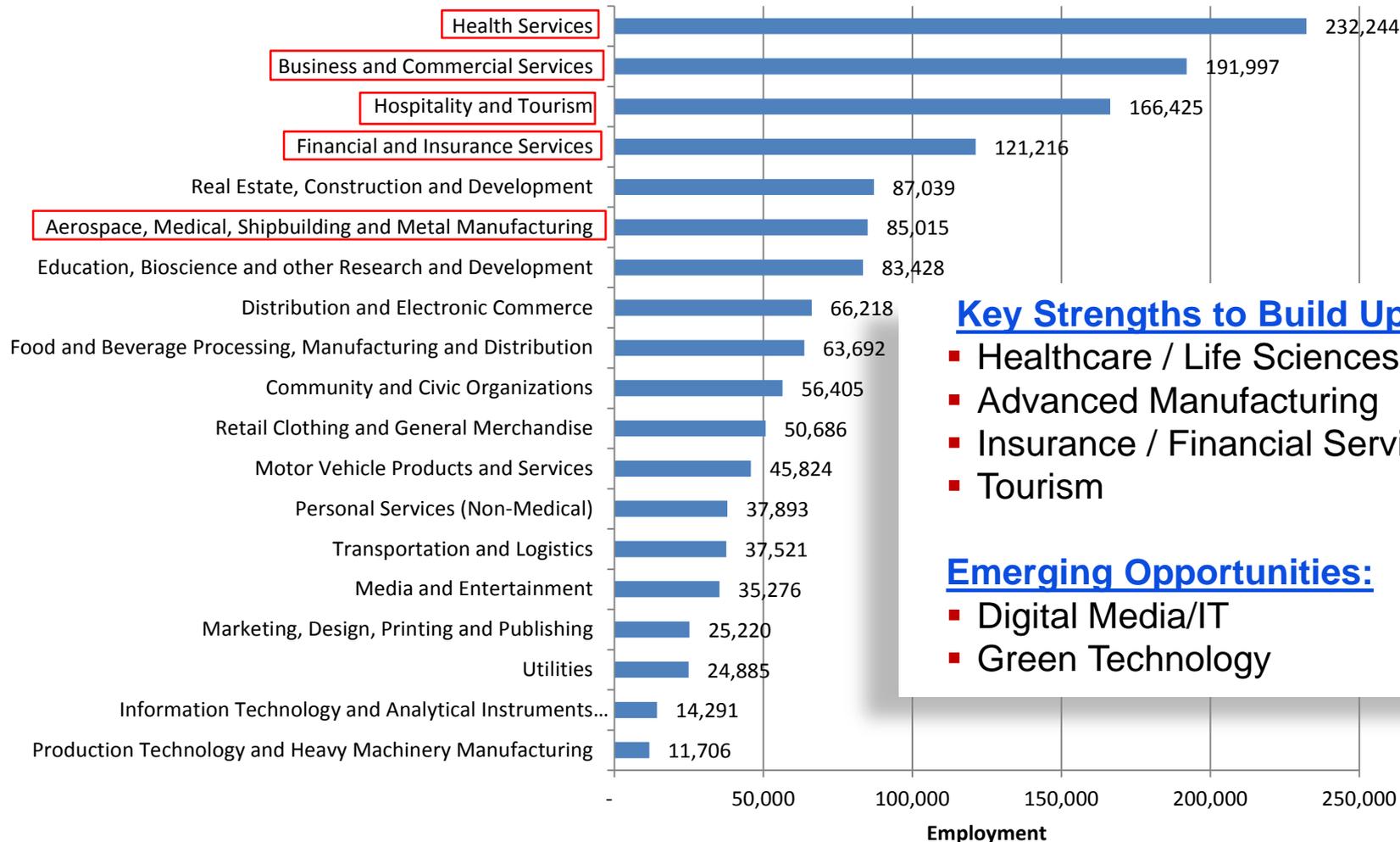


# Economic Strategic Framework



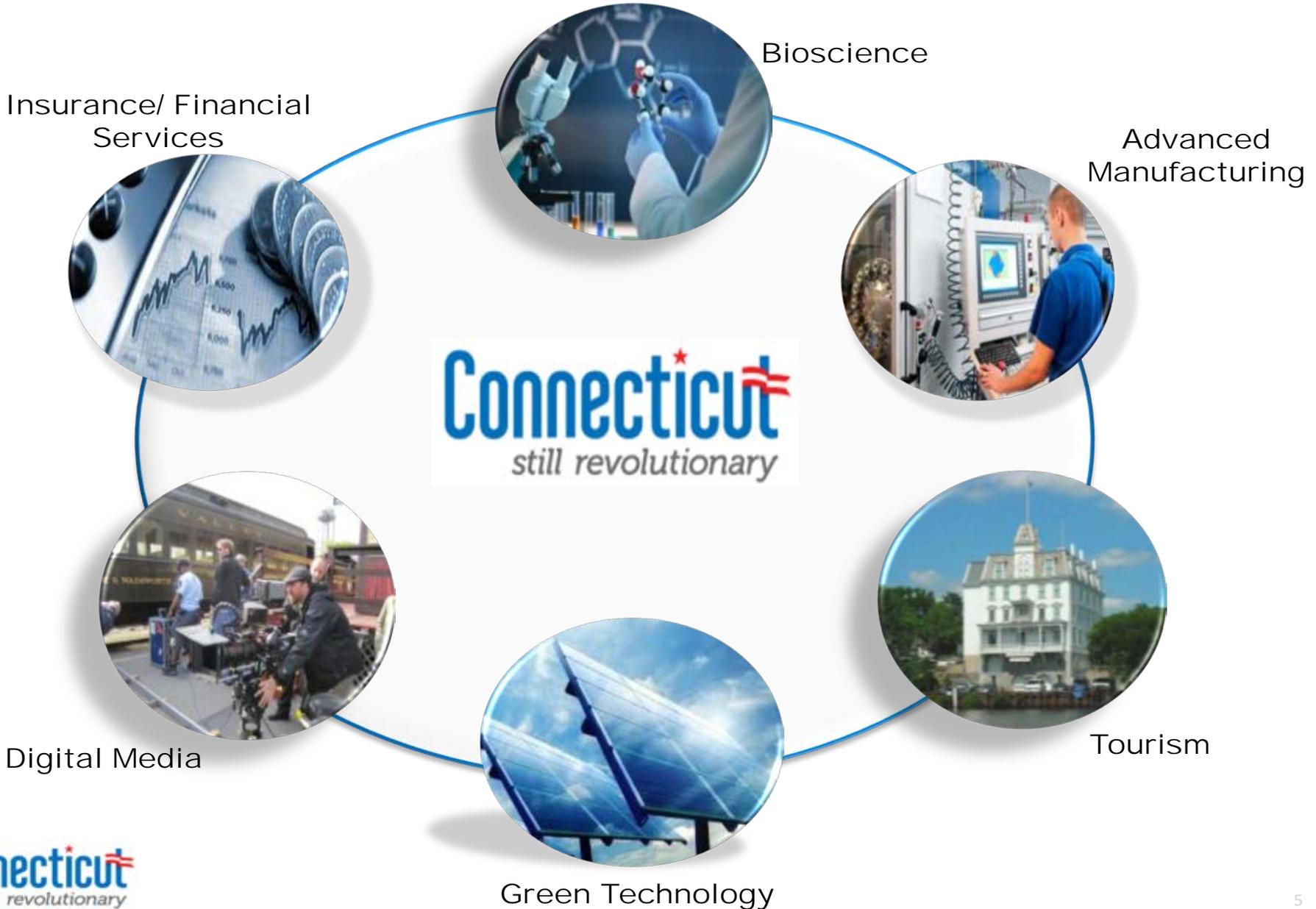
# Our Focus on Business Clusters

## Connecticut Employment by Cluster, 2013



Source: Data from U.S. Cluster Mapping Project (<http://clustermapping.us/>), Institute for Strategy and Competitiveness, Harvard Business

# Building Strategies in the Six Key Clusters



# Financial Services

- Finance and insurance accounts for 17.1%<sup>1</sup> of state's economy, and ranks 3<sup>rd</sup> among states for share of employment<sup>2</sup>
- Fairfield county: Hedge fund capital of the world
  - Financial centers in Stamford and Greenwich
- Hartford: Insurance capital of the world
  - Connecticut is home to hundreds of financial institutions: UBS, RBS, GE Money, ING, Hartford Financial Services, Prudential and more
- Ideal location for companies that want to be near New York city but without New York city costs



Sources: <sup>1</sup>BEA, 2015

<sup>2</sup>Connecticut Economic Review, 2015

# Advanced Manufacturing/Aerospace

- More than 4,500 diverse manufacturing companies in Connecticut employ over 159,607 private sector employees<sup>1</sup>
- Total state manufacturing output was \$27 billion in 2014<sup>2</sup>
- 95% of Connecticut's \$16 billion in exports are from the manufacturing sector<sup>3</sup>
- Foreign-based investment in Connecticut results in thousands of jobs for state employees

Sources: <sup>1</sup> BEA, June 2015

<sup>2</sup> BEA, June 2015

<sup>3</sup> National Association of Manufacturers,  
Connecticut Manufacturing Facts, 2014

# Connecticut is Supporting Manufacturers

- UTC commitment to Connecticut helps hundreds of supply chain companies
- Manufacturing Innovation Fund
  - Assists smaller manufacturers in making innovative and strategic investments
  - Focuses on talent development to meet the growth expectations in aerospace and medical devices



# Healthcare/Bioscience

- A total of 917 private companies in the state<sup>1</sup>
- Average annual wage is 50% higher than statewide average<sup>2</sup>
- Ranked 3<sup>rd</sup> in U.S. with 16.6% of population having advanced degrees<sup>3</sup>
- Ranked 5<sup>th</sup> in U.S. for scientists and engineers with 651 per 100,000 employees having advanced degrees<sup>4</sup>
- 4<sup>th</sup> in the nation for bioscience patents per capita<sup>5</sup>



Sources: <sup>1</sup> Bureau of Labor Statistics, 2014

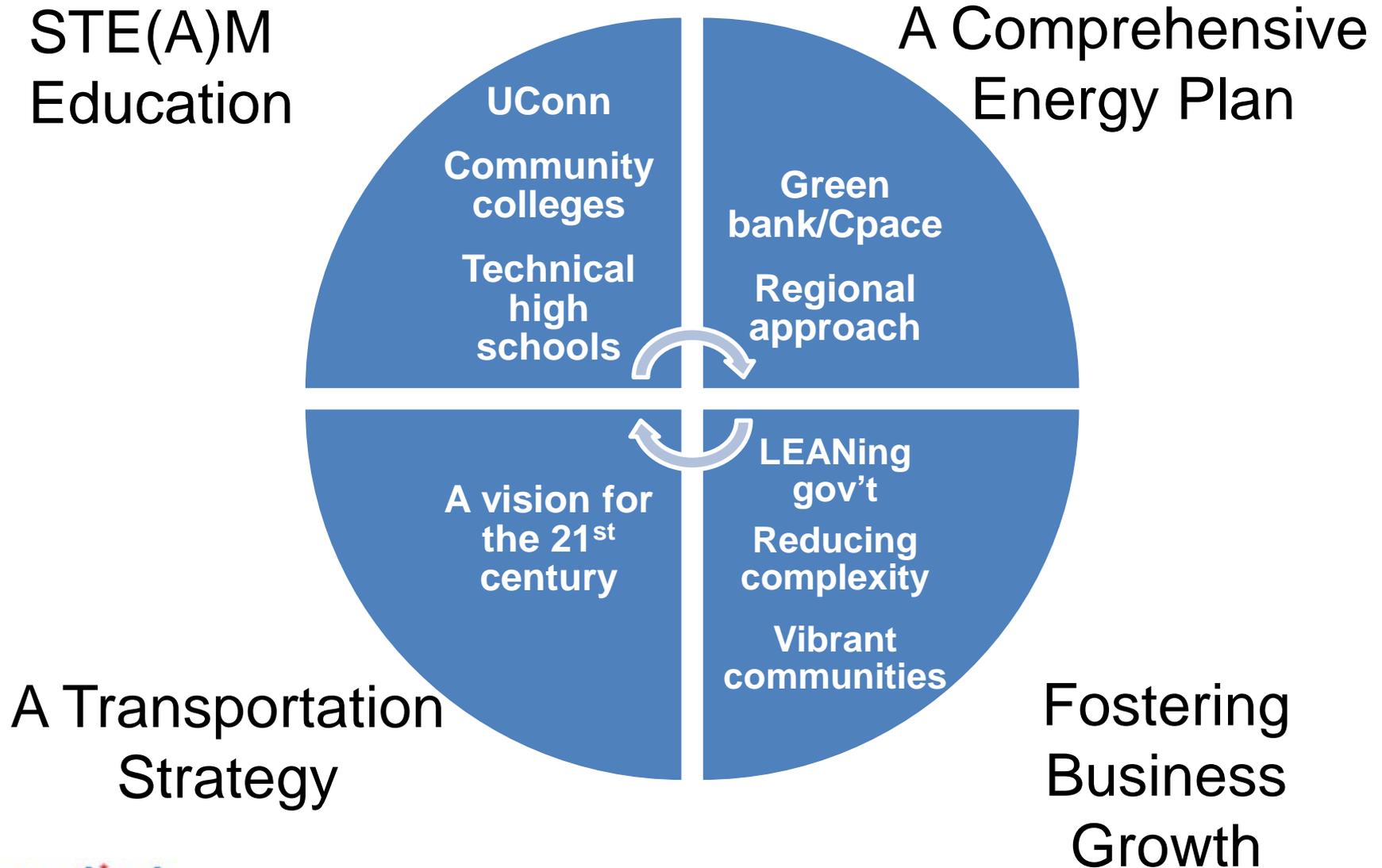
<sup>2</sup> Bureau of Labor Statistics

<sup>3</sup> Connecticut Economic Review, 2015

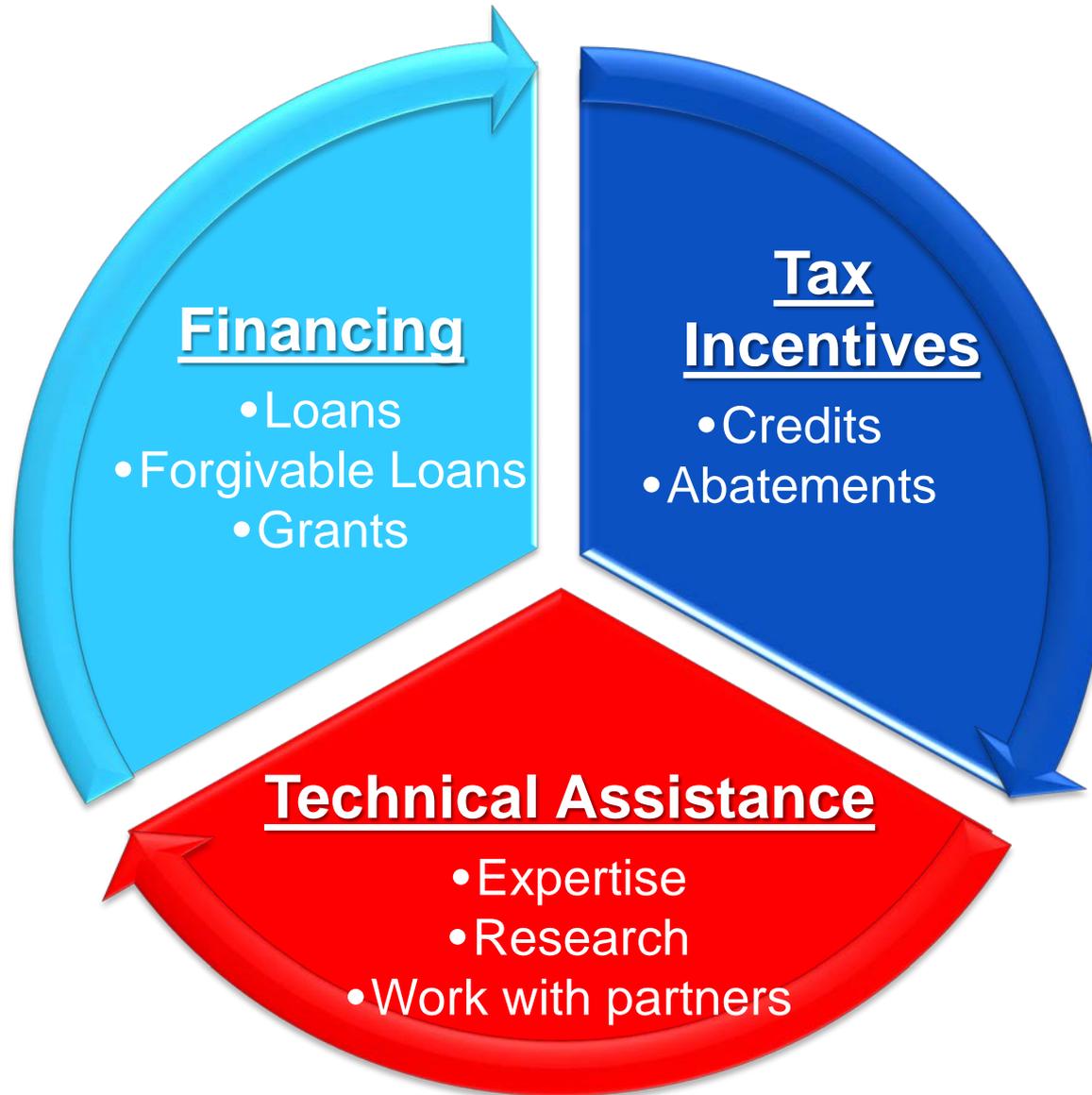
<sup>4</sup> Connecticut Economic Review, 2015

<sup>5</sup> Connecticut Economic Review, 2015

# A Comprehensive Approach



# DECD Toolbox



# Small Business Express Program

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

- Matching grants of up to \$100,000 or loans/forgivable loans in amounts up to \$300,000
- To date, 1,476 companies have been provided more than \$226 million in financial assistance
- Companies promise to create 5,698 jobs and retain 16,393
- All industries are represented – including manufacturing, healthcare and bioscience, business and financial services, construction, and main street retail



# Manufacturing Innovation Fund

**Assists manufacturers to make innovative, strategic investments needed to remain competitive, win new contracts, and grow jobs**

- Focused on talent development
- Advisory board, made up of industry leaders, sets agenda
- New programs:
  - Voucher program has approved 183 applications for \$6,408,144
  - Incumbent worker training up and running
  - Apprenticeship program launched; 54 apprentices registered



# Manufacturing Assistance Act (MAA)

**Incentive-driven loans, grants for mid-sized companies growing jobs and building their businesses in CT**

**Since 2011 DECD has been assisting mid-sized companies:**

- 124 companies in 53 different municipalities in the state's largest urban centers, suburban towns, and small rural communities
- 30,849 jobs retained and 6,587 to be created
- \$332M in total state assistance leveraging \$941M
- 60 manufacturing (48%) and 13 financial service (10%) companies were funded, all in our targeted business growth sectors



# First Five Program

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

- 13 projects across several targeted clusters including Insurance/Financial Services, Healthcare/Biotech and Digital Media
- 13,526 jobs to be retained; 2,600 to 5,264 jobs to be created
- Over \$256M in direct state assistance leveraging \$1.3B in private investment
- Diversity of geographic locations including Bloomfield, Bristol, Hartford, New Haven and Stamford

# The State Can Support Businesses In A Variety Of Other Ways

## High-impact services include:

- Support for brownfield remediation, transit-oriented development, and transportation improvements
- Regulatory and permitting assistance
- Site selection assistance
- Introductions to key businesses and institutions



# Brownfield Remediation

- Since 2012 the state has invested about \$140M in more than 100 brownfield projects
- For every \$1 invested by the state, non-state partners have invested another \$4.99
- By comparison, since 1995, the feds have invested \$190 million nationally for brownfield cleanup

# Permit Ombudsman

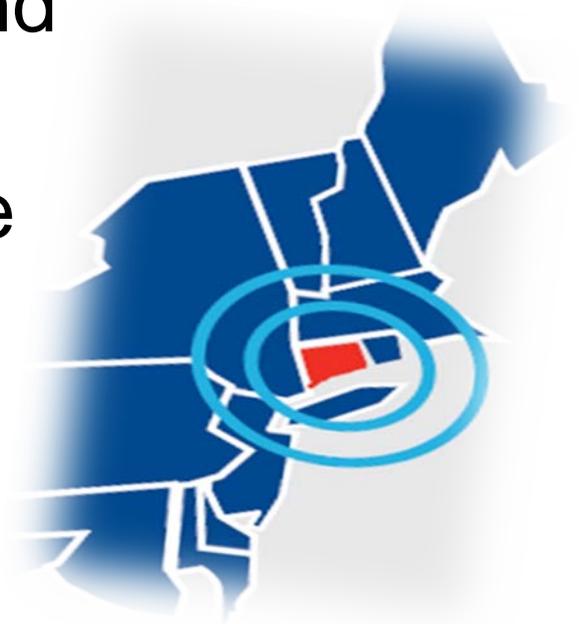
- The Office of the Permit Ombudsman expedites regulatory state agency (DEEP; DOT, etc) approvals for certain projects
- Its mission is to enhance Connecticut's competitiveness by coordinating state permits and advancing significant qualified real estate and business development projects
- The Permit Ombudsman serves as a catalyst for the creation and expansion of businesses



# Conclusion

## Connecticut is poised for strong growth:

- Strong base of businesses and institutions
- Well-educated and productive workforce
- Vibrant, livable communities with convenient access to East Coast hubs
- Focused on making it easy for companies to grow



# DECD



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