

Governor's Council of Economic Advisors

August 19, 2014

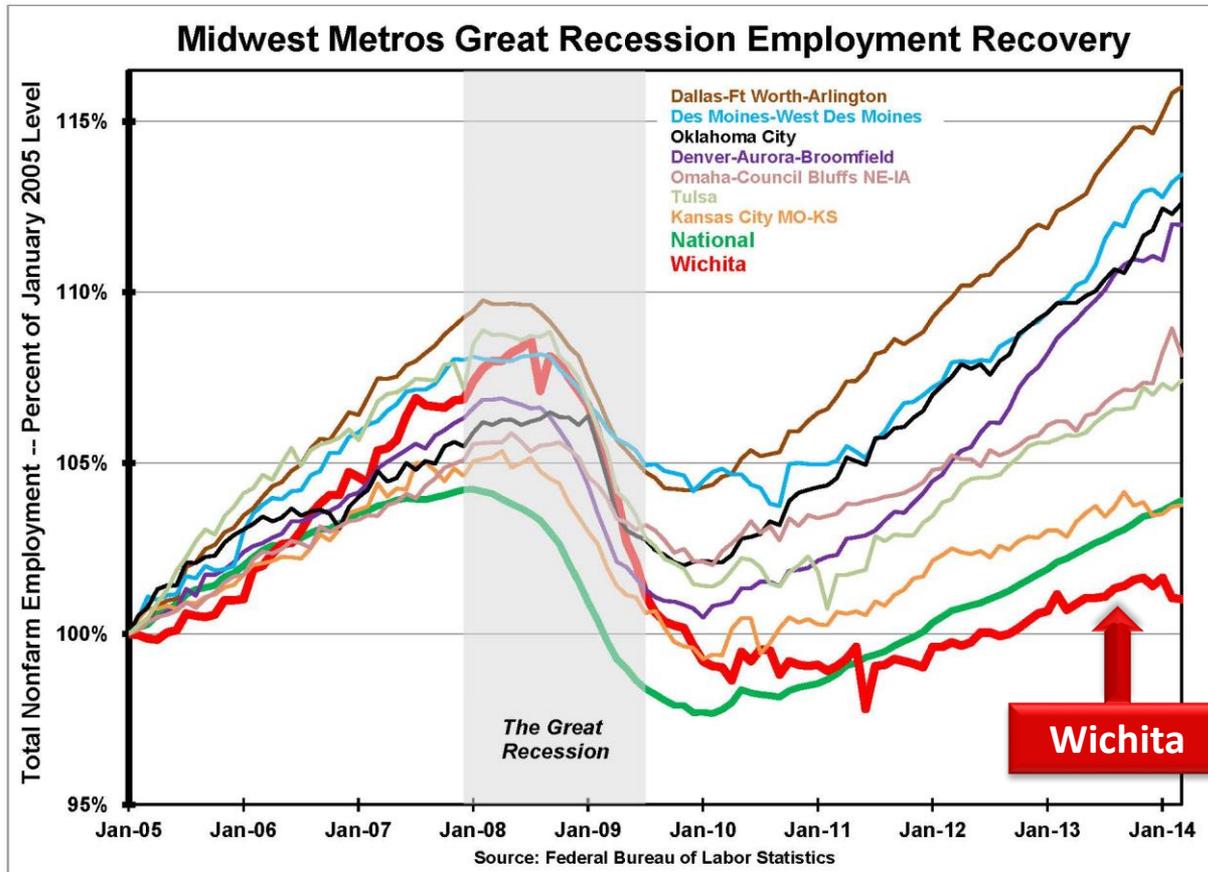
Wichita Regional Export Planning Initiative

**Global Cities Initiative (GCI):
A Joint Project of Brookings and
JPMorgan Chase**

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Why Focus on Exports?



What roll do exports play in job growth?

We are export-dependent -- nearly 28% of Wichita Metro economy depends on exports

- Increased exports = increased sales
- Sales = jobs
- \$1 billion in exports supports ~ 6,000 jobs

Exports: A strategic choice

- Recruit a \$700 million annual revenue company to Wichita resulting in 1500 jobs OR
- Increase existing \$7.7 billion in Wichita MSA exports by 10 percent – a gain of \$770 million
- USDOC estimates that amount of increased exports would support about 4300 jobs

Building a Regional Export Plan



- Brookings guidance, consultation & data
- Peer review
- In line with other regional planning efforts, e.g. IMCP
- One year process; complete December 2014
- Ten counties: Butler, Cowley, Harper, Harvey, Kingman, Marion, McPherson, Reno, Sedgwick, Sumner

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Metros Participating in the GCI

● Started early 2011 ● Started late 2012 ● Started late 2013



Source: Brookings Global Cities Initiative

Regional Organization – Collaborative Process

**Brookings
GCI
Exchange
Team**

Core Team

City of Andover, City of Wichita, GWEDC, Kansas Department of Commerce, Kansas Global Trade Services, Intrust Bank, Sedgwick County, WSU-CEDBR, REAP/Workforce Alliance of South Central Kansas

Regional Export Planning Team

100 members from companies, local governments, associations and universities

Work Groups

**Communicat
ions &
Govern-
ment
Relations**

**Supply
Chain**

**Under-
Exporters**

**Physical &
Service
Infra-
structure**

**Labor &
Workforce**

Key Findings from Market Assessment

Export dependent

NOT PROACTIVE

Growth potential in non-aerospace & services

Many companies are under-exporters or don't export at all

"The export planning meetings were valuable; I learned about all the export services & expertise available right here!"
– Regional Export Planning Team member

"We are a little company & we bear the full burden of export from finance to marketing, trade shows expense, paperwork, etc."
– export company interviewee

Goods dominate

Export services available but companies not connected

Aviation & advanced manufacturing concentration

MENTOR PROGRAM POTENTIAL

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Issues Are Amplified Without Assistance



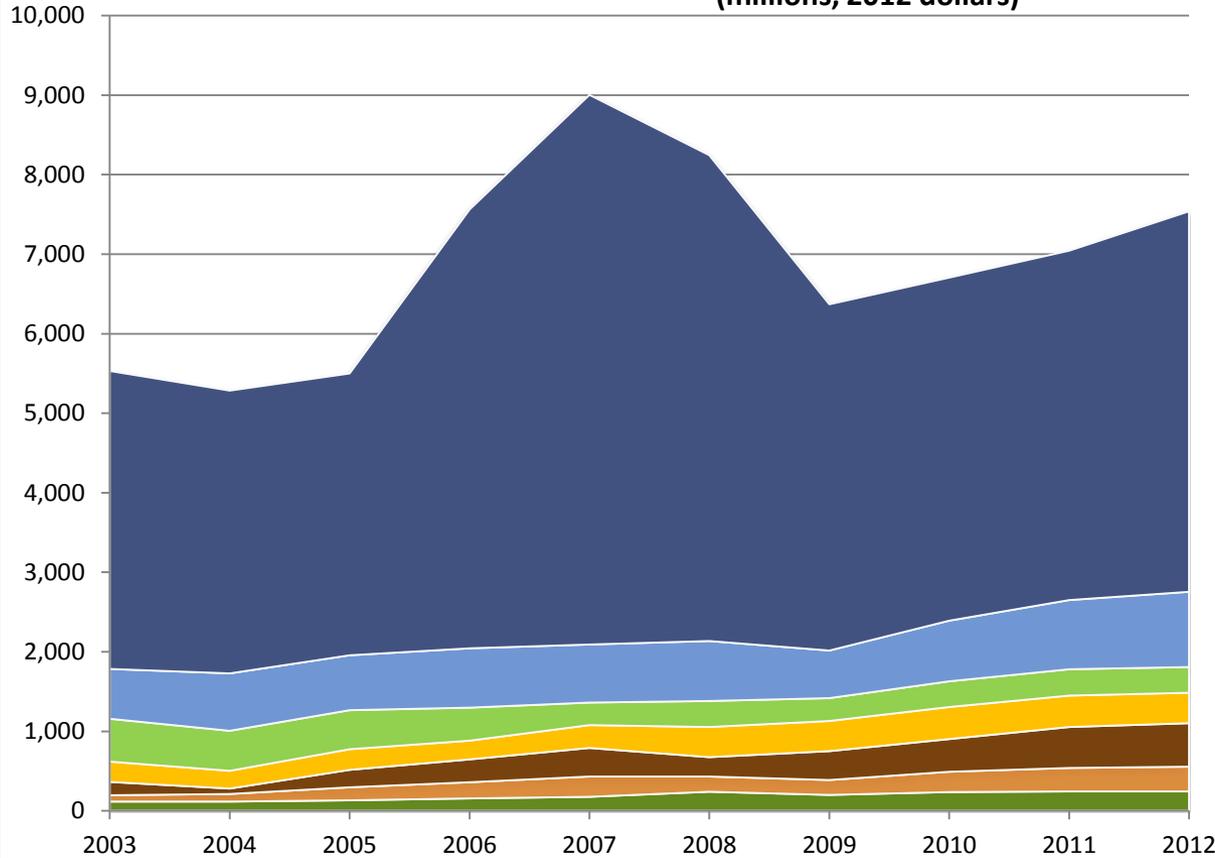
What will the export plan do?

- Elevate exports as a key strategy for economic development
- Add aviation subcontractors to the export pipeline
- Educate companies through export seminars
- Engage regional leaders in annual Export Opportunity training
- Add new-to-export companies
- Introduce exporting opportunity to companies
- Grow non-aerospace exports
- Grow services exports
- Create dedicated aerospace trade policy memorandum

Aviation Masks Growth in Other Industries

Real Goods Exports in the 10 County Region by Major Industry

(millions, 2012 dollars)



**Aviation dominates:
57% of 2012 total**

- Transportation Equipment (57.2%)
- Machinery (9.0%)
- Chemicals (4.6%)
- Agriculture (3.9%)
- Petroleum & Coal Products (3.8%)
- Computers & Electronics (2.5%)
- Food Products (2.3%)

Source: Brookings Institution

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Thank you!

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