



## MEMORANDUM

**To:** Economic Development Committee

**From:** Simone Weil, Garrett Ballard-Rosa, and Annie Byrne

**Date:** July 17, 2012

**Re:** Freight Cluster Drill-Down: Implementation

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Nurturing the region's industry clusters is one of the main recommendations from the Human Capital chapter of GO TO 2040. The plan directs CMAP, with the support of its partners, to perform "drill-down" analyses into specific established industry clusters, including freight, advanced manufacturing, and biotech/biomed, to better understand them. The first report completed is the Freight Cluster Drill-Down; the summary and technical documents are available [here](#) and the overview presentation is [here](#).

The report describes the leading challenges and opportunities within infrastructure, innovation, and workforce and then identifies implementation actions in response. Lead implementers, including a variety of public, private, and nonprofit entities, have been identified as the entities best positioned to carry out these actions. The implementation action areas provide a framework that CMAP and its partners will use to capitalize on recent momentum concerning freight issues. It is the intent that this report will highlight freight's importance to the regional economy, challenges facing the cluster, and most importantly, opportunities for coordinated action.

Transitioning into the implementation phase requires collaboration and involvement of multiple entities. CMAP asks the Economic Development Committee to help launch the implementation phase through a brainstorming session, similar to the Gravity Tank facilitated exercise in October on expanding successful workforce development programs. The committee will be divided into small groups and asked to respond to brainstorming prompts that are focused on two of Drill-Down's implementation actions. The goal of this exercise is to develop actionable next steps as to transition into the implementation phase. Two implementation actions were selected to begin this process, but based on the outcomes of this session, the committee may be asked to complete a similar exercise for the other implementation actions.

## Implementation Action Area Discussion #1:

### Maintain Comparative Advantages, Promote Innovative Industries, and Bolster Underperforming Sectors of the Cluster

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**Next Steps:**

*Align current economic development strategies to build on regional strengths.*

*Target effective economic development resources to innovative industries.*

*Showcase the innovative strengths of the region to early stage financing firms.*

*Bridge current cluster gaps by bolstering underperforming and attracting underrepresented industries.*

**Lead Implementers:**

*Governor's Office, Illinois Department of Commerce and Economic Opportunity (DCEO), local economic development practitioners*

Metropolitan Chicago specializes in key freight activities that seem primed to benefit from new innovations. Capturing those innovations within the region would fuel future growth in the cluster.

Innovative trends include:

- Supply chain management
- Intelligent transportation systems
- Fuel efficiency and alternative fuels
- Backhaul utilization
- Modal transferability
- Intermodal facility operations
- Carrier improvements

Capturing these innovations will build on the region's comparative advantages in logistics and intermodal moves. The cluster can also be strengthened by bolstering underperforming and underrepresented industries including couriers, specialized freight and water freight. While these industries are less specialized in northeastern Illinois, they are more concentrated in other parts of the tri-state area such as northwestern Indiana, showing that more regional coordination is needed.

### Brainstorming Prompts:

- What are ways to target resources towards the industries that are fueling innovation? What makes this difficult to do now?
- What are ways to draw attention to the innovative activity of regional firms, and promote freight innovation opportunities to early stage financing firms?
- What are ways to bolster activity and grow firms in industries currently underrepresented in the region?
- What are ways to engage the listed lead implementers?
- What resources are needed to implement this action?
- What are ways the committee can follow-up on this action and continue to be involved?

## Implementation Action Area Discussion #2:

### Address "Soft-Skills" Training Needs

**Next Step:**

*Build collaborations to deliver soft-skills training that is relevant to the freight cluster.*

**Lead Implementers:**

*Freight industries, community colleges, universities, community-based training providers, and WIBs*

Industries from across the cluster should collaborate with WIBs, community-based organizations, community colleges, and training providers to address the need for soft-skills training that is relevant to the workforce gaps in the freight cluster.

### Brainstorming Prompts:

- What are ways to identify and strengthen existing collaborations that provide soft-skills relevant to the freight cluster?
- What resources are needed to bolster existing and invest in new initiatives focused on soft-skill development?
- What are ways to engage existing and new partners?
- What are ways to lead this implementation action?
- What are ways the committee can follow-up on this action and continue to be involved?