



# Focusing All Eyes on the Horizon

A Global Competitiveness  
Strategy for the  
Research Triangle Region

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## A Global Competitiveness Strategy for the Research Triangle Region

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Charles A. Hayes, President and Chief Executive Officer

The Research Triangle Regional Partnership (RTRP) is a public-private organization that promotes economic development for the 13-county Research Triangle Region of North Carolina, located in the southeastern United States. The region comprises the counties of Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Moore, Orange, Person, Vance, Wake and Warren. RTRP manages the regional competitiveness strategy, called *Staying on Top: Winning the Job Wars of the Future*.

## Executive Summary

Today's economic and geographic realities demand that regions compete globally for new jobs and investments. The Research Triangle Region of North Carolina is considered one of the most competitive regions in the world. Regional assets include internationally renowned research universities, a large and vibrant research and development environment, a high quality of life capable of attracting global knowledge workers and one of the world's most educated labor pools.

Yet, as we are faced with ever-increasing competition from other regions of the world, we must improve to successfully compete. The success of many of our companies is contingent upon their ability to build global supply and knowledge chains and to access expanding global markets. The companies must be able to attract and keep knowledge workers from all over the world. Our regional leadership must be globally sensitive and intelligent.

**Focusing All Eyes on the Horizon** is a global competitiveness strategy to create, implement, align and coordinate international activities for the 13-county Research Triangle Region of North Carolina. The region is located in the southeastern United States and comprises the counties of Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Moore, Orange, Person, Vance, Wake and Warren.

Although dozens of organizations are involved in various aspects of international business and education, the region has never had a strategy to maximize the effectiveness of their efforts.

Our strategy positions the World Trade Center North Carolina as the locus of international collaboration – a business-led and business-funded program of the Research Triangle Regional Partnership that can focus and synergize the efforts of all organizations involved in improving the region's global competitiveness.

The three-year, \$2.25 million strategy includes 45 actions to be implemented by various global institutional partners.

The strategies include actions to:

- ▲ Increase foreign direct investment.
- ▲ Promote more global trade and exports.
- ▲ Elevate the region's global brand and recognition.
- ▲ Educate the region's leaders about global economic issues.
- ▲ Build global networks.
- ▲ Coordinate international activities regionally to achieve maximum results.

This strategy builds on the award-winning regional competitiveness strategy, *Staying On Top: Winning the Job Wars of the Future*, and will be supported by the coalition of partners that have come together to successfully implement that plan.

## Overview

In times of uncertainty, focusing on the horizon – whether from a watchtower or a crow’s nest – has always been the way to search for opportunity or threats. If a region can focus all eyes of its business and civic leadership on the horizon, collectively searching the future for ways to ensure the region’s economic prosperity, it can successfully compete in today’s global economy.

During 2003 and early 2004, the Research Triangle Regional Partnership directed an effort to improve the competitiveness of the Research Triangle Region of North Carolina. In 2004, the resulting plan, *Staying on Top: Winning the Job Wars of the Future*, was recognized by the U.S. Department of Commerce as the best regional competitiveness strategy in the country.

*Staying on Top* is a five-year, \$5 million action agenda to generate 100,000 new jobs and increase employment in all 13 counties of the region. More than 70 organizations, called “institutional partners,” are collaborating to implement 30 actions that will support the growth of key emerging “clusters,” spark creation of homegrown businesses, identify the regional investments needed to maintain or create a competitive advantage and develop the region’s capacity to meet its goals.

The initiative grew from the findings of a 2002 study by world-renowned Harvard University economist Dr. Michael Porter, who conducted a comprehensive analysis of the Research Triangle Region. In his report, *Clusters of Innovation*, Porter concluded that the region required a new economic vision to remain competitive. A regional competitiveness strategy was developed and is being successfully implemented.

We now feel that more is needed.

In the past quarter of a century, two geographic realities have transformed the world of economic development. First, economies are now regional. The competitiveness of individual cities and counties is dependant on regional factors, such as labor sheds, educational resources, transportation networks and the overall quality of place. The U.S. Department of Commerce has declared: “Regions – defined by economic rather than political boundaries are the new building blocks of prosperity.”

Our future depends on our ability to plan and act as a region. Our regional business leadership recognized this change early and, in 1990, created the Research Triangle Regional Partnership, a business-driven organization, to market the region.

Second, economic competition is global. The importance of instantaneous digital information and the increasing percentage of the world’s population participating in the free-market economy have rendered all significant private-sector investment decisions international. Global economic competition is accelerating and expanding. If Thomas Friedman’s book, *The World is Flat*, is correct, we are entering into a period of rapid transformation and unprecedented competition.

According to Richard Florida, author of, *The Flight of the Creative Class*, this flat world is accentuated by a couple of dozen “spiky” regions that will rise above the others to attract the most innovation and human capital. Florida concludes “the collision of rapid globalization and the rise of the creative economy radically altered the landscape of global competition, enhancing the position of some regions, and desperately damaging the status of others. Clearly, cities across the world are upping the ante in the competition for talent.” The rewards will be rising standards of living and sustained high quality of life for those regions’ citizens.

An old Chinese proverb reads: “What you cannot avoid, welcome.” Economic globalization is a reality. How we “welcome” it will play a big role in determining how competitive our region remains.

The Research Triangle Region, though a mid-sized market, is ranked by many studies as one of the most competitive regions in the world. But, as we know, in order to keep a product competitive, whether that is a widget or a region, you must constantly innovate, improve and respond to change.

While the Research Triangle Regional Partnership has been involved in international activities since its creation in 1990, the efforts have been limited and aimed almost exclusively at Europe. To successfully compete in the future our efforts must be amplified and targeted with special emphasis on emerging Asian markets.

The other imperative for regional success is to effectively engage the region's business and civic leadership. Data and research must be transformed into information and action. Our international connectivity must be mined for opportunities. Collaborative capacity must be created.

The purpose of this strategy is to create, implement, align and coordinate regional international activities to contribute to the region's future competitiveness. The *Staying on Top* vision for the region is: **"To be a world leader in intellectual capacity, education and innovation in order to enhance productivity and economic growth and achieve a superior quality of life for all our citizens."**

To achieve that goal, the Research Triangle Regional Partnership has developed this strategy to guide its international activities.

## Our Position in the Global Marketplace

The marketplace is global and the Research Triangle Region has to compete in that marketplace. The reality is that we have been competing successfully for years. The region is the birthplace of companies that sell goods and services all over the world. We have attracted jobs and investment from foreign businesses and have been home to multinational companies with global supply and knowledge chains. Our universities have attracted foreign students and built international partnerships. Our communities have attracted foreign nationals who have been woven into the fabric of the region, giving it both an international flavor and a competitive advantage in human capital.

Competition is fierce. On a typical day, the international economic information we receive is alarming. We are bombarded by news stories on outsourcing and the United States' inability to effectively compete. Stories showing that, in one generation, China tripled per capita income or that, in India, university enrollments more than doubled in the 1990s cause us to question our own ability to compete. Even though China and India are getting the most attention, many other places are competitive today. Some are well known, like the Celtic economic miracle in Ireland and the rise of Asian Tigers Singapore and Taiwan. Other areas are quickly becoming economic powers.

According to a new IBM Plant Location International study, in the first half of 2005, Vietnam, Poland, the Philippines, the Czech Republic, Slovakia and Brazil were each top 10 locations for new investments and jobs. China leads the way for new manufacturing jobs; India in research and development jobs. Competition in our own hemisphere is intense, with four of every 10 new research and development jobs in North America going to Canada.

How and where can we compete? A December 2005 perception study commissioned by the Research Triangle Regional Partnership and conducted by Development Counsellors International showed that the activities most associated with our region were high-tech manufacturing, information technology, software development and biotechnology. The region's business climate was rated better than other U.S. competitor regions, such as Atlanta, Austin, Boston, Denver, Philadelphia, Phoenix, San Diego and Silicon Valley. However, competitive as we may

be, many of the businesses surveyed indicated that foreign locations would be considered in their decision process due to access-to-markets and cost considerations. Overall, our current global competitive position is strong.

**Many of our homegrown businesses have become or remained successful by conducting business globally.** SAS, the market leader in intelligence software and services, Cree, a market leader in LED solid-state lighting components, and Quintiles Transnational Corporation, a leader in pharmaceutical services, each have developed global businesses that are competing and prospering, creating regional jobs and investment.

Perhaps no locally based company exemplifies the region's global integration and impact more than RTI International. RTI is dedicated to improving the human condition through cutting-edge study and analysis and was one of the first tenants in the Research Triangle Park (RTP). As RTP and the region grew and prospered, so did RTI. Growing from a handful of scientists in 1959 to more than 2,500 individuals working in 30 countries today, RTI is now one of the premier research institutes in the world.

Projects at RTI include everything from helping Beijing improve air quality in time for the 2008 Olympic Games to combating malaria in Uganda. One high-profile RTI activity is the project to "improve the management and administration of local, municipal, and provincial governments... and to support the establishment of a legal framework for a democratic, representative and participatory form of decentralized government in Iraq." RTI helped establish 700 local government councils and is currently leading a collaborative effort to create 150 model primary health care centers.

Homegrown companies are competing successfully for business all over the world and are continuing to grow locally. The keys for companies engaged in the global market are the same as for all businesses: innovation, finding new and expanding markets and delivering excellence. Hundreds of other Research Triangle companies are engaged throughout the world.

**Foreign companies that have chosen to invest and create jobs locally also play a key role in the region's competitive position and overall success.**

Companies, such as GlaxoSmithKline, Nortel Networks, Flextronics and Novozymes, are integral parts of the region's corporate community. In North Carolina, more than 200,000 workers are employed by majority-owned foreign affiliates of foreign firms. Despite the competition globally, foreign companies have made significant new investments in the Research Triangle Region during the past 12 months.

Credit Suisse First Boston (Switzerland), AW North Carolina (Japan), Novo Nordisk (Denmark), Certain Teed Corp (France), Spunteck (Israel) and Lenovo (China) have announced investments totaling nearly \$500 million in the past year, resulting in thousands of new jobs. Over the past decade, the Research Triangle Region has been the recipient of more than a billion dollars of "in-sourced" investments.

In North Carolina, more than 20 percent of all manufacturing workers depend on exports for their jobs. Yet North Carolina exports less than the national average. According to the Southern Growth Policy Board, if North Carolina could improve to the national average for exports, it would create more than 50,000, new, good-paying jobs for our state.

**Total Manufactured Exports Per Capita 2003**

	Per Capita
United States	\$2,510
U.S. South Average	\$1,997
<b>North Carolina</b>	<b>\$1,947</b>

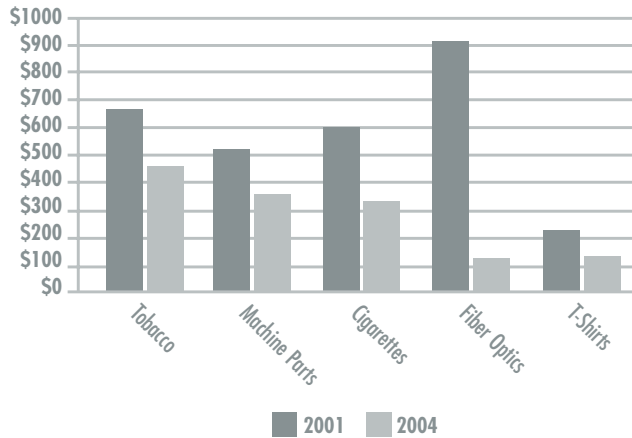
Source: U.S. Department of Commerce International Trade Administration (<http://ese.export.gov>)

The Research Triangle Region is well positioned to contribute to the gains needed. Studies show that manufacturing exporters use technology 50 percent more intensively than companies that sell only domestically. The region's current strengths are knowledge-creation services and life sciences and information and communication technology products. The *Staying on Top* plan identified 10 industry clusters as targets for the future. It is within these clusters that we have the best chance to compete:

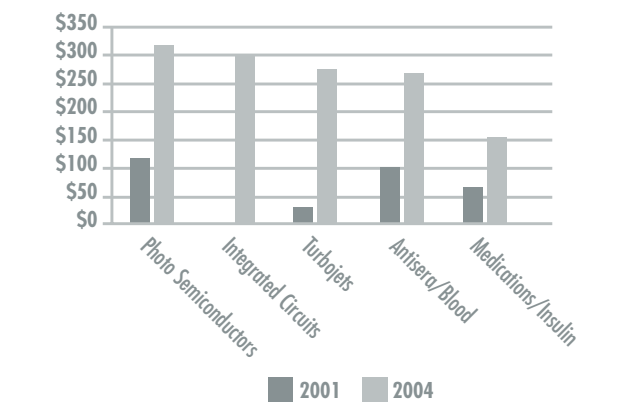
- ▲ Pharmaceuticals
- ▲ Biological Agents and Infectious Diseases
- ▲ Agricultural Biotechnology
- ▲ Pervasive Computing
- ▲ Advanced Medical Care
- ▲ Analytical Instrumentation
- ▲ Nanoscale Technologies
- ▲ Informatics
- ▲ Vehicle Component Parts
- ▲ Logistics and Distribution

**In recent years North Carolina's export activities have shifted dramatically from older traditional products to new, more high-tech and high-value products.** Many of the new export gains come from businesses based in the Research Triangle. (See Charts 1 and 2)

**Chart 1: North Carolina Exports Declining**



**Chart 2: North Carolina Exports Growing**



**The region's universities, our most important competitive advantage, are also heavily engaged in the global economy.** Our three major research universities (Duke University, North Carolina State University and the University of North Carolina at Chapel Hill) have more than 500 formal linkages worldwide. The region is home to hundreds of international faculty members and more than 10,000 foreign students from 60 countries. Duke and UNC-Chapel Hill were named two of the top five "most internationalized" campuses in the United States in 2004.

All of the region's universities have stated priorities to be more "international." Duke University's Global Gateway states:

*"Duke University is committed to becoming thoroughly international in all its dimensions. In many respects, Duke already represents a model of the internationalized research university. Fifty percent of Duke Undergraduates study abroad. Foreign language and international courses are a requirement of Duke's core curriculum. One third of Duke graduate and professional students are international. Duke has seven federally-funded Title VI international centers and foreign area studies center, more than any other private research university. More than 400 international post-doctoral fellows carry out research at Duke every year. All of Duke's professional schools are also engaged in international activities."*

Each college and university in the region has international connectivity and engagement that is expanding rapidly. We see that our companies and universities have embraced the global economy and are prospering.

**The region consistently ranks as one of the most competitive regions in the world based on its research universities and highly educated workforce.**

While our foundation seems solid, there is more that could and should be done. Our current international efforts are not well coordinated. The Research Triangle Regional Partnership, Research Triangle Foundation and the Greater Raleigh Chamber of Commerce commissioned a study to examine our situation. The study, conducted by Competitive Strategies Group LLC (CSG), found that more than 100 organizations in the region engage in some form of international activity but that there is no comprehensive international strategy, limited credible research on globalization and how certain world factors may have an impact on our businesses, and no overall coordination or existing capacity to coordinate.

The study identified many regional assets that are not being fully utilized. The World Trade Center North Carolina (WTCNC) was specifically analyzed. CSG concluded that the the WTCNC "had not reached its potential partially because of the region's lack of international coordination, limited external promotion of WTCNC's value, and the lack of financial support from the private sector." The report also concluded that the WTCNC has "substantial market value" and, if it can carve out its own niche, can be the focal point and catalyst to bring the region together around global issues.

Finally, CSG suggested that "the presence of a WTC in a market has the potential to offer value-added benefits to a region if leveraged by the license holder, community leadership and government entities. The greater the alignment among these elements, the more effective a WTC will become. The exclusivity of the WTC name provides substantial marketing value. The presence of a WTC in a community, if operated effectively, provides potential for centralization efforts due to the exclusive power of its name and global network."

There are several actions that we can and must take if we want to be successful. The first is to understand our competitive position and to successfully position and brand our region in the global marketplace.

The Research Triangle Regional Partnership's marketing efforts are guided by a five-year marketing plan, called *Triangulating Success*. The marketing plan focuses on two of the key strategies from the *Staying on Top* plan – external marketing and internal (regional) marketing. External marketing aims to generate inward investment for the region to meet the goal of creating 100,000 new jobs and job growth in all 13 counties established by the *Staying on Top* plan.

The region is widely recognized for these key competitive assets, considered prerequisites for winning in the knowledge-based global economy:

- ▲ Research and development funding.
- ▲ Internationally renowned research universities.
- ▲ High quality of life, capable of attracting global knowledge workers.
- ▲ Worker training resources, including those from top-flight community colleges.
- ▲ Relatively low cost of living and doing business compared to other technology regions.

- ▲ Highly educated work force and intellectual capacity.
- ▲ Existing base of “new economy” companies.
- ▲ Global reputation of Research Triangle Park.

Based on these assets and other analysis, the Research Triangle Regional Partnership positions the region as follows:

- ▲ One product: The Research Triangle Region, a cooperative 13-county region in central North Carolina that is home to Research Triangle Park.
- ▲ Center of entrepreneurship, innovation and creativity.
- ▲ World leader in intellectual capacity and lifelong education.
- ▲ \$2 billion in annual research and development through research universities, federal labs and contract research companies.
- ▲ Focused workforce development coordinated with targeted clusters.
- ▲ Internationally recognized quality of life.
- ▲ Pro-business climate with a competitive cost of doing business and cost of living.
- ▲ Existing and supported technology clusters creating tomorrow’s products, processes and services.
- ▲ Diverse people, communities and lifestyles.
- ▲ Businesses, governments and academia collaborating for success.

The second action that must be taken is to align and coordinate the activities of the many regional organizations that are working in the international arena and are critical for a successful regional approach. These include the International Affairs Council, which promotes understanding of world affairs, citizen-to-citizen diplomacy and the recognition of North Carolina as an international center of education, culture and business; the N.C. Department of Commerce International Division, which assists North Carolina companies in taking advantage of worldwide opportunities; and the Small Business Technology Development Center, which provides services to companies that need assistance with export financing.

The U.S. Department of Commerce, World Trade Association, N.C. Department of Agriculture and dozens of other organizations, plus specialized higher education assets and companies, are integral to developing a service and delivery system to improve the region’s ability to compete. The role of the Research Triangle Regional Partnership should be to provide the capacity building, collaborative capacity and business engagement needed to improve and add value to the current situation.

The third and most important action is to educate, develop and engage a broad regional leadership base committed to improving our global competitiveness. Bold, effective, regional governance is an elusive commodity. Today’s business leaders are stretched like never before, guiding their businesses through their own competitions. The speed and volume of new information are intimidating. Specific actions must be taken to ignite, nurture and support those individuals and organizations willing to lead.

*“The information revolution, technological advances, the rapid flow of capital and changing immigration patterns have fundamentally changed the world that our children will inherit. While we can’t stop globalization, we can equip our children with knowledge and skills to help them compete, build new jobs and adapt to the changing requirements of the global marketplace. Two-thirds of the world’s purchasing power and more than 95% of the world’s population are outside the U.S. The North Carolina businesses that will thrive will be those whose workers know how to communicate, cooperate and compete in the global market. International education is the way to prepare a globally competent workforce. It is about preparing students to be citizens, workers and leaders in the global age of the 21st Century.”*

NC in the World Plan

Education is this region’s greatest asset. Over time, international education and understanding, must be interwoven into all K-12 curricula and must be a focus of community education and activities.

The bottom line is that the region must compete in the global economy for new jobs and investment. If we want the citizens of our region to continue to see a rising standard of living and quality of life, we will need to continue to help our businesses innovate and raise their overall productivity through the development of new products, services, markets and supply and knowledge chains. We will also have to maximize our considerable assets.

The Research Triangle Regional Partnership will lead the implementation of a three-year, 45-point action agenda to improve the region’s global competitiveness.

## Research Triangle Region Action Agenda

### Strategy 1:

Support and maintain the World Trade Center North Carolina (WTCNC) as the locus of international activities for the region and a program of the Research Triangle Regional Partnership. Reposition the WTCNC in the marketplace as a business organization focused on maintaining the region's global competitiveness.

#### World Trade Center North Carolina Positioning

- ▲ Locus of international collaboration in the region, including developing an international coordinating council and engaging locally based and other U.S. transnational companies and foreign companies
- ▲ Lead value-added business partner collaborating with other organizations to build international trade, global awareness and global networks and relationships
- ▲ Advocate and content provider to familiarize residents, elected officials and businesses on all global economic issues
- ▲ Lead RTRP agency for attracting foreign direct investment by working with counter parts at other World Trade Centers
- ▲ Resource and referral agency for existing companies that want to export (referring businesses to available resources and developing the International Business Assistance portal as part of the Research Triangle Regional Partnership's Business Advantage Center and Web site)
- ▲ Lead agency for advancing the global branding of the Research Triangle Region and North Carolina
- ▲ Manager of the Research Triangle Regional Partnership's foreign partnerships and inquiries
- ▲ Partner, with other organizations, for receiving foreign government and business officials
- ▲ Fee-for-service provider of contracts and programs that support WTCNC interests; active seeker and recipient of statewide members and sponsors
- ▲ "Program" of the Research Triangle Regional Partnership

#### Action Steps:

1. Integrate the World Trade Center North Carolina (WTCNC) and the Research Triangle Regional Partnership. (2006)
2. Develop a three-year business plan and action agenda for the WTCNC. (2006)

3. Develop and implement a three-year fundraising plan to put the WTCNC on sound financial footing. (2006)
4. Develop new marketing and positioning materials for the WTCNC. (2006)
5. Re-open the WTCNC for business. (2006)
6. Develop and coordinate an active feedback loop with key partners. (2006)
7. Actively seek WTCNC opportunities statewide.(2007)

#### Key Institutional Partners:

North Carolina District Export Council  
 World Trade Association  
 World Trade Center Board of Directors  
 Other regional partnerships

### Strategy 2:

Organize and promote a seamless and value-added system of global trade assistance for Research Triangle Region businesses to increase the exports of goods and services.

#### Action Steps:

8. Develop and institutionalize a protocol for providing global trade assistance. (2006)
9. Re-establish a joint international presence with the U.S. Department of Commerce. (2006)
10. Build a mutually beneficial relationship with the foreign trade zones to promote services. (2006)
11. Develop a Web-based portal to aggregate the services available to businesses. (2007)
12. Market the Web-based portal to targeted companies with potential for product or service exporting. (2007)
13. Develop appropriate means to support the work of the North Carolina Department of Agriculture and North Carolina Ports. (2007)

- 14. Develop and maintain a data base of regional companies that export. (2007)
- 15. Investigate the need and viability of developing an export trading company. (2008)
- 16. Develop trade missions to promote regional products and services. (2008)

**Key Institutional Partners:**

N.C. Department of Agriculture  
 N.C. Department of Commerce  
 North Carolina Ports  
 Small Business and Technology Development Center  
 U.S. Department of Commerce  
 Foreign trade zones  
 North Carolina community colleges

*"The path to prosperity is not through isolationism but through engagement in worldwide markets. To position regions for successful innovation, leaders must emerge who are forward looking and can champion efforts to intensify innovative activity."*

David A. Sampson  
 Assistant U.S. Secretary of Commerce

**Strategy 3:**

**Develop an aggressive and targeted marketing program to attract foreign direct investment to the Research Triangle Region.**

**Action Steps:**

- 17. Develop an international marketing plan that complements and expands the region's marketing plan, *Triangulating Success*. (2006)
- 18. Integrate current Research Triangle Regional Partnership international efforts, including the Denmark strategy, into an overall effort. (2006)
- 19. Align the Research Triangle Regional Partnership's strategy with the Research Triangle Foundation's strategy and positioning. (2007)

- 20. Build strong relationships with international enabling groups, including foreign trade, business and banking organizations. (2007)
- 21. Create and maintain an inventory of international assets. (2007)
- 22. Evaluate the value of creating materials and Web information in foreign languages. (2007)

**Key Institutional Partners:**

N.C. Department of Commerce  
 Research Triangle Foundation

**Strategy 4:**

**Elevate the Research Triangle Region brand globally so the region can attract trade, investment and knowledge workers.**

**Action Steps:**

- 23. Support efforts to increase international flights to and from Raleigh-Durham International Airport. (2006)
- 24. Develop and implement media placement efforts targeted at foreign media. (2006)
- 25. Integrate Research Triangle Regional Partnership marketing efforts with those of the Research Triangle Foundation. (2007)
- 26. Identify potential partners to assist in the creation of a program to spur innovation by leveraging the region's academic strengths and the broad expertise and resources of the region's universities and community colleges. (2007)
- 27. Engage regional epiphytic organizations, such as law offices and banks, that are involved internationally. (2007)
- 28. Develop opportunities to engage international visitors. (2007)
- 29. Create opportunities for global messaging through presentations and events. (2007)
- 30. Initiate and support efforts to attract and maintain international talent. (2007)

**Key Institutional Partners:**

Greater Raleigh Chamber of Commerce  
 International Affairs Council  
 N.C. Department of Commerce  
 Research Triangle Foundation  
 Regional universities and colleges  
 Regional convention and visitors bureaus

**Strategy 5:**

**Create materials and events to further educate the leaders, citizens and students of the Research Triangle Region about the issues of global economic competitiveness.**

**Action Steps:**

- 31. Develop educational events and opportunities for local business, civic and political leaders. (2007)**
- 32. Create and distribute informational materials on global competitiveness issues. (2007)**
- 33. Encourage regional businesses and institutions to provide targeted materials and signage in multiple languages. (2007)**
- 34. Develop global education programs for the economic development professionals in the region. (2007)**
- 35. Develop appropriate vehicles for the celebration of all things international. (2008)**
- 36. Support international educational efforts in K-12 education. (2008)**

**Key Institutional Partners:**

Center for International Business Education and Research (CIBER)  
 N.C. Center for International Understanding  
 Southern Growth Policy Board  
 Specialized chambers

**Strategy 6:**

**Develop and coordinate opportunities to maximize the benefits to the Research Triangle Region from business engagement with foreign businesses, leaders, regions and citizens.**

**Action Steps:**

- 37. Develop a global network matrix to determine the region's global connectivity. (2006)**
- 38. Engage locally based multinationals. (2006)**
- 39. Support development and programs of foreign national/regional centers. (2006)**
- 40. Build network connections with targeted other World Trade centers. (2007)**
- 41. Develop a system to inform regional businesses of opportunities for local foreign engagement. (2007)**

**Key Institutional Partners:**

International Affairs Council  
 Foreign consultants  
 Regional Sister City organizations  
 Research Triangle Region Eisenhower Exchange Fellowship alumni

*"Regions with shared economic visions and plans are better prepared than those lacking such consensus to build successful national and global partnerships."*

Donald T. Iannone  
 Principal, Donald T. Iannone and Associates

**Strategy 7:**

**Proactively coordinate the Research Triangle Region's economic activities associated with international business and trade, and develop research and marketing to support the region's global positioning and competitiveness.**

**Action Steps:**

- 42. Develop a regional Global Coordinating Council. (2006)**
- 43. Develop local marketing and branding materials for collaboration. (2007)**
- 44. Attract grants to increase the region's capacity to participate in international activities (2008)**
- 45. Study the viability of developing a World Trade Center building. (2008)**

**Key Institutional Partners:**

All businesses and organizations involved in global economic activity

## Creating and Maintaining Capacity for an International Effort

Capacity must be generated to complete the activities outlined in this strategy. The study completed by Competitive Strategy Group identifies real estate subsidies or government grants as the primary opportunities for supporting World Trade Center North Carolina (WTCNC) activities.

We do not believe that either of those options is viable at this time. Support for the region's international strategy, including the operation of the World Trade Center, will be generated from new, sustaining organizational and corporate members who stand to gain from their implementation and success.

Our goal is to generate \$150,000 in new revenue the first year of implementation, with total revenue rising to \$275,000 by year three. Additional revenues may be generated over time to augment services; however, it is felt that \$275,000-\$300,000 annually is sufficient to operate an effective program.

### Sustaining Foundation Members

Research has indicated that some organizations and businesses see considerable value in the activities described in this strategy. The goal is to raise at least \$100,000 annually from sustaining foundation members of the WTCNC in the first three years, with the total rising to \$150,000 annually in later years.

### Corporate Memberships

It is estimated that corporate membership fees will generate a significant amount of World Trade Center revenues. The WTCNC will target private U.S. multinationals and regional foreign companies for membership and board participation at the \$5,000-\$10,000 per year level. The goal is to raise \$100,000 annually from corporate members (less in the first year). A major effort in the first year will be to engage new corporate participation.

### General Memberships

The WTCNC's existing general membership program, targeted at small and mid-sized companies, will be revamped to provide an opportunity for participation and benefits. A new effort will recruit academic and not-for-profit organizations at a level below the full board-level membership.

### Events, Programming and Sponsorships

Events, programs and sponsorships are all essential activities and services provided by World Trade centers and are crucial to their credibility, positive exposure, brand identity, good will and sponsorship/membership attraction. The goal is to generate \$15,000-\$25,000 annually from events and sponsorships.

### Fees for Service

It is anticipated that the research capacity of the new WTCNC will have value to businesses and organizations. Over time, the goal is to generate \$25,000 annually in fees for service.

### Trade Missions

Trade missions do not tend to be significant money-making activities; however, they are crucial to the overall mission of increasing the awareness and preference for North Carolina and the Research Triangle Region as a center for trade and investment. In addition, trade missions are vital to positioning and delivering tangible value for business and political leaders. Revenues are generated by charging company participants a premium over costs. In years three to five, the goal is to generate \$10,000 in profits from trade missions.

### Grants

A wide variety of public and private organizations offer grants in the international arena. It is not a goal in the first year to pursue these grants because they can drain capacity from the region's efforts to build a solid, long-term foundation. In later years, grants will be pursued to expand the organization's capacity to deliver specific services.

*"Globalization is like aging. One may not like its effects, but it is inevitable, so we might as well try to do it gracefully."*

Rafidah Aziz  
Malaysian Minister of International Trade and Investment

**Comprehensive Capacity**

Additional funding for many of the activities described in this plan will be provided by partner agencies and organizations. The Research Triangle Regional Partnership currently devotes funding to foreign direct investment attraction each year and will continue to do so. Other groups that will participate in the implementation of various strategies will also expend funds that are not newly generated. It is estimated that overall investment in international activities by the organizations engaged to implement the 45 actions proposed by this competitiveness strategy will total approximately \$750,000 annually.





# STRATEGY

## Focusing All Eyes on the Horizon



**RESEARCH TRIANGLE  
REGIONAL PARTNERSHIP**  
Marketing the Research Triangle Region  
for the Economic Benefit of Its Communities

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