

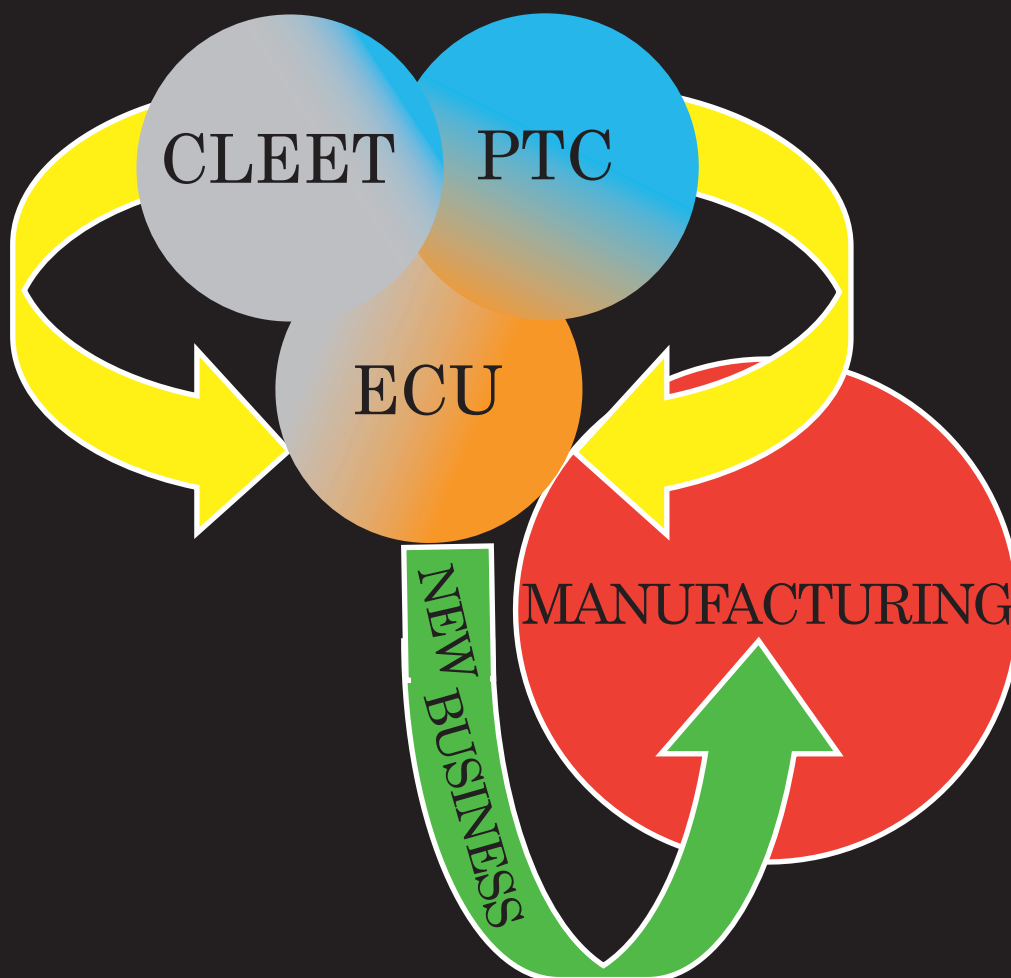


ADA JOBS FOUNDATION

VISION STATEMENT CREATION OF INDUSTRY TARGETED JOB CLUSTER

ADA, OKLAHOMA

LAW ENFORCEMENT, FIRE SAFETY, AND HOMELAND SECURITY
TRAINING AND MANUFACTURING OF RELATED PRODUCTS



Adopted by the Board of Directors January 28, 2005

Purpose

The purpose of this paper is to provide economic development partners and constituents of the Ada Jobs Foundation information regarding targeting additional jobs in the cluster of law enforcement, fire safety, and homeland security education, training, and related manufacturing. It is a working document, intended to help foster discussion and more detailed planning. Feedback is welcomed and can be sent to:

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Target Job Cluster

Education, training, manufacturing, and product development related to fire, law enforcement, and other safety and homeland security needs.

Background

For more than a decade East Central University in Ada, Oklahoma has operated a Criminal Justice degree program as one of its most successful professional and academic programs. ECU offers both Bachelor of Arts and Masters Degree programs in criminal justice. When students complete their Bachelor of Arts degree through the Collegiate Officers Program (COPS) at East Central University (ECU) in Ada, they have also completed the formal education requirements for certification as a peace or police officer by Oklahoma's

Council on Law Enforcement Education and Training (CLEET). ECU has developed close affiliations with the U.S. Department of Justice and is successful in competing for state, federal, and tribal grants in related programs such as Community Oriented Policing Services, campus safety, prevention of domestic violence, and distance learning for rural and tribal law enforcement agencies.

ECU's expertise in criminal justice and law enforcement education and their long-term relationship with CLEET were key to Ada's selection as the coveted home of CLEET's new training center. CLEET is an Oklahoma State Agency responsible for continuing education and certification of Oklahoma's criminal justice and law enforcement personnel.

Construction on CLEET's new \$25 million, 360-acre law enforcement training complex on the Northwest side of Ada in Pontotoc County began in 2004. The site includes dormitories, classrooms, a driving range, and a shooting range. When completed, CLEET's operation is expected to bring up to 500 visitors per day to Ada, including trainers, trainees, and conferees. Each day 150 cadets, employees, and instructors will be engaged in training at the CLEET facility. The facility can handle up to 100 students, plus 200 continuing education students. Students in regular training will participate in 9-week programs. Dormitories on campus will house up to 120 people. Students and instructors beyond that number will either drive back or forth, or seek other housing accommodations in Ada and the surrounding area. The facility will employ 40 full-time regular employees.

Recently, the Pontotoc Technology

Center (PTC) received funds from the Oklahoma State Legislature, through the Oklahoma Department of Agriculture, to build a new fire-safety training center in Ada at the Pontotoc Technology Center. In addition PTC conducts several programs preparing workers for homeland security jobs.

ECU, CLEET, and the PTC represent valuable “anchor assets” toward creation of a competitive advantage for the Ada area in creating jobs related to safety training and related products. In addition, Ada recently attracted a new division of Globe Manufacturing, the world’s largest producer of firefighter suits and other protective clothing for firefighters and EMS personnel.

These complementary undertakings represent the emergence of an industry cluster with potential for significant growth. Training for law enforcement and homeland security creates well-paid quality jobs while enhancing the quality of life in rural Oklahoma. Firefighters and EMS personnel are increasingly valued for the role they play as “first-responders” on the scene of an emergency, whether it be from natural causes, criminal activity, or terrorism. The Ada Jobs Foundation recognizes this emerging industry cluster and its potential competitive advantage for the Ada area and for surrounding counties of Southeast and South Central Oklahoma.

The Ada Jobs Foundation strives to make the best use of economic development dollars with targeted marketing. It is prudent to direct economic development efforts toward industries in which Ada will have a competitive advantage, rather than casting a wide net for all possible types of industries. This strategy is no different from

that of a hunter who has a better chance of success if he knows his prey before setting out. By drafting a vision, we intend to facilitate community input as to the characteristics of Ada’s future economy.

A diversified economy is always a goal; and so while the Ada Jobs Foundation has set out upon a targeted approach, we do not overlook opportunities for growth and diversification outside of identified targets.

DISCUSSION

What is an industry cluster and why is it relevant to economic development?

Industry cluster is a term made familiar by Harvard Business School Professor, Michael Porter. Porter studied the geographic groupings of businesses and determined that being close together geographically often has great value for businesses with certain commonalities. This sounds logical enough; yet the research behind the findings came at a time when most developers and policy makers were focused on the accelerating globalization of the economy and the new opportunities afforded by the Internet. Porter’s research brought back into focus the importance of place at time when some people began to think place might not matter anymore.

Once a critical mass of businesses in an industry cluster develops, businesses benefit by a local build-up of commonly needed skills and suppliers. Communities who recognize these commonalities can have more success in economic development if they focus their attraction and retention efforts on businesses who benefit from being near one another and

for whom the community already has some appeal. To learn more go to <http://www.isc.hbs.edu>, the web page of the Harvard Business School Institute for Strategy and Competitiveness. By working to develop targeted clusters, an economic development program can give the taxpayers a greater return on their economic development investment because after a certain point, an industry cluster gains a growth momentum of its own.

What are the advantages of focusing on a cluster in the area of law enforcement and fire safety?

First, as noted in the introduction, the Ada area already has a critical mass of expertise, resources, and activity related to law enforcement, fire safety, and homeland security. Second, concerns about public safety worldwide make this a growth industry.

ECU already has a national reputation for unique excellence in this industry:

- Training for rural law enforcement,
- Training Tribal law enforcement officers,
- Initiative for the prevention of domestic violence,
- Campus Safety, and
- Distance learning especially designed to meet the needs of the above.

Third, as the headquarters of one of the nation's largest and most successful tribal governments, the Chickasaw Nation, Ada has the potential to bring additional Tribal Law Enforcement and Fire Safety Training to the area.

In addition to the soon to be opened fire fighters' training center, Pontotoc

Technology Center conducts several programs preparing workers for homeland security jobs:

- Emergency Medical Tech Program, Basic, Intermediate, and Paramedic,
 - Nationally Certified Public Safety Dispatching, including Basic, Advanced, and Medical Dispatching,
 - Security Guard training, including Basic, Armed, and Private Investigation.
- Murray State College in nearby Tishomingo graduates 15 premier gunsmiths each year. East Central Oklahoma Blood Institute has a presence in Ada. This institution is responsible for innovative methods which produce the safest blood supply in the nation.

Revenues to buy the products or services of this industry will come from outside the region, increasing the overall size of our economy. In other words, to our local economy, law enforcement and fire safety training is an export industry. It is estimated that currently ECU has 90 Full Time Equivalent Employees whose salaries are funded by Federal or State grants. To put this in perspective, consider that in 2002, there were only 16 companies with more than 100 employees in all of Pontotoc County (County Business Patterns, U.S. Census Bureau.)

Training does not require, although it would benefit from, four-lane access to an Interstate highway system. Many of the surrounding and sometimes competing communities target distribution centers due to the nearness of the Dallas population center. Distribution centers will usually require four-lane highway as one of the essential location features.

Jobs funded by Federal and State

grants or by government agencies are usually of good quality, providing living wages and benefits such as pension and health care coverage. In 2002, the average wage for all jobs in Pontotoc County was \$22,665.00. In contrast, the average wage for government and government related enterprises was \$34,967, over 50% higher than the average for all types of jobs.

(This number includes a wide variety of federal civilian jobs, such as those at the EPA Environmental Research Center. It also includes tribal government jobs. The source is the Bureau of Economic Analysis, Personal Income series.)

By bringing training for law enforcement and fire safety to Ada, we help make it possible for more SE OK rural “first responders” to be able to afford training. This can, in some cases, lead to higher levels of performance on fire safety and crime standards, thus lowering insurance costs and improving our competitiveness for other types of business. Finally, this industry has almost no negative impact on the quality of air and water.

How does this strategy fit with other strategies, such as goals to develop more science jobs in the water quality research industry?

The two strategies are complementary. For example, the safety of the nation’s water supply is critical to national and public safety. Information management is important to both industries, allowing for spin-offs of new businesses in the area of information management. Geographic information systems are critical to both clusters. Technically skilled

geographers could move between the two industries without having to relocate out of the area. These are just a few of many examples of overlap.

It sounds like the cluster is already here. What is there for Ada Jobs Foundation to do in this industry cluster? How do we add value to the development and health of the cluster?

The most important role Ada Jobs Foundation can play in this sector is by targeting recruitment of other complementary businesses. For example, when selecting trade shows to attend and audiences for marketing, the Ada Jobs Foundation will target manufacturers who produce products for the law enforcement and fire safety training business. Globe Manufacturing is one example. Producing the highest quality protective clothing in a city known for fire safety training and expertise, will eventually be a positive selling point for Globe and a potential marketing opportunity as new products might be tested by trainees at the fire safety training center. The benefits will go both ways as trainees enjoy visiting factories where products on which their lives depend are produced. Thus the attraction of training in Ada is increased.

Additionally, Ada Jobs Foundation can focus on related issues that make Ada an attractive place to come for teaching, holding conferences, or training. For example, we may at some point consider the hospitality industry in Ada. As our economy moves into higher wage jobs, amenities and quality of life issues will increase in relative importance.

As Ada's national reputation grows in this and other industries, four-lane highway access will become more critical. If all else is equal, a city with good transportation access will win competition for conferences.

What about the chronically poor or underemployed in Ada who do not have the training to benefit from this industry? It seems most of the trainers will move here from other locations? The citizens who have lived here for many years are the people who have been paying sales taxes over the past few years to fund economic development? Where is their return?

By selecting primary targets for economic development, we focus our resources; however at the same time, we keep our eyes open and react to other opportunities. For example, manufacturing of products related to the targeted industry clusters can provide a wide variety of employment opportunities.

The important point we must remember, is that to the degree an economic development strategy is based only on selling our region as a place for low wage workers and low cost of living, we continue the cycle of poverty which has plagued Oklahoma over its entire history of statehood. If the only competitive advantage a business has is labor cost, then that business will eventually be forced to move out of this country or out of business altogether. Furthermore, compared to the wider international world, Ada's wages are high.

Recognizing that wages are based on productivity, both of the individual and of the business, we will continue to foster

programs aimed at raising the skill and education level of the existing workforce and to help existing businesses grow and prosper.

The same education and training programs that train law enforcement and fire safety can train others from the existing population to become trainers.

Proposed Goals:

Proposed Goal: Attract 2 new businesses producing products related to law enforcement and/or fire safety to the Ada area by 2006.

Proposed Goal: Support CLEET through its successful opening and ramp-up of operations at their new training complex.

Proposed Goal: Support ECU in its efforts to attract additional funding and programs. This support may take the form of letters of support, undertaking programs to address issues in the community which would make Ada more competitive, and other in-kind means of support as requested.

Proposed Goal: Undertake a program for on-going monitoring to allow estimates of the impact of this emerging industry cluster, such as number of hotel days purchased in Ada, number of employees, and local purchases made. (This will be important, since we will not be able to measure impact simply by looking at one payroll in one or two companies.) This will also reveal opportunities for new businesses to attract to Ada, such as out of state suppliers, etc.

Proposed Goal: Working in partnership with the Pontotoc Technology Center, help secure funding for additional training classroom space and equipment for

Fire Safety Training Center.

Proposed Goal: Engage elected officials in discussions of these goals and undertake to make sure elected officials are informed as to the needs and opportunities of this strategy.

Benefits

- Increased number of visitors and related spending.
- Quality jobs in education.
- New dollars into local area economy.
- Lower insurance ratings.
- Proficiency and greater competitiveness, thus more effective investment of economic development dollars.
- Increase attractiveness to specific targeted industry sectors.

END