



GLOBAL CITIES INITIATIVE

A JOINT PROJECT OF BROOKINGS AND JPMORGAN CHASE

EXPORT PLANNING

GUIDE TO WRITING A METRO EXPORT PLAN

The core deliverable of a metro export initiative is the written export plan. This plan should be a 15- to 20-page document that makes a simple compelling case for exports as a key driver of the region's long-term economic success and provides a logical path for achieving stated goals and objectives.

This guide is designed to support local teams involved in developing and writing a metro export plan. The high-level points to consider when writing the export plan are:

- ▶ The plan should make a compelling case for exports as a key driver of the region's long-term economic success.
- ▶ The objectives and strategies should directly relate to (be driven by) the key findings of the market assessment.
- ▶ The plan should be a clear, easy-to-read document that serves as a vehicle for educating a wide range of audiences about the export opportunity and the approaches the region plans to pursue to take advantage of it.

CONTENTS OF AN EXPORT PLAN

The export plan should include at least these basic sections:

1. Rationale for Exports
2. Key Findings from the Market Assessment
3. Goal(s)
4. Objectives
5. Strategies and Tactics
6. Performance Measurement
7. Summary of Key Policy Proposals
8. Implementation Plan Summary

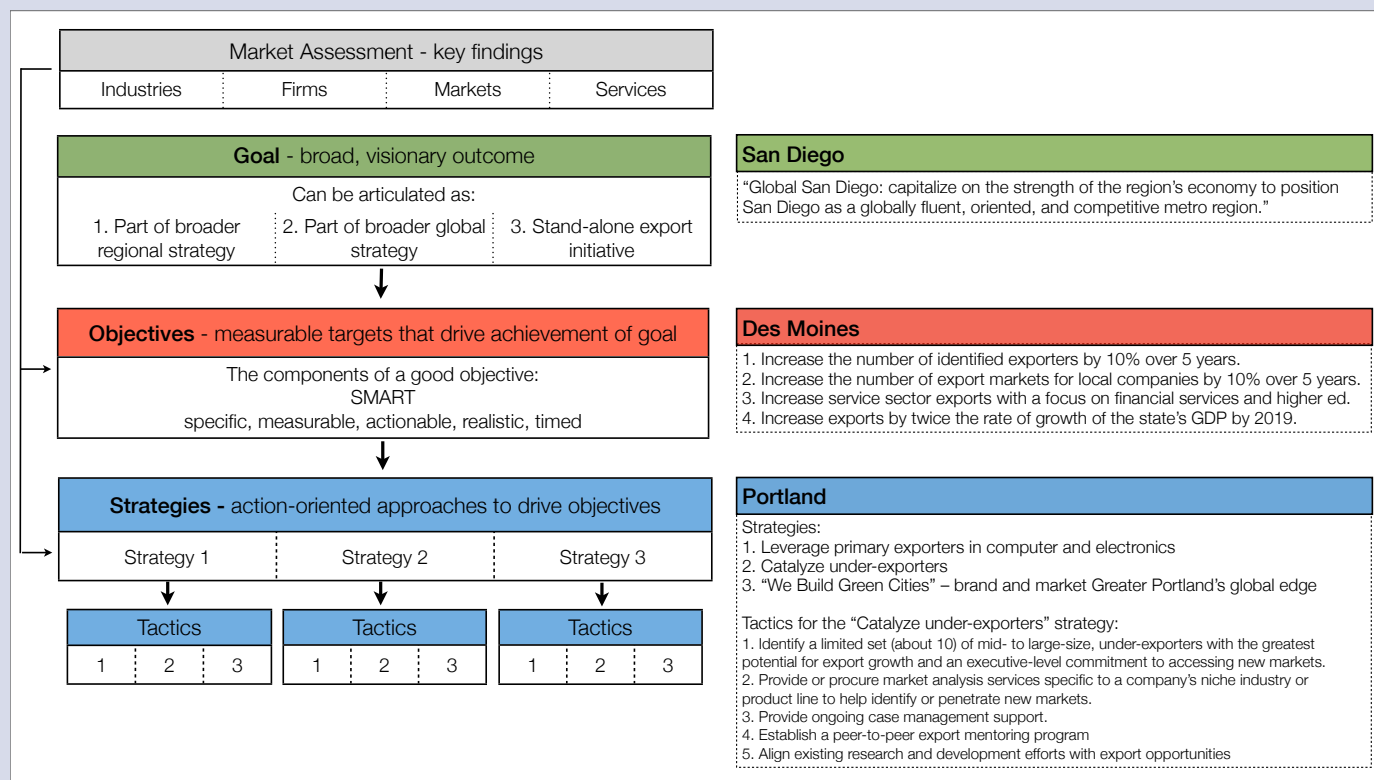
And may include an additional section covering:

9. Marketing and Communications Plan

The remainder of this guide covers the first six sections in more detail.

CLARIFYING GOALS, OBJECTIVES, AND STRATEGIES

It is critical that each section of the export plan clearly reference and build off a consistent set of themes and findings developed in the market assessment. Creating a clear and compelling narrative requires a basic understanding of the relationship between findings, goals, objectives, and strategies.



1. RATIONALE FOR EXPORTS

A plan to boost a region's exports must start with a compelling explanation of why exporting is critical to economic growth and competitiveness and how metro areas are positioned to act on export potential.

This should include sections on why exports matter (to firms and regions), why now is the right time to embrace exports, how global economic growth is shifting, where current export efforts and services fall short, and why metro areas are critical to the pursuit of this challenge. For more, please see pages 6 to 8 in Brookings' [Ten Steps to Delivering a Successful Metro Export Plan](#).

EXAMPLE RATIONALES

- ▶ Growing global market: 83 percent of global economic growth is projected to occur outside the United States between 2013 and 2018.
- ▶ Jobs: Every \$1 billion in exports generates, on average, over 5,600 jobs.
- ▶ Metro role: Metro areas are uniquely positioned to increase the pipeline of export ready companies, due to their existing networks, outreach programs, and relationships with local firms.

For more data, see the "Export Fast Facts" section of the [Market Assessment Guide](#).

2. KEY FINDINGS OF THE MARKET ASSESSMENT

The key findings are the most important takeaways and results from the market assessment, drawn from data research, surveys, and interviews. These findings should directly inform and drive the goals, objectives and strategies.

The goals, objectives, and strategies in the metro export plan should be developed as a direct response to the key findings of the market assessment. The findings, therefore, must be outlined and summarized at the beginning of the export plan. This will establish the logic behind the solutions that are developed and prioritized.

In this section, provide a bulleted list of the six to 10 most critical findings using summary headline statements that clarify each key point. Follow each of those headlines with a paragraph and data graphics that support and further elaborate on them. The role of this section is to pull the unique findings together in a way that tells a clear, compelling story.

SAMPLE KEY FINDINGS STATEMENTS FROM SAN DIEGO'S EXPORT PLAN

► ***San Diego is under-performing on exports***

San Diego's export economy has struggled to make significant gains in growth over the last decade, growing at a pace of 1.44 percent from 2002-2010. While San Diego's Gross Metropolitan Product (GMP) has grown slowly, exports have not kept pace. This is contrary to national trends, which have seen an increase in export intensity (export share of Gross Domestic Product or GDP). Although San Diego ranks 17th in total export value, GMP and population size, it is only 55th in terms of export intensity. With this relative drop in export intensity, San Diego's competitiveness among other metropolitan areas is suffering.

► ***San Diego's exports are shifting toward the Pacific Rim***

San Diego's top export markets are comparable to the top export markets for the nation. The top five export markets - Canada, Mexico, Japan, China and the United Kingdom - account for almost 40 percent of San Diego's exports. Over the past decade, exports from the San Diego region have shifted from a focus on Atlantic-based trade to Pacific-based trade. Exports to European markets have slowed while exports to Southeast Asia, East Asia and Latin America have grown. China, Korea, Brazil, Singapore, and Taiwan have emerged as San Diego's fastest growing foreign markets for exports.

To view the full key findings statements and resulting strategies, see the [San Diego metro export plan](#). For a more comprehensive overview of what should be included in the market assessment, see the [Market Assessment Guide](#).

3. GOALS

Goals are broad, visionary outcomes of what you hope to ultimately realize as a result of an array of strategies and efforts.

To develop goals for your export plan, consider the following questions: What do you hope to ultimately accomplish? Why, in the end, are you doing an export plan? In asking these questions, take into consideration existing regional plans and how the export plan relates to them. Typically, the goals of the export plan will take one of three forms:

1. Sub-component of a comprehensive regional economic development plan/vision. In this case, the goal of the export plan is to support the achievement of the established regional goal. Therefore, the export plan can simply restate the regional goal or certain objectives of the regional goal that could be advanced through export growth.

METRO EXAMPLE COLUMBUS

As part of a comprehensive regional growth strategy called Columbus 2020, a coalition of private and public sector leaders established four regional objectives in 2010 to be achieved by the year 2020. Rather than develop a separate goal for exports, Columbus chose to tie its export plan directly to the following objectives of the regional growth strategy: 1) create 150,000 net new jobs; 2) increase per capita income by 30 percent; 3) attract \$8 billion in capital investment; and 4) be recognized as a national leader in economic development. The objectives, strategies and tactics of the Columbus Metro Export Initiative were developed as one of many distinct efforts to directly support these regional priorities.

2. Part of a broader global initiative. In this case, the export initiative is designed to be a key driver in achieving a goal related to global competitiveness or global fluency. If this broader global goal is not already established, it can be developed during the export planning process.

METRO EXAMPLE SAN DIEGO

San Diego used the export planning process to catalyze regional efforts around a bigger, more visionary goal: Global San Diego. This goal is designed to capitalize on the strength of the region's economy to position San Diego as a globally fluent, oriented, and competitive metro region. Efforts to attain this goal will be most strongly led by a global trade and investment strategy, including written plans for both exports and foreign direct investment.

3. Stand-alone initiative with the goal revolving around increasing exports or number of exporters and the potential impact of those improvements on the regional economy.

METRO EXAMPLE SYRACUSE

Many early metro area export plans adopted the goal of doubling exports in five years, in keeping with the high-reaching target of the National Export Initiative, which President Obama announced in 2009. Led by Centerstate CEO, Syracuse was one of the metro areas that adopted the goal of doubling exports. Because it provides an easy, understandable sound bite, this goal helped to introduce exporting to regional media, businesses, and economic development organizations. However, achieving this goal has been more of a challenge than expected. And because Centerstate publicized this goal at the launch of the plan, it often has to field inquiries from the media and other stakeholders on how it is performing. Further, this goal creates a misperception that CenterState's activities have a direct and immediate impact on the region's

export performance when in reality, the programs and services it is currently launching may not impact export growth for several years. Syracuse and other metro areas have come to the conclusion that “doubling exports” represents more of an objective than a goal. Asking themselves why they want to double exports led to the creation of goals that better fit their overall metro area aspirations. In other words, increasing exports became an objective designed to support the attainment of a broader overall regional goal.

4. OBJECTIVES

Objectives are more specific, measurable outcomes or targets that are designed to drive achievement of a bigger picture goal(s). An objective should be a simple statement that clarifies a specific target you want to achieve in a given period of time. An acronym often used to clarify the components of a good objective is SMART - specific, measurable, action-able, realistic, and timed.

A critical part of developing objectives is determining how they can be measured. Objectives depend on the availability of measurable outcomes and good data, which can be limited. (The methodology used for Export Nation data makes it unsuitable for measurement of year-to-year regional export performance.) This requires the team to be creative in establishing objectives that work to support the stated goal(s) and in coming up with ways to evaluate progress over time.

It is important to ensure that stated objectives align with the activities that the metro area wants to undertake. This may require creating several objectives that target different components of the overall goal. For example, a single objective to double exports could lead an export initiative to focus almost solely on the largest firms that already export, at the expense of small and medium sized businesses that have high export potential. Including a different or additional objective to double the number of local firms that export would place a greater focus on SMEs and could also help develop a broader global culture in the region.

EXAMPLE OBJECTIVES

- Double exports in five years
- Double the number of metro area firms that export within five years
- Increase the pipeline of export-ready companies by 100% within three years
- Increase export intensity to at or above the U.S. average within five years
- Increase SME engagement in global trade by 50 percent in five years
- Mainstream exports into economic development efforts within three years
- Establish a culture of global business in the region within the next decade

5. STRATEGIES AND TACTICS

Strategies represent the approaches developed in the planning process that the team believes will drive the region toward achievement of stated objectives and ultimately contribute to overarching goals. They should be action-oriented and clearly address key findings from the market assessment. The tactics describe exactly how the region will put strategies into action.

The goals and objectives of an export plan will largely dictate the associated strategies. However, given a set of goals and objectives, teams still have some latitude to shape strategies and tactics to address certain key considerations. These include the need to balance short-term successes with efforts to achieve more fundamental long-term change, and the need to target priority firms and clusters while allowing for adequate flexibility to ensure buy-in across industries and geographies.

Consider these questions when developing strategies:

- What were the biggest takeaways from the market assessment? What were the biggest “Aha!” moments for the group?
- What is unique about your region and how can you use this to jumpstart your export efforts? How will the strategies leverage distinct industry clusters, opportunities in certain overseas markets, and unique local assets to achieve goals and objectives?
- Should there be a strategy related to export services, such as regional coordination and alignment of (typically fragmented) federal, state, and local efforts? This might include how to successfully support a company as it moves through the process.
- Are there some clear opportunities that represent “low hanging fruit” that would demonstrate early successes and that could help prove the concept and generate regional buy-in for the export initiative? Is there a strategy that you would like to “pilot” to test how well it works in pushing the region toward attainment of stated goals and objectives?
- Are there long-term, more impactful strategies that should be pursued?
- How can performance for each of these strategies be tracked and monitored?

EXAMPLE STRATEGIES FROM METRO EXPORT PLANS:

- **Portland:** 1) Leverage primary exporters in computer and electronics; 2) Catalyze under-exporters; 3) “We Build Green Cities”—brand and market Greater Portland’s global edge
- **Minneapolis-Saint Paul:** 1) Connect companies to global opportunities through a unified export team; 2) Promote global advantages, starting with health and wellness
- **Los Angeles:** Establish the Los Angeles Regional Export Council
- **San Diego:** 1) Develop and increase SME’s capacity and capability to export; 2) Leverage the trade potential of the CaliBaja bi-national mega-region
- **Louisville:** Sell “Kentucky Made” to the world—strengthen the region’s image as a place for global business and promote the sale of Kentucky products to foreign markets
- **Des Moines:** Promote Central Iowa as a leader in agriculture and biosciences
- **Syracuse:** Expand exports of the region’s services sector

Each of the strategies is supported by a set of tactics that specify how the metro area will actually execute the strategy.

EXAMPLE TACTICS FROM METRO EXPORT PLANS

► *Portland: tactics for “catalyze under-exporters”*

- 1) Identify a limited set (about 10) of mid- to large-size, under-exporting companies with the greatest potential for export growth and an executive-level commitment to accessing new markets
- 2) Provide or procure market analysis services specific to a company’s niche industry or product line to help identify or penetrate new markets
- 3) Provide ongoing case management support
- 4) Establish a peer-to-peer export mentoring program
- 5) Align existing research and development efforts with export opportunities

► *San Diego: tactics for “develop and increase SME’s capacity and capability to export”*

- 1) Roadmap export services
- 2) Establish an export mentoring model
- 3) Host Leapfrog—a competitive challenge program for SMEs looking to break into exports, but lacking financial security
- 4) Establish a Go-Early approach for San Diego incubator programs to infuse global strategy planning into early stage companies
- 5) Leverage talent and existing university programs

6. PERFORMANCE MEASUREMENT

Identifying different types of performance measures will help metro areas systematically track the effectiveness and impact of their strategies, publicize progress, prove the concept, and gain buy-in and resources, and maintain accountability of all organizations involved in implementation. Regions should consider how to track each of the four types of measurement in the below table.

Metro areas should avoid implying that their export strategies directly drive overall regional export performance. A wide array of global forces impact a region’s export volume, many of which are beyond the control of regional actors (e.g. shifting industry demand, national trade policies, currency fluctuations). Further, as previously discussed, efforts to track the “impact indicators” detailed below are often stymied by lack of data. Well-designed “outcome indicators,” both quantitative and qualitative, allow regions to measure performance according to factors that they can control.

| Type of Measurement | What It Measures | Metrics to Measure | Metro Example |
|---------------------|---|---|---|
| Output Indicators | While output indicators do not address the real or potential impact a metro’s initiatives are having on a region, they provide a window into how a team of regional partners are performing in developing and implementing their plans. | <ol style="list-style-type: none"> 1. Total partners engaged on steering committees, core groups, or working groups 2. Attendees participating in export plan launch events or information sessions 3. Total dollar value of new funding commitments received for export related activities and operations 4. Number of new partnerships, event series, initiatives, marketing / outreach efforts, and programs launched to address exporting | Syracuse set a broad goal of doubling regional exports for its CenterState Export Plan. Recognizing that it would take a number of years to develop the programs and services and achieve a high level of participation from potential exporters, the Syracuse metro has reported on implementation indicators that show they are making progress toward their ultimate goal. The Syracuse metro has repeatedly reported to their advisory board the total value of new funding that was raised to support export growth since the launch of their plan and the total participants in educational seminars and launch events. |

| Type of Measurement | What It Measures | Metrics to Measure | Metro Example |
|----------------------------------|--|---|---|
| Outcome Indicator (Quantitative) | Outcome indicators address regional changes in export activity at the local, metro or regional level | <ol style="list-style-type: none"> 1. Number of new firms entering the export service system or the export supply chain 2. Overall demand for export assistance services 3. Total value of insurance or working capital loans provided to a metro by Ex-Im bank 4. Use of regional export assets and infrastructure facilities (marine and air service) 5. Number of companies and total participants in export trade missions 6. Number of companies entering new export markets 7. Trends in export services and industry clusters 8. New sales contracts | Recognizing the need to push small and medium sized businesses toward global markets, the Louisville-Lexington region decided to focus their plan on the goal of increasing "export successes" by 50 percent in five years. The region defines export success as companies that enter new foreign markets, expand within existing foreign markets, or begin exporting for the first time. For the partners in Louisville-Lexington it was important to set a goal that could easily be addressed through regional indicators that are relatively easy to track. |
| Outcome Indicators (Qualitative) | Metros should consider qualitative changes that occur as a result of the export planning process. | <ol style="list-style-type: none"> 1. Integration of a global perspective in economic development discussions 2. Use of export strategies and metrics in larger regional economic development efforts 3. Increased media coverage for export success stories and progress updates 4. Participation of business leaders as champions for the export plan 5. Adoption of recommended export policies | A key objective for Brookings and JP Morgan Chase in developing the Global Cities Initiative is positioning global engagement strategies as core components of regional approaches to economic development. By integrating exports and global investment into the economic development conversation, metros will consider other, less resource-intensive approaches to growing jobs aside from business attraction strategies. In the Minneapolis Saint-Paul (MSP) region, a regional economic development plan launched in 2011 recognized the need to shift toward global markets as part of the region's overall efforts to stay on the cusp of national economic trends. By including the recognition of exports in the regional economic development plan, the MSP region effectively infused the work of the Global Cities Initiative into their broad economic development strategy. |
| Impact Indicators | Macro regional export indicators provide estimates on how a region or metro is performing in terms of exporting. | <ol style="list-style-type: none"> 1. Export value 2. Export intensity 3. Export related jobs 4. Rankings in comparison to the top 100 metros 5. Industry level export value 6. Percentage of overall regional product made up by exports 7. Services / manufactured goods export ratio | Wanting to set the tone in their region that international business will drive future economic growth, the Portland region set a goal of doubling the region's exports within five years to match the National Export Initiative. This bold goal allowed Portland to position the plan as a key component of all economic development activities in the region and provided an easy to remember refrain that explained Portland's intentions for participating in the metro export program. |

About the Metropolitan Policy Program at the Brookings Institution

Created in 1996, the Metropolitan Policy Program provides decision-makers with cutting-edge research and policy ideas for improving the health and prosperity of cities and metropolitan areas, including their component cities, suburbs, and rural areas. To learn more, visit www.brookings.edu/metro.

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