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Partnerships Create the Foundation for Advantage Valley's Regional Growth



Terrell Ellis
Advantage Valley

Terrell Ellis is the President and Chief Executive Officer of Advantage Valley, Inc. Since 2016, Ellis has served as Advantage Valley's part-time Executive Director, successfully leveraging federal funding in support of regional business attraction and retention, foreign direct investment, entrepreneurship, outdoor recreation, and site development efforts. For more than 29 years, Ellis has been the principal of Terrell Ellis & Associates, a consulting practice that provided support to the public and private sectors on issues related to community and economic revitalization. She has also worked nationally on community and economic development initiatives with an emphasis on small- to medium-sized rural communities.

The Advantage Valley region, defined as the combined Charleston-Huntington Metro Areas, is competing on a global scale for new investments in manufacturing, clean energy developments, and talent attraction. The International Economic Development Council estimates that more than 15,000 localities compete for only 100 to 200 major business site selection opportunities each year. The competition among communities is fierce. Our mission to increase investment in the region is based on the recognition that corporate decision makers select locations based on proximity to markets, supply chain considerations, labor sheds, educational ecosystems, infrastructure, and business climate. These are the determining factors, not municipal or county boundaries. And for this reason, our regional marketing approach focuses on assets that include but are not limited to:

- A population of over 600,000 and a workforce of 350,000
- A robust transportation network that can reach 60% of the country's population in 8 hours



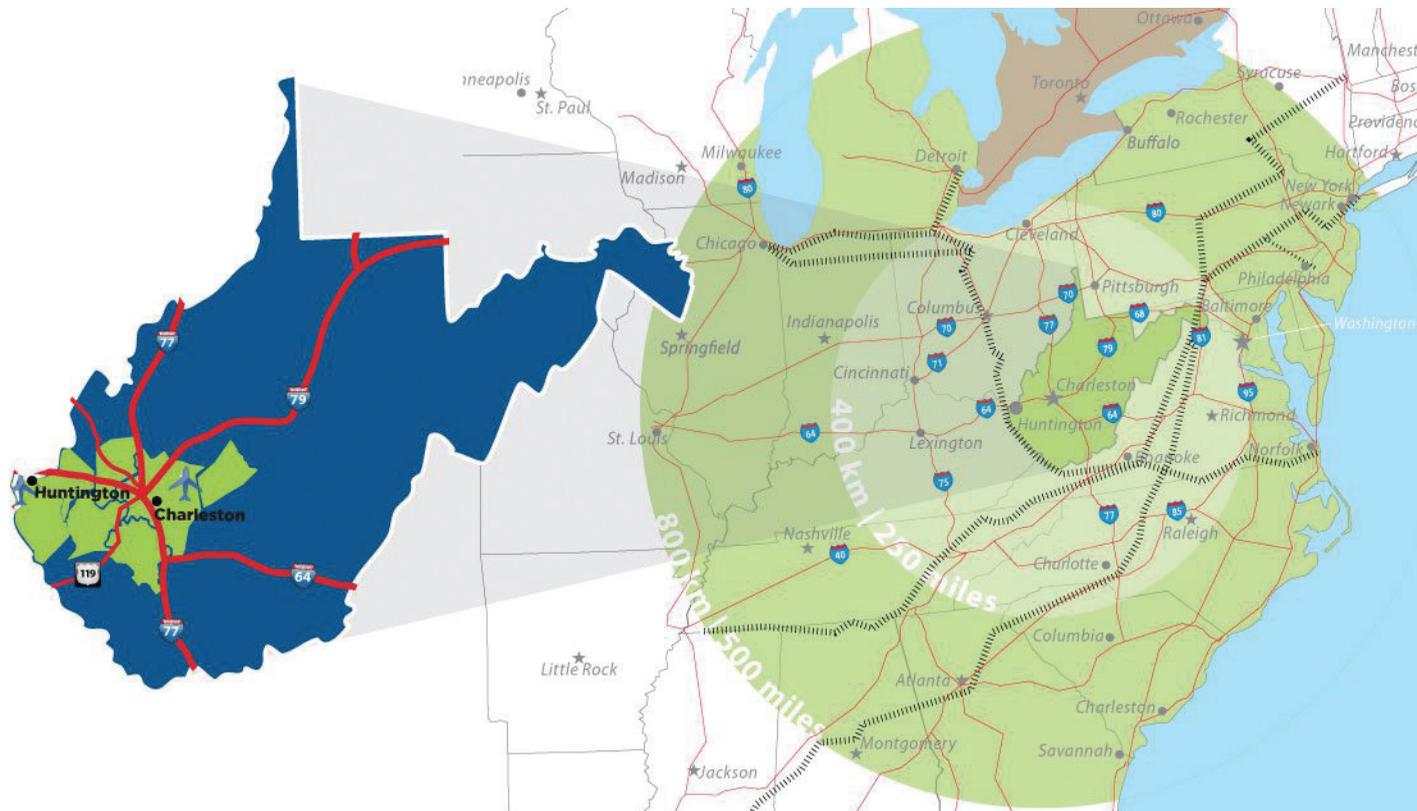
- Two airports that serve international travelers and accommodate heavy freight air service
- Three navigable rivers and the second largest inland port in America
- A competitive tax and regulatory structure, as well as low cost of doing business
- The country's lowest manufacturing turnover rate
- A 16% lower cost of living, safe communities, and access to West Virginia's unparalleled outdoor recreation resources

We have a great story to tell and a winning combination of factors that have created significant economic growth. Our close partnerships with the West Virginia Department of Economic Development and each county development organization

“We have a great story to tell and a winning combination of factors that have created significant economic growth.”

- Three universities, including an R1 research institution with a nationally designated Cyber Security Center of Excellence
- Customized workforce training programs at three community colleges and two advanced manufacturing facilities

means that we can more effectively use limited resources, eliminate competition among neighboring communities, and avoid duplication of efforts as we continue to grow the pool of prospects and offer our region a bigger bite at the apple.



Growing regional investment also means paying attention to those companies that have made a commitment to our region over many years. It is a well-known fact that 80% of all new jobs come from the expansion of existing businesses. With that in mind, we have created the Expanding Markets program to provide Business Retention and Expansion services to existing companies. Since 2021, and with generous funding from the U.S. Economic Development Administration, we have partnered with Marshall University's Advanced Manufacturing Center, Charleston Area Alliance, Putnam County Development Authority, Huntington Area Development Council, and Jackson and Mason County Development Authorities, to assist 225 unique companies with workforce development, infrastructure, financing, and a host of other matters. Our Supply Chain events have made 107 new connections between small manufacturing and professional services and large prime companies. And our Economic Gardening initiative provides customized digital marketing support to identify external markets that provide revenue growth opportunities for participating companies. All of this has helped to facilitate the creation of 441 new jobs, the retention of 422 jobs, and \$116 million of new investment in our region. The power of growing our existing business base is so often underestimated, but these results make the case that economic growth is equal parts attraction and internal growth.

And speaking of internal growth, no healthy regional economy functions without the start-up mentality of aspiring entrepreneurs. In 2022, according to the U.S. Small Business Administration, small businesses employed 112,000 people in

West Virginia. Approximately 96% of those were employed by businesses with fewer than 20 people. The statistics for West Virginia start-ups show areas of hope but also leave ample room for improvement, as represented by the following 2021 statistics provided by the Ewing Marion Kauffman Foundation:

- West Virginia's growth of new businesses was one-half of the national average
- Jobs created by West Virginia start-ups were 2.9 per 1,000 people versus 5.0 nationally
- 77% of startups survived at least one year compared to 78% nationally
- 85% of new entrepreneurs created a business by choice instead of necessity compared to 81% nationally

Our belief that entrepreneurship is critical for job growth, innovation, and our economy has led to the creation of Advantage Valley's FASTER WV program (Fostering Advantages for Startups and Entrepreneurial Resurgence in West Virginia) to boost our regional metrics. Through coaching, mentoring, technical assistance, and access to capital, FASTER WV creates a foundation of support that has facilitated the startup of 69 businesses that have created 122 jobs. FASTER WV's loan program is the only dedicated fund for business startups in the region. With a goal of creating future bankable clients for lenders, the loan fund plays an important role in capitalizing startups that are

CONTINUED ON PAGE 40



Terrell Ellis

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undercollateralized or too risky for conventional financing. With an average of 1.7 jobs per business created, we are truly focused on micro-enterprises that benefit greatly from intensive services and access to capital that launches them toward sustainability and, hopefully, future growth.

The unprecedented investment in our region highlights the need for community infrastructure to support a growing workforce. This includes quality and affordable housing and access to affordable childcare. To that end, Advantage Valley is sponsoring a 10-county housing study to quantify the supply and demand for housing at all income levels. This study will be complete in December and will be used to educate developers and community leaders on the market opportunities for new residential development to serve our existing residents and the

hundreds of new workers being employed at Nucor, Berkshire Hathaway Renewable Energy, Timet, Green Power Motor Company, and others. At the same time, we do not have the luxury of ignoring the growing need for more childcare across the state and region. In the Advantage Valley region alone, we estimate a current shortage of nearly 5,400 childcare slots and this number will grow as more people enter the workforce. We will be closely following proposed legislative changes in childcare funding and doing what we can through our entrepreneurship program to support the development of new childcare providers.

If our vision is to be an economically vibrant and innovative region that is competitively positioned to excel in the global economy, then we can no longer view each other as the competition because the world is our competition. And in order to compete, we must align our resources and assets to make a compelling case that this region is coordinated and works cooperatively to meet the needs of our businesses, industries, and communities. **V**