

2014 Priority Setting



SAN DIEGO
REGIONAL
EDC





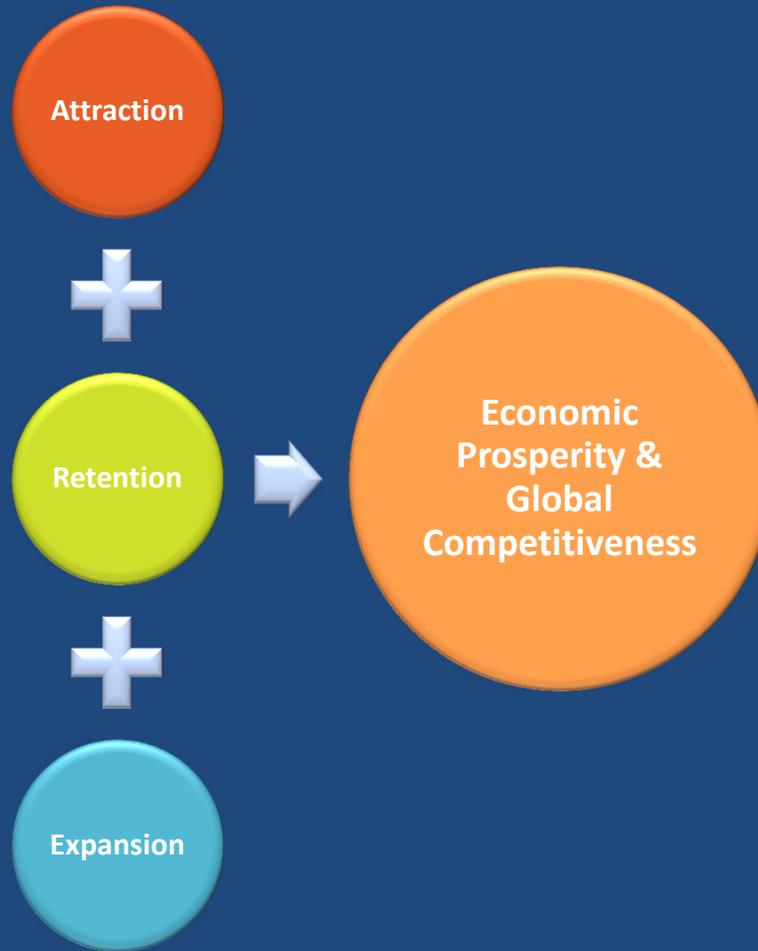
WHO WE ARE

Mission: San Diego Regional Economic Development Corporation's mission is to maximize the region's economic prosperity and global competitiveness.

Vision: The San Diego Region will be a pillar of the global economy and a magnet for investment, talent and innovation.

Values: Collaboration, Integrity, Accountability, Innovation, Vision

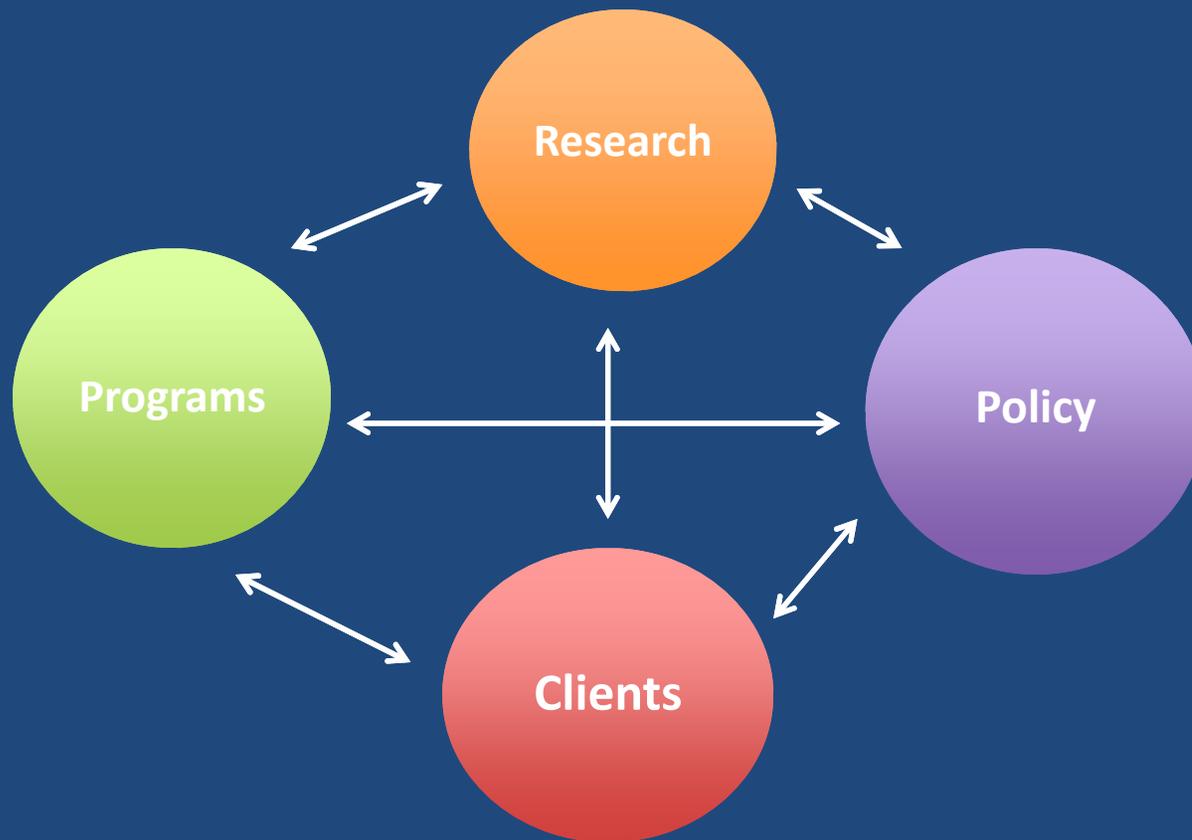
What is Economic Development?



Our Context – Our Filter



Our Context – Our Filter



Planning Timeline





The 2014 Issues



Emerging Industries: Where can San Diego lead and how?

Capital: Chicken or Egg? Enough capital or enough good ideas? How do we address defining the problem?

Global Competitiveness: How can San Diego gain a greater share of the conversation?

The Economic Recovery: Stable economic growth and stable political leadership, what are the opportunities and how do we realize them?

BRAC-like Process: A threat or opportunity, how do we address?

Talent: Retain and Attract - how?

Global San Diego: Metropolitan Export Plan



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City of San Diego

Economic Development Committee 3.24.14

LEADERSHIP AND PARTNERS

■ CORE WORKING TEAM



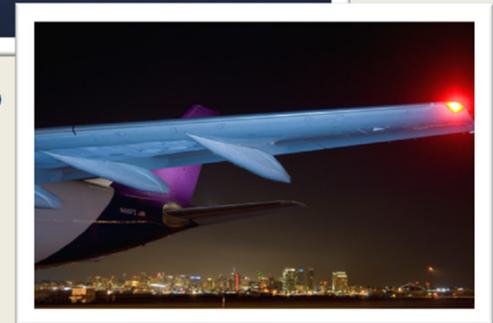
UC San Diego
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JPMORGAN CHASE & CO.



WHY NOW?

- “AMERICA’S PACIFIC CENTURY”
- REGION’S EXPORT ‘ECOSYSTEM’ AND UNITY OF PUBLIC-PRIVATE PARTNERSHIPS
- MEGA-REGION
- SAN DIEGO’S EXPORT COMPETITIVENESS IS LAGGING OUR PEERS.



THE MARKET ASSESSMENT PROCESS

Market Scan

6,147

data points reviewed
Submitted 12/7/12
Updated 2/25/13

- Executed by IR/PS Market Assessment Team using Brookings' Export Nation data
- Reviewed by San Diego Core Team

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Market Survey

316

surveys completed
Piloted 12/10 – 12/31
Launched 1/8

- Designed and implemented by IR/PS Market Assessment Team
- Distributed by San Diego Core Team

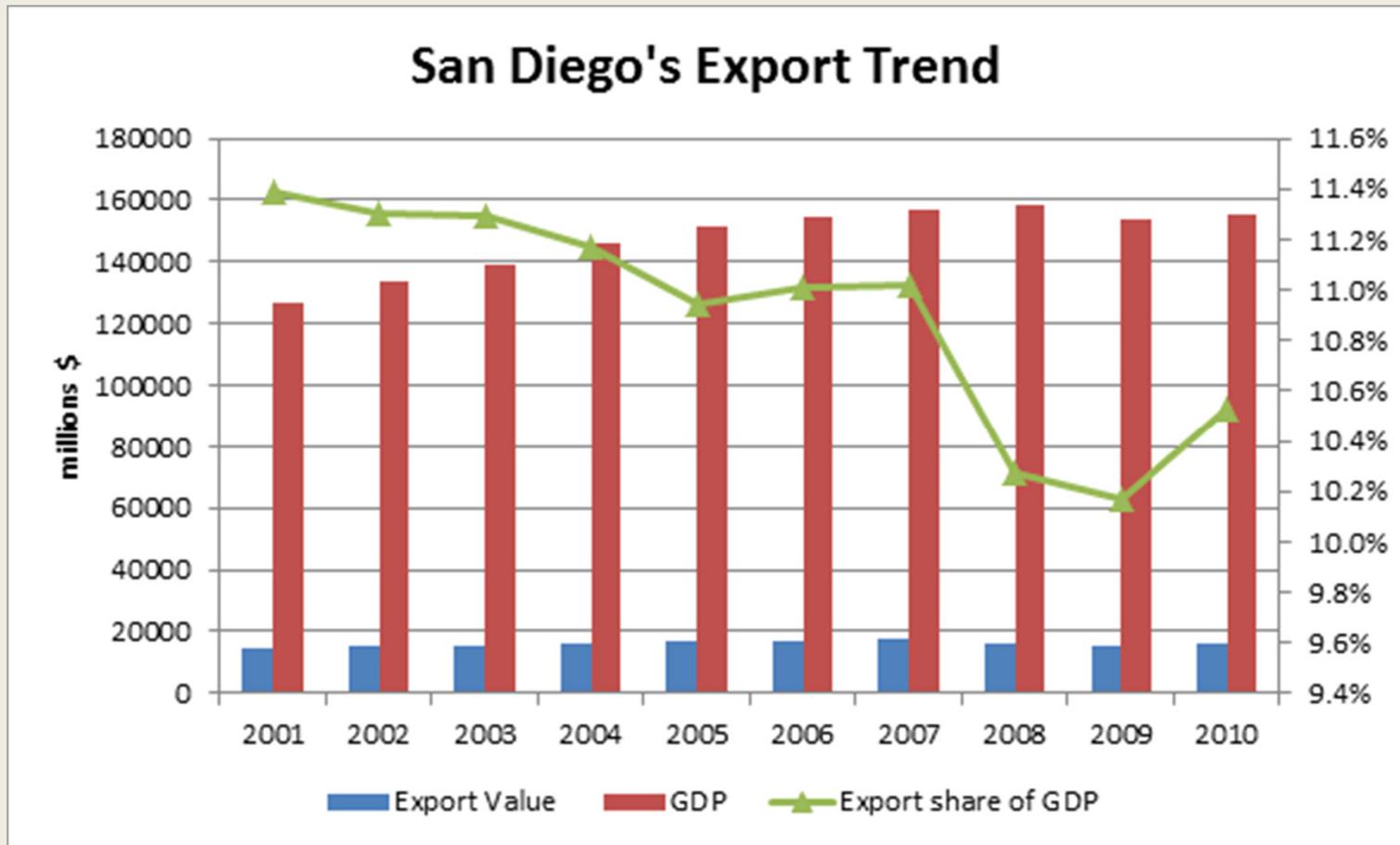
Local Intelligence Interviews

21

interviews completed
from 2/1 – 2/22
+10 pending

- Executed by team of 12 IR/PS Enumerators in conjunction with 6 Core Team partners
- Interview Guide authored by IR/PS with support of SDREDC and Brookings

MARKET SCAN: DECLINING EXPORT INTENSITY/'10 GDP=\$171 BILL

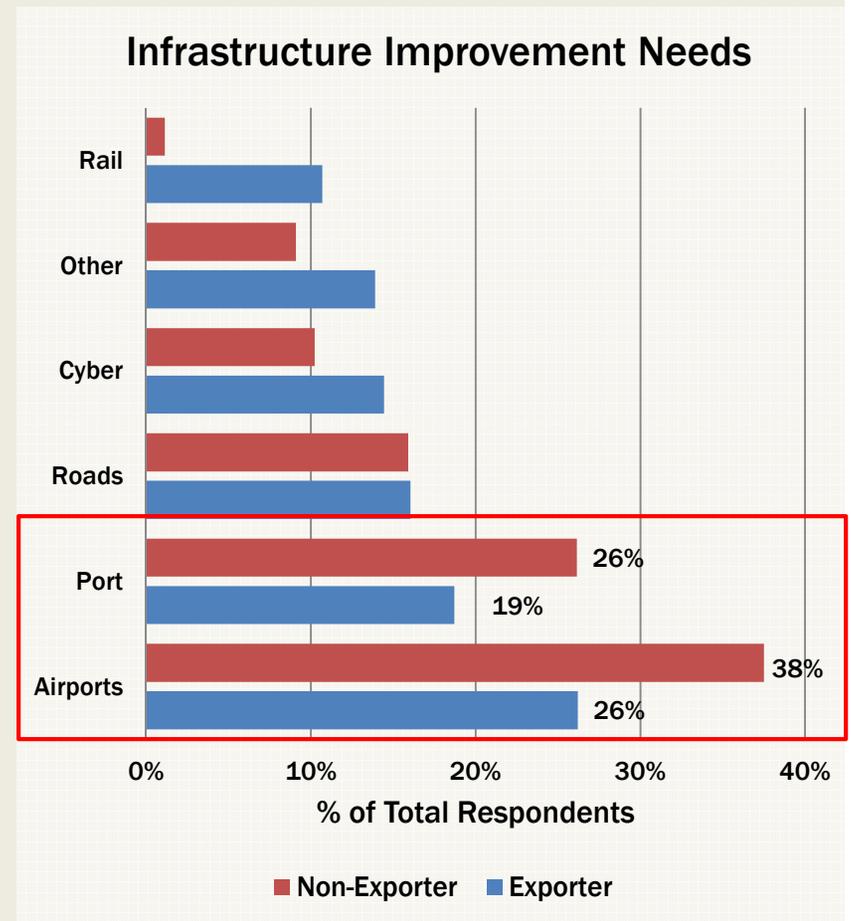


Source: U.S. Department of Commerce, Bureau of Economic Analysis

MARKET SURVEY: KEY CHALLENGES & OPPORTUNITIES

■ Challenges

- Small and medium sized enterprises (SMEs) with untapped growth potential
- Infrastructure
 - Airport
 - Port
- Talent engagement & retention
- Market diversity



MARKET SURVEY: KEY CHALLENGES & OPPORTUNITIES

■ Opportunities

- SMEs – increase number of new to export/market
- Increase export capacity and collaboration via regional ports of entry
- Explore region's human capital:
 - Abundance of highly skilled talent
 - Immigrant population as export catalysts
- Market diversity – increasing inbound and outbound investments

GOAL

Maximize San Diego's Global Competiveness – Capitalize on the Strength of our Regional Economy



PHOTO SOURCE: San Diego Regional EDC

KEY THEMES

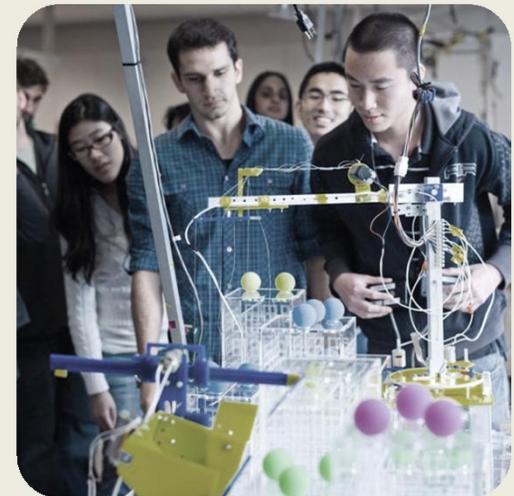


MARKET DIVERSITY: TACTICS/INITIATIVES

- Establish Team San Diego
- Focus on high-value and high-opportunity industries
- Focus on high-opportunity mature and emerging markets
- Lead high-impact missions
- Secure strong in-market partners/ambassadors
- Present market opportunities information (webinars, workshops, etc.)
- Create trade promotion collateral/guides for companies and target markets
- Develop a San Diego “Global Footprint” map
- Establish a Global Calendar of Events

TALENT & SMES: TACTICS/INITIATIVES

- ❑ Develop export mentoring model
- ❑ Leapfrog competition
- ❑ Infuse global strategy planning and export resources in San Diego incubator programs
- ❑ Roadmap export service
- ❑ Leverage existing university programs
- ❑ Host forums to support international growth promotion and overall engagement and retention of talent



INFRASTRUCTURE: TACTICS/INITIATIVES

- ❑ Define exports; conduct assessment to identify existing and needed infrastructure
- ❑ Establish a “Regional Infrastructure Council”
- ❑ Secure infrastructure funding to facilitate increased exports
- ❑ Protect existing export infrastructure (airport, border and port)
- ❑ Increase demand to support infrastructure (existing and new)



PHOTO SOURCE: ManufacturingToday.com and MexicoPerspective.com

BI-NATIONAL: TACTICS/INITIATIVES

- ❑ Encourage ongoing communication and data tracking/sharing
- ❑ Promote direct export opportunities through enhancement of existing border trade programs
- ❑ Facilitate supplier engagement in CaliBaja's global manufacturing base



MARKETING & COMMUNICATIONS: STRATEGIES

- Metropolitan Export Initiative Roadshow—showcase the Market Assessment
- Coordinated branding effort to support Export Plan launch
- Regional Export Website
- Metropolitan Export Plan Roadshow—showcase the San Diego Export Plan
- Support Market Diversity efforts

Global San Diego: Change The Conversation



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THANK YOU



Emerging Industries: Cyber Security



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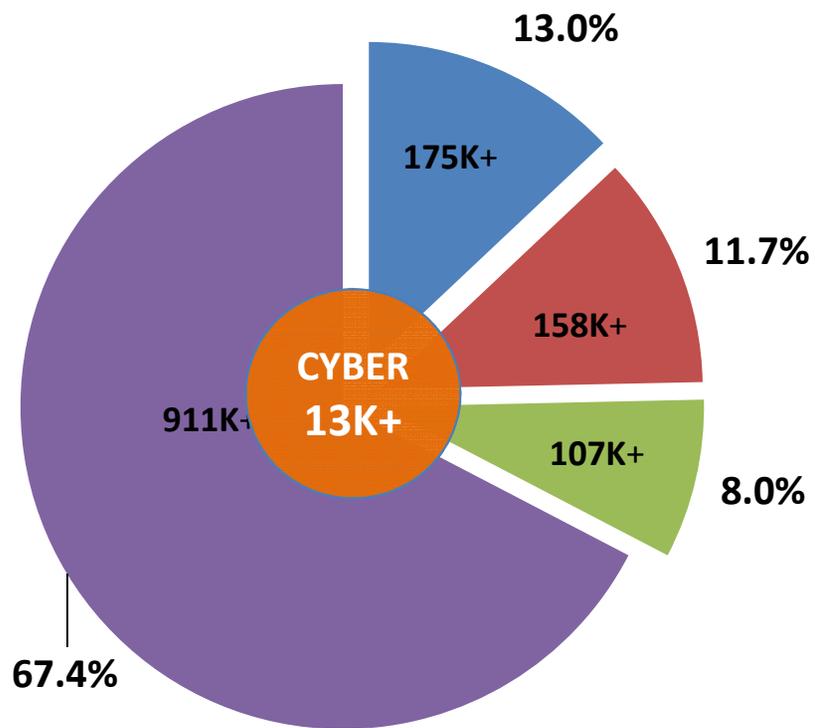
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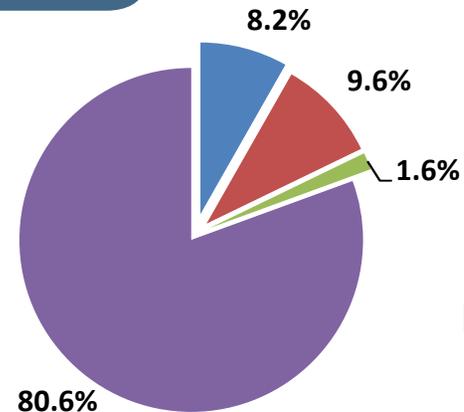
The Drivers

- 1 in 4 jobs in the region tied to DOD spending
- Pre-existing software and IT strengths
- The dual – usage track record
- Timing can be everything - the macro forces

TRADED ECONOMIES



San Diego



USA

- Innovation
- Tourism
- Military
- Local

Source: San Diego Regional EDC; Bureau of Labor Statistics; 2011 QCEW Data; US Census Bureau, County Business Patterns, 2011; Bureau of Economic Analysis is used to determine Federal Military totals.



QUICK FACTS

- More than **100 core cyber firms** employ at least **3,500 private sector** employees
- **SPAWAR adds 3,095** cyber professionals
- Overall, **more than 13,000 jobs** are impacted by the industry
- **\$1.515 BILLION in total economic impact** from the industry, which is more than the impact of hosting three super bowls every year
- **SPAWAR** alone impacts more than **6,100 jobs** and generates more than **\$705 million** in total economic impacts



TOTAL IMPACTS



Impact Type	Employment	Value Added (millions)
Direct	6,645	\$939.9
Indirect/Induced	6,624	\$575.4
Total Effect	13,269	\$1,515.3

SPAWAR IMPACTS



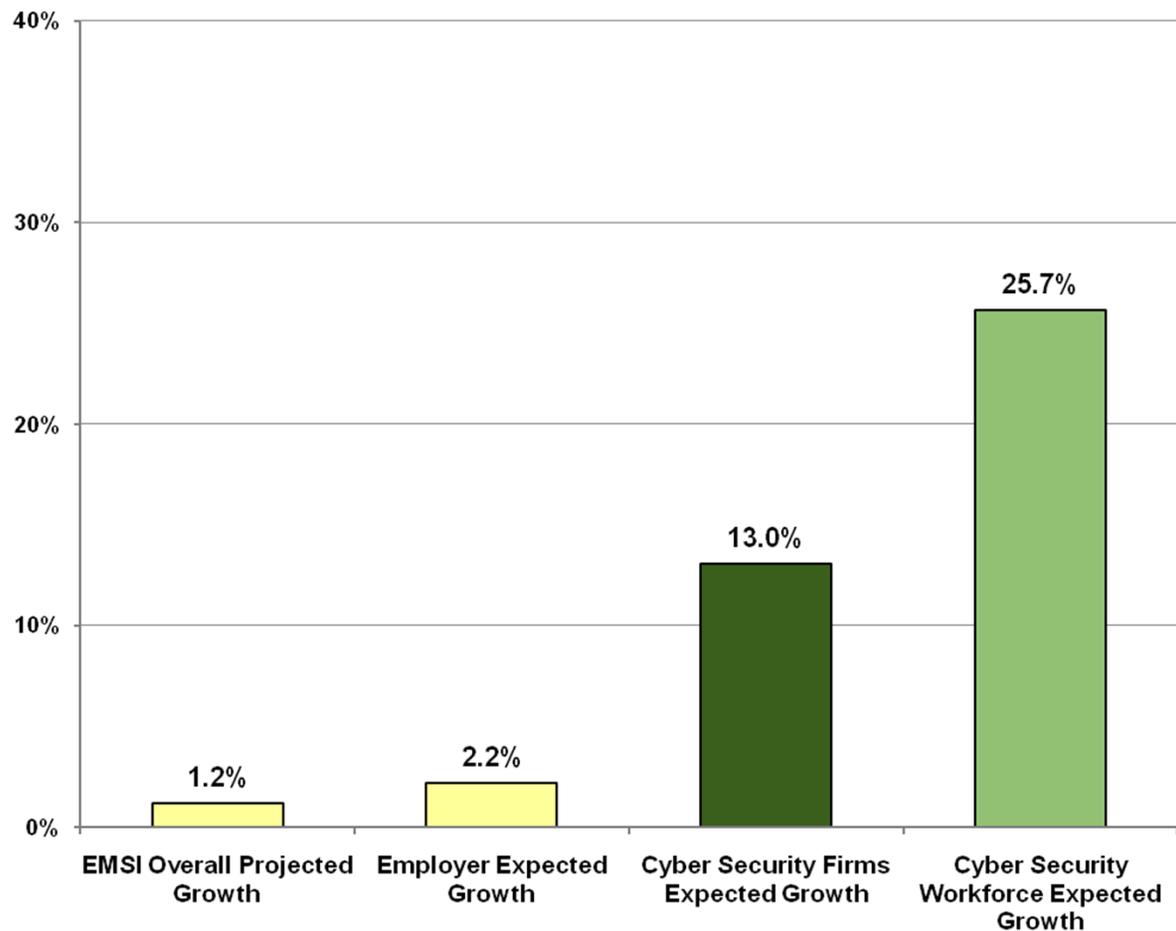
Impact Type	Employment	Value Added (millions)
Direct	3,095	\$437.8
Indirect/Induced	3,085	\$268.0
Total Effect	6,180	\$705.8



KEY EMPLOYER RESPONSES

Cybersecurity industry employment to grow by over 10 percent

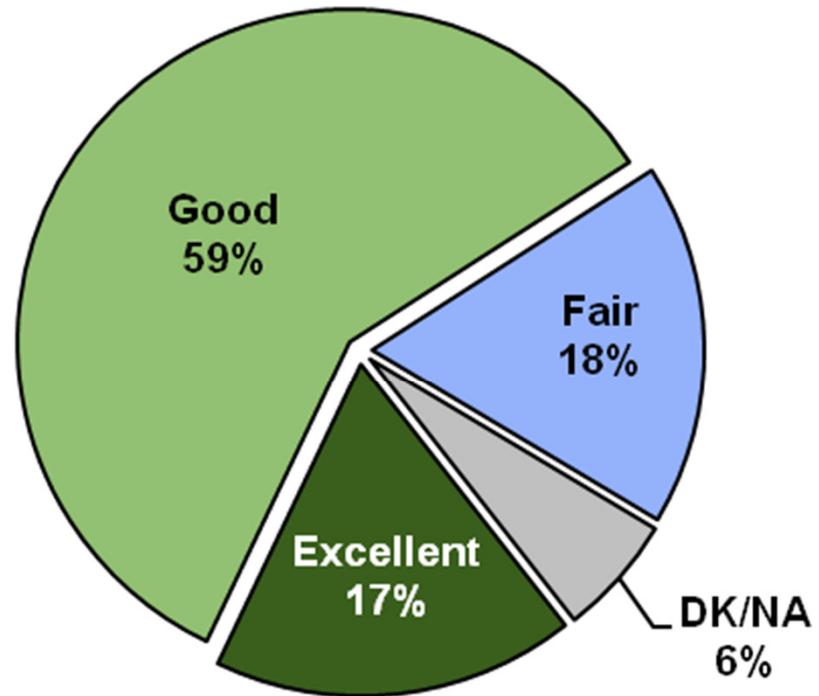
Cybersecurity workforce grow by over 25 percent



KEY EMPLOYER RESPONSES



More than **75 percent** agreed that San Diego was a **good or excellent** business climate

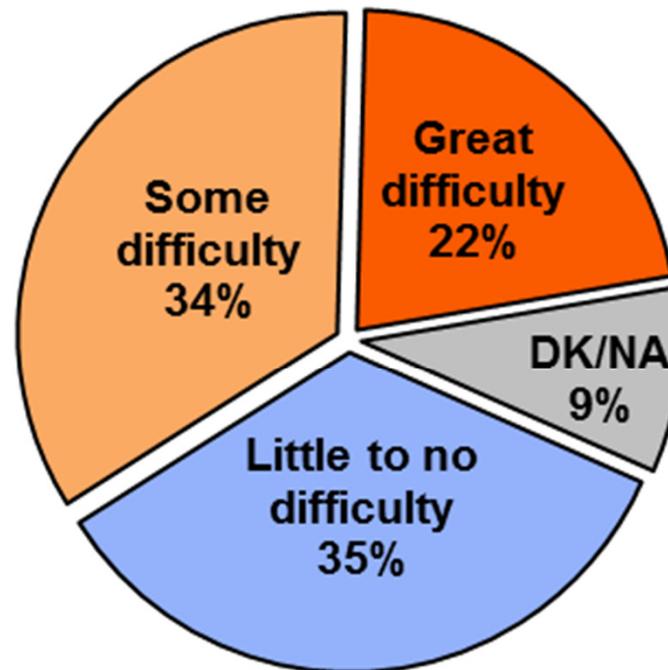




KEY EMPLOYER RESPONSES



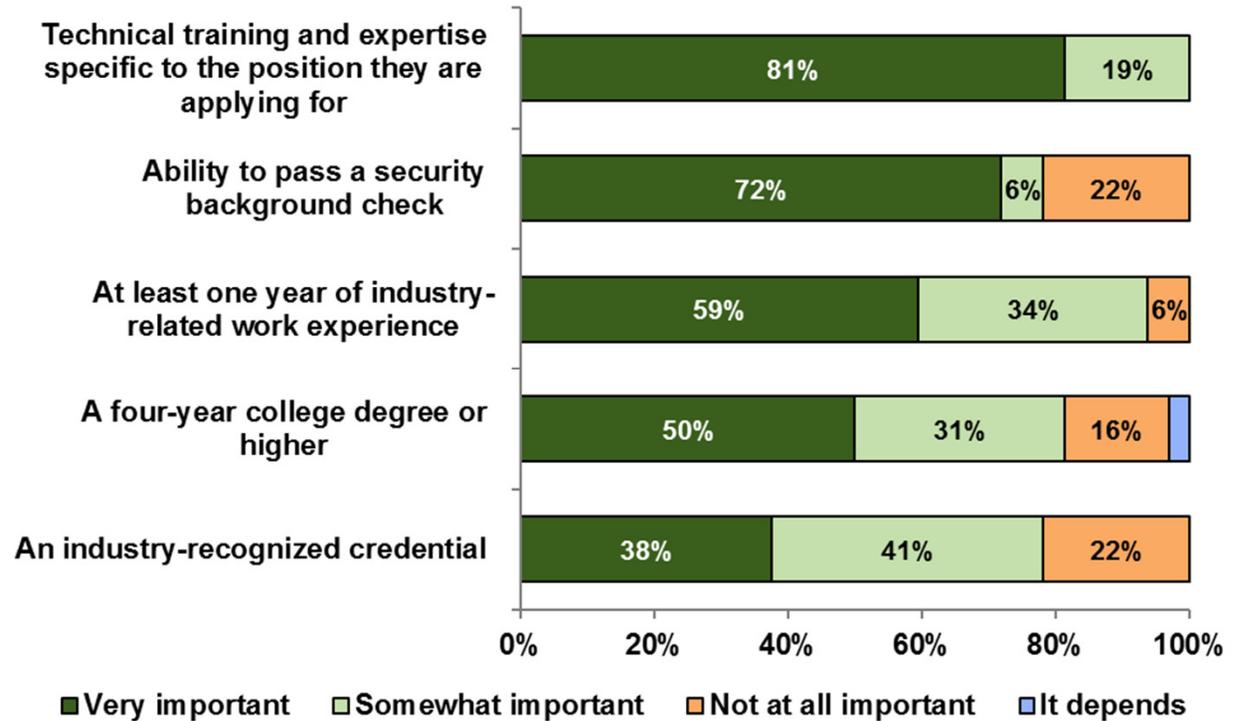
More than half of cyberemployers indicated that they had either **some difficulty** or **great difficulty** finding qualified applicants



LOOKING AHEAD



Technical training, expertise, and clearance will be more important than credentials and degrees



LOOKING AHEAD



Establish San Diego as a Cyber Center of Excellence

- **Address the need for talent**
- **Project San Diego's cyber strengths**
- **Protect and Grow SPAWAR's presence.**



Emerging Industries: Cyber Security



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Thank You

