

TO: Program Planning & Development

DATE: 05/26/05

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Selection of “Industry Cluster”

PROPOSED MOTION(S): Continue the process to select an industry cluster for a pilot project to begin work on the Workforce Investment Board’s (WIB) Strategic Goal 1.

DISCUSSION: WIB Goal 1: Train and attract adaptable workers to fill industry needs.

- **Focus initially on a single industry; do a pilot project which will focus on understanding and addressing its needs.**
- **Develop a focus group for that industry to identify needs.**
- **Formulate a plan to address the needs of that single industry.**
- **Implement the plan.**

ATTACHMENT(S):

- 1. Partnering on Economic Development**
- 2. Industry Clusters**

Attachment 1: Information taken from April 12 teleconference and hosted by Greg Newton Associates.

Workforce Board Leadership:

**Partnering on
Economic
Development:**

**Creating the
Workforce Advantage**

You can target by ...

The supply side...

- **Job Seekers**
- **Employment Goals**

The demand side...

- **Econ Develop Links**
- **Industry Clusters**
- **Common Skills**
- **HR Capacity**

High-Growth Job-Training Initiative National Targeting Criteria:

- **Add substantial numbers of new jobs to the economy; or**
- **Have a significant impact on the economy overall; or**
- **Impact the growth of other industries; or**
- **Are being transformed by technology requiring new skill sets for workers; or**
- **Are new and emerging businesses that are projected to grow.**

The Twelve National Sectors Targeted ...

- **Health Care**
- **Biotechnology**
- **Automotive**
- **Manufacturing**
- **Transportation**
- **Financial Services**
- **Information Tech**
- **Geospatial Tech**
- **Retail**
- **Construction**
- **Hospitality**
- **Energy**

Industry Clusters:

Competing, complementary, or interdependent firms and industries that do business with each other and or have common needs for talent, technology, and infrastructure.

Industries in a cluster share buyers, suppliers, processes, and technology. Cluster industries utilize the same set of skills and tap into the same knowledge base and workforce in an area.

Targeted Industry Clusters:

- **Greatest potential for wealth creation**
- **Return exceeds investment**
- **Not just a laundry list**
- **Emphasis, not exclusivity**
- **Cluster assistance aids all components**
- **Common response for common good**

Attachment 2

Industry Clusters

WIB

1. Healthcare & Education
2. Business Services
3. Agriculture / Food Processing
4. Wood/Metal Fabrication
5. Tourism, Visitor Services,
and Hospitality
6. Warehouse Distribution
7. Construction/Materials,
And Ancillary Services
8. Childcare

**Merced County Economic Development
Strategic Plan, March 2003**

1. Health
2. Information Technology & Tele-services
3. Agriculture & Food Processing
(include Organic)
4. Manufacturing (Including Wood
products, Fabricated Metal Products,
Transportation Equip)
5. Visitors & Tourism
6. Warehousing & Distribution
- (Not Addressed)
- (Not Addressed)
7. Environmental (including analytical
services, consulting/engineering services,
recycling services, waste management
services, remediation services
8. Software, E-Commerce, Information
Technology
9. Electronics

Industry Clusters:

Competing, complementary, or independent firms and industries that do business with each other and/or have common needs for talent, technology, and infrastructure.

Industries in a cluster share buyers, suppliers, processes, and technology. Cluster industries utilize the same set of skills and tap into the same knowledge base and workforce in an area.