



The Berkshire Blueprint

A Shared Economic Vision
and Plan for Action



The **Berkshire Blueprint** offers a fresh approach to economic development in the Berkshires. The *Blueprint* is an action plan that encourages and motivates cooperative regional initiative and outlines a clear, well-articulated focus on prioritized business issue areas. The *Blueprint* contains a matrix for the measurement of progress in key areas of the economy.

The *Berkshire Blueprint* blends two major economic development projects that were undertaken during the course of several months beginning in early 2006.

The *Berkshire Strategy Project* provides a comprehensive evaluation of the entire regional economy with a baseline of current metrics and a detailed analysis of selected industry clusters; it also contains a prioritization of key areas of focus to increase the competitiveness of the region.

The *Berkshire Creative Economy Project* focuses on the Creative cluster comprising nonprofit institutions, individual artists and commercial businesses that produce and distribute creative products and services. The *Creative Economy Project* identifies how the region can leverage its richness of cultural and artistic assets to help grow the regional economy. This project spotlights a robust and vibrant economic cluster of the arts, cultural institutions, and the businesses that fuel, support and supply them. Together, these projects form the **Berkshire Blueprint**. This approach will provide the Berkshires with the best of the best traditional regional economic development methodology, while also integrating and focusing attention on the new Creative cluster.

The *Berkshire Blueprint* is a community-generated strategic plan designed to grow the region's economy. It provides a means for measurement of economic progress as a community. The Berkshire Economic Development Corporation is taking a leadership role in oversight of the plan and will continue to ensure that the plan remains effective and sustainable.

Access the full reports of the *Berkshire Strategy Project*, the *Berkshire Creative Economy Project*, and the *Berkshire Compact for Higher Education* on the BEDC website at berkshreedc.com.

The Berkshire
Economic Development
Corporation presents

The Berkshire Blueprint



Organizing for Action: Mission of the *Berkshire Blueprint*...

The *Berkshire Blueprint's* mission is to boost innovation and competitiveness in the Berkshire region by upgrading the quality of the business environment and by organizing companies and institutions to take action and better collaborate on common challenges and opportunities. The overall goal of the *Berkshire Blueprint* is to increase the prosperity of the region, raising the per capita income and income growth level of Berkshire residents.

The *Blueprint* is the *community's* action plan, developed from the ground up, by local business and community leaders. The Berkshire Economic Development Corporation serves as a coordinating body to assist in its implementation and to ensure that the identified stakeholders, the companies, and individuals making up the diverse Berkshire economy have the tools and the opportunity to align with the identified priorities.

Interprint, Inc.



The Vision for the Berkshire Region – A Dynamic, Creative and Competitive Economy

- A magnet for entrepreneurs and business leaders.
- Vibrant – a well-connected community supporting growth across industries.
- Focused – a nexus for a variety of firms and industries.
- Connected to metro areas providing a source of suppliers, capital and customers.
- High-quality communications infrastructure enabling access to global business partners.

The Dual Focus of the *Berkshire Blueprint*:

Improve the Regional Economic Development Climate in Six Critical Areas

Based on a detailed study of the current economic development climate, the *Berkshire Blueprint* addresses six key issues as action items identified by the community:

- **Support entrepreneurship and innovation.**
- **Launch internal and external marketing campaigns.**
- **Develop regional and cluster institutions for collaboration.**
- **Align education and training programs with cluster needs.**
- **Invest in high-quality infrastructure.**
- **Stabilize and reverse population loss.**

Support Cluster Development

In addition to the action items centering on improving the business climate, the *Blueprint* addresses key clusters in the regional economy and is leading a campaign to support, coordinate and encourage these clusters in developing local, regional, national, and global markets and cooperation.

Clusters are geographically concentrated groups of interconnected companies, educational facilities, and related institutions that arise out of linkages or externalities across industries. Regions and clusters are analyzed at various geographic levels including states, economic areas, and metropolitan areas.

The key initial clusters targeted for growth in the Berkshire region are the *Creative, Plastics, and Hospitality and Tourism*. The *Berkshire Blueprint's* structure and the capacity of the BEDC to coordinate efforts around it will allow for a continued assessment of the many other identified clusters in the regional economy, such as *Health Care, Financial Services, Energy Technology, Forest Products* (this includes paper manufacturing and converting) and others.

The Issues

I. Support Entrepreneurship and Innovation

The *Blueprint's* mission in this area is to create a premier location for innovation and new-firm creation by encouraging both entrepreneurship and innovation from local residents and by attracting aspiring entrepreneurs from outside the region. In pursuit of that mission, the BEDC and the

Crane Nonwovens



Blueprint workgroups have begun to carry out initiatives that will accomplish the following goals:

- Improve the underlying support system for entrepreneurship in the Berkshires, with early emphasis on cluster-related opportunities.
- Promote innovation by recruiting talent, encouraging investment in R&D and simplifying regulations.

2. Develop and Launch Internal and External Marketing Campaigns

The *Berkshire Blueprint* has launched and will sustain a high-quality internal and external marketing campaign that will improve the perception of the Berkshires by communicating new messages about the region. These messages draw from insights and recommendations from all of the *Berkshire Blueprint* business-issues workgroups and organized-business-clusters workgroups. The marketing campaign emphasizes the region's assets and the prosperity created by its multifaceted entrepreneurial economy.

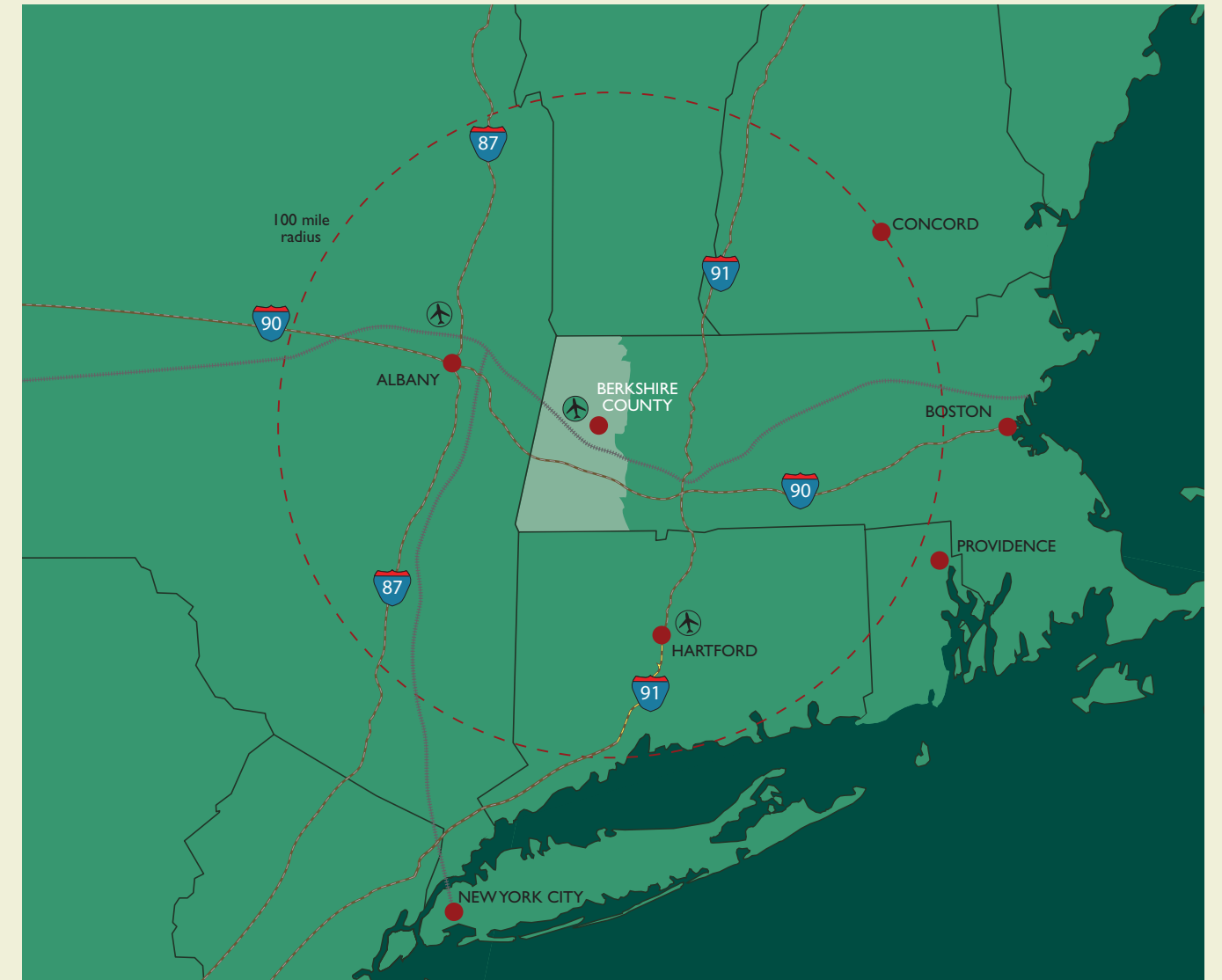
Among the current objectives of the marketing campaign are the following:

- Identify a highly recognized, compelling and unified position and strategy for the Berkshires.
- Communicate to both internal and external stakeholders that the Berkshires have a strong potential for growth in high-value manufacturing and services.
- Sustain a long-range marketing and communications plan to attract investment and talent to the Berkshires.

3. Develop Regional and Cluster Institutions for Collaboration

One of the keys to the success of the *Blueprint* is the coordination of effort across cluster-based and issue-based activities. The BEDC has taken on the role of regional leader in economic development and is implementing programs and initiatives to enable an increased capacity for the BEDC to accomplish the following objectives:

- Serve as a nexus for coordination and implementation of *Berkshire Blueprint* initiatives.
- Reach out to potential cluster leaders and business networks; support and encourage private-sector-led efforts to collaborate across the cluster.
- Raise broad regional awareness of, financial support for, and participation in local and regional cluster-building efforts.



4. Align Education and Training Programs with Cluster Needs

The underlying and critical foundation for regional economic development is education and training. Accordingly, the *Berkshire Blueprint* supports and promotes the alignment of educational and training programs with our regional employment and cluster needs.

One outstanding asset that the *Blueprint* will be able to call upon is the work of the *Berkshire Compact for Higher Education*. Led by the Massachusetts College of Liberal Arts, the *Compact* was established to assess the educational needs of the residents of the county, including those needs specific to the workforce. The *Compact* has recognized that,

“...access to higher education can pose a financial burden for many, resulting in too many residents lacking skills to compete, and too many employers looking elsewhere to fill job openings.”

The *Compact* has rallied around this critical issue and has been very effective in creating a dynamic response to it. Key institutions and stakeholders from the county are fully invested in the *Compact's* call for action. The *Berkshire Blueprint* has aligned with the mission of the *Compact* and is developing initiatives along with *Compact* members and cluster groups to effect the following:

- Organize with employers and key economic clusters to identify near- and long-term workforce priorities.



Hancock Shaker Village

6. Stabilize and Reverse Population Loss

The data is a bit alarming. Berkshire County experienced a population loss of 3.1% from 1997 to 2005 compared to a national gain of 8.7% in the U.S. If we look at a comparison of rural areas in the U.S., we find that rural America grew 0.41% annually from 1997 to 2004 while the Berkshires lost nearly 2.3% of its population during the same period.

Who is leaving? Why is this happening? What are the consequences of population loss on the regional economy? These population loss numbers, together with the fact that there are a significant number of aging “baby boomers” in the Berkshire demographic, are receiving close attention by the *Blueprint*.

If we expect to understand the dynamics of our local population and create initiatives to positively influence demographics, to be able to attract and keep talented employees, and to support and sustain families and growth, we need to understand the dynamics of our population.

The *Blueprint's* agenda for this critical area provides directives to ensure accurate population counts regionally and to immediately begin work toward understanding the reasons that drive entrance and exit – those factors attracting people to the Berkshires and those factors convincing individuals and families to leave. These are among the critical initial steps being taken:

- Ensure an accurate population count in 2010.
- Launch a sophisticated marketing campaign to attract and retain talent.
- Develop connections with other task forces and regional stakeholders to implement developed strategies.

Economic Clusters

The Berkshire region has a strong position in a number of business clusters. Among these clusters are *Plastics*, *Hospitality and Tourism*, *Creative*, *Chemical Products*, *Construction Materials*, *Education and Knowledge Creation*, *Forest Products*, *Publishing and Printing*, and others.

Some of these clusters are already well organized in Berkshire County. If not squarely focused on business

improvement areas generally, then at least organized around common principles or goals for improvement of the sector. Examples of organized cluster and related groups in Berkshire County would be the *Berkshire Visitors Bureau*, an organization that is already focused on tourism and hospitality, and the *Berkshire Compact for Higher Education*. Both of these groups are playing an important role in the *Berkshire Blueprint*. The *Blueprint* has identified both existing cluster groups and recognized that others are evolving and are in need of development assistance and support.

Recent detailed economic analysis has provided the *Berkshire Blueprint* with a snapshot of the current business environment generally, across all business and industry clusters, and a more detailed view of three selected clusters: *Creative*, *Plastics*, and *Hospitality and Tourism*. These clusters were selected according to several criteria including substantial impact on the regional economy, competitive position vis-à-vis other domestic and international regions, alignment of strengths with nearby metropolitan areas, and the level of organizational support for a cluster activation strategy. These cluster analyses will also serve as models to help activate and develop other clusters in the region.

Taken together, these initially selected clusters represent a well balanced sampling of the dynamic, creative and competitive economy of the Berkshires. The *Hospitality and Tourism* and the *Creative* clusters leverage the Berkshires’ natural and cultural assets to drive job growth, while *Plastics* demonstrates how niche, high-value manufacturing can sustain strong wage growth even in a highly competitive environment. Lessons learned from these cluster case studies can then be applied to improve the overall business environment for all clusters.

The *Berkshire Blueprint's* structure and the capacity of the BEDC to coordinate efforts around it will allow for a continued assessment of the many other identified clusters in the regional economy, such as *Health Care*, *Financial Services*, *Energy Technology*, *Forest Products* (this includes paper manufacturing and converting) and others.

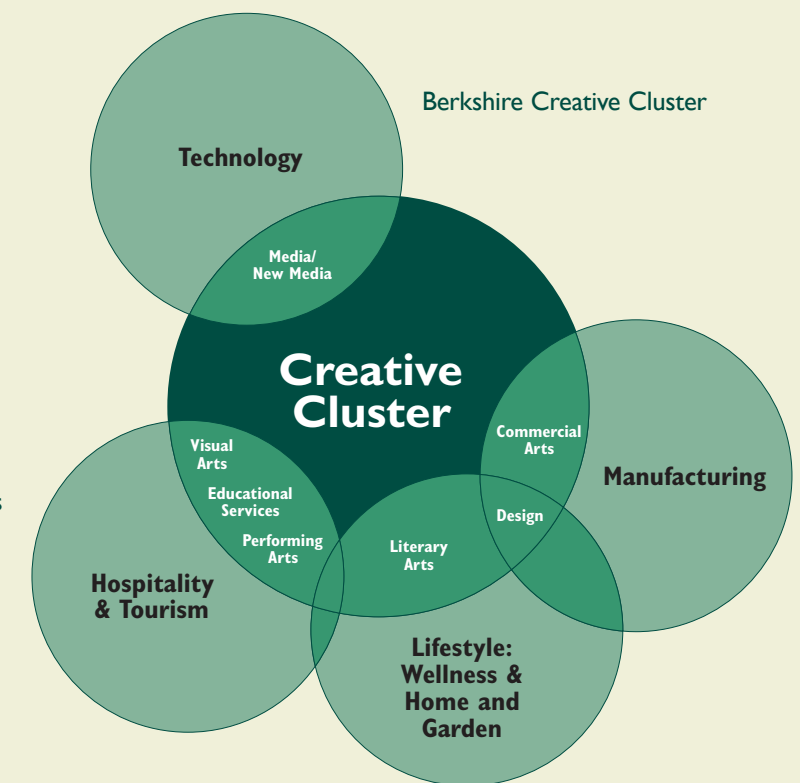
The Creative Cluster

An especially important cluster in the region, it is identified as dynamic and unique, a cluster that not only contributes

significantly to the economy, but one that represents the very essence of the region itself in its world-class cultural and artistic landscape. The Creative cluster in the Berkshires is thus not only an important economic cluster, but a driving force of the region’s overall prosperity because it is such a significant part of its identity.

Definition: “...the enterprises and people involved in the production and distribution of goods and services in which the aesthetic, intellectual and emotional engagement of the consumer gives the product value in the marketplace.”

These people and enterprises, together with the wide network of support, supply, distribution, and related businesses, combine to form the Creative cluster, an important economic force in the region, and one that we are just now beginning to understand fully. The conventional view of this part of the economy has been that it has a nonprofit emphasis and an advocacy and funding orientation. Traditionally, the Creative cluster has been seen as a nice economic development amenity, but unorganized and not integrated into broader economic development strategies. The Creative cluster simply was not sitting at the table.



- Encourage program and curriculum alignment of regional educational institutions (community colleges, colleges, and universities) with the research and talent needs of local, emerging and targeted businesses and clusters.
- Connect the regional educational institutions with employers to develop training programs that best suit the needs of the sector.
- Encourage industry-specific opportunities for internships along with outreach efforts for recruitment of employees through the regional educational institutions.

5. Invest in High-Quality Infrastructure

In order to accomplish goals and objectives over the whole range of business improvement issues, there must be a concerted effort to invest in and sustain high-quality regional infrastructure. The *Blueprint* is engaging work-groups and stakeholders to create initiatives with the following goals:

- Support downtown development and create “lifestyle” opportunities for existing and incoming residents.
- Upgrade educational and cultural facilities (physical plant and technological capabilities).
- Ensure the availability of commercial and industrial real estate that meets the needs of new and existing firms and emerging clusters.
- Acquire and improve communication capabilities (telecommunications and broadband access) consistent with expectations of business partners.

However, a new perspective, one that is still evolving, is that the Creative cluster is a separate and very important economic sector. This new perspective recognizes key attributes of the creative sector:

- A significant employer.
- A separate economic cluster.
- A contributor to wealth.
- Linkage to other clusters such as Hospitality and Tourism, Technology, Manufacturing.
- A promising export cluster... products created in the Berkshires are purchased elsewhere in the regional, national or global economy, bringing dollars into the county.

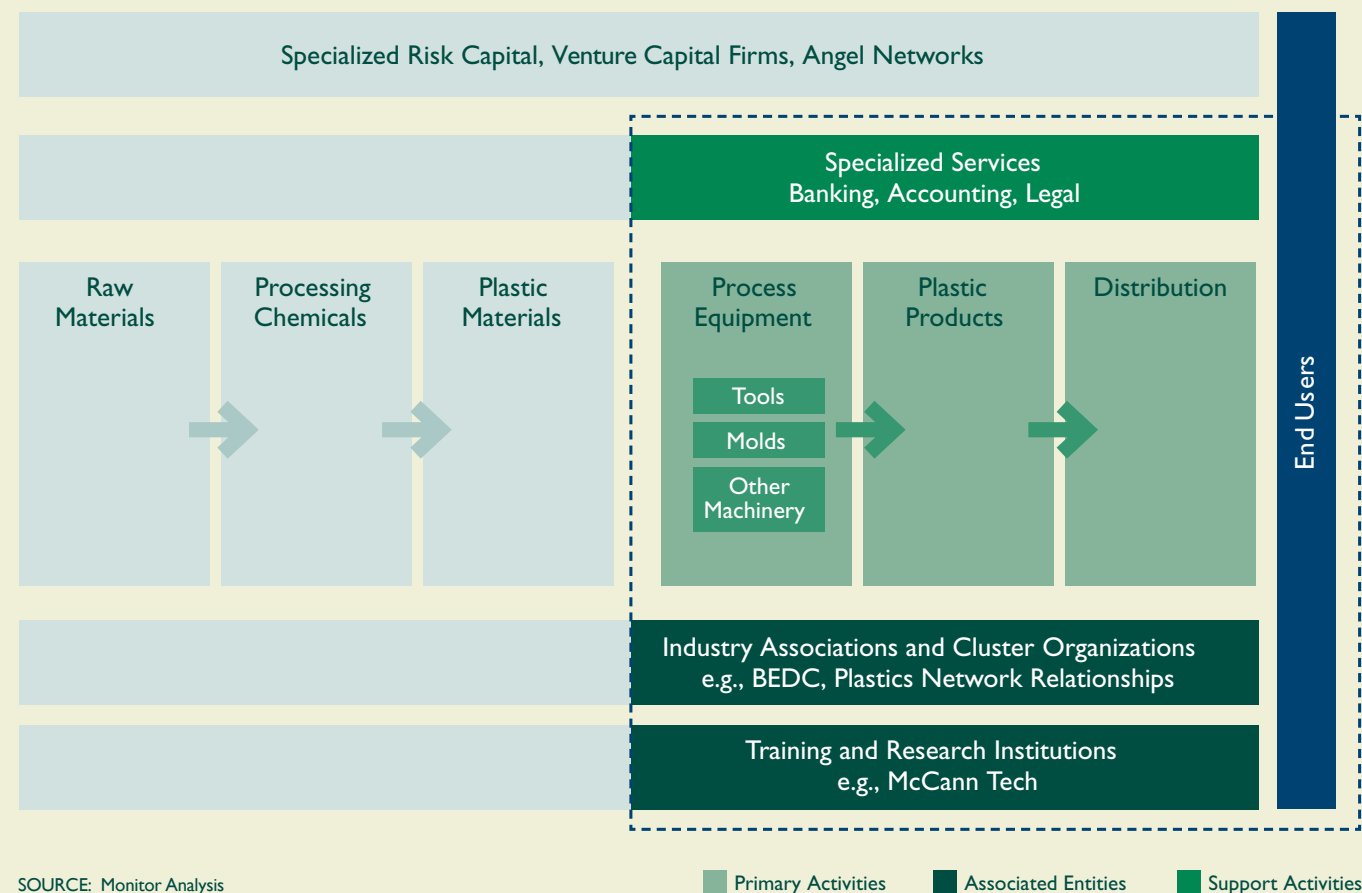
As a result of the work of the *Berkshire Creative Economy Project* steering committee, this cluster has been activated. Stakeholders within the cluster now have the ability to

collectively address the unique needs, challenges and opportunities of the Creative cluster with specific action items, targeting the six identified business issue areas of the *Berkshire Blueprint*.

Plastics Cluster

Although plastics manufacturing has been an important part of the Berkshire economy for a number of years, the Plastics cluster in the region is no longer characterized by large-scale employers, as it was in the past. Today a diverse collection of firms continues to innovate, evolve, and contribute to the prosperity of Berkshire County. By paying particular attention to this cluster, much may be learned about the role of manufacturing in general in the regional economy.

Berkshire Plastics Cluster



SOURCE: Monitor Analysis

Berkshire firms in the cluster are concentrated in the production of tools, molds, and finished products.

Berkshire firms in the cluster are concentrated in the production of tools, molds, and finished products. This concentration distinguishes the Berkshires cluster from conventional plastics clusters, like those in Louisiana and New Jersey. Those conventional clusters comprise elements from across the plastics value chain, from raw materials to finished products, and typically develop in the presence of significant chemical and hydrocarbon-processing infrastructure. Today's focused plastics cluster in the Berkshires, by contrast, grew out of the mold-making expertise developed at GE, and many firms that populate the cluster today draw on skilled workers and experienced managers once employed by GE.

The Unique Plastics Cluster in the Berkshires

The *Berkshire Blueprint* initiatives specifically targeted to the unique plastics industry in the Berkshires will benefit in a number of ways:

- Re-activation of a Plastics network and Plastics cluster group.
- Renewed connection with educational institutions through the *Berkshire Compact*.
- Connection with other cluster groups to boost innovation and productivity.

Hospitality and Tourism Cluster

In the Berkshire region, the Hospitality and Tourism cluster centers around the area's natural amenities, recreational and cultural institutions. This cluster plays a significant role in the economy of Berkshire County and is a prominent aspect of the region's overall identity.

The efforts of the *Berkshire Visitors Bureau* have been successful in conveying the message of the Berkshires as a "Premier Cultural Resort." Recent research indicates that this cluster has an opportunity to create increasing prosperity in the region by developing further means to more effectively share the region's assets with tourists and visitors. The *Berkshire Visitors Bureau*, in conjunction with the Berkshire Economic Development Corporation and other groups, are now well positioned to further activate the Hospitality and Tourism cluster in order to help strengthen and sustain the Berkshire brand, bringing even more visitors from around the world.



Cranwell Resort, Spa and Golf Club in Lee, MA

The *Berkshire Blueprint* has incorporated specific initiatives to help improve the business environment within this sector. Working closely with established business cluster organizations and related clusters, this is the *Blueprint's* focus for Hospitality and Tourism:

- Support and expand the efforts of the *Berkshire Visitors Bureau*.
- Enhance and expand collaboration within the cluster.
- Refine customer segmentation and marketing activities.
- Ensure the availability of a competent workforce.
- Upgrade communications and transportation infrastructure to meet the needs of business travelers and other high-value segments.

Measuring Success

Targets and benchmark metrics will be utilized in the following areas to measure successful implementation of the *Berkshire Blueprint*:

Business Climate

- Cost of doing business
- Cost of health care

Community

- Townsend score
- Chronic disease

Environment

- Balanced development and land use

Innovative Capacity

- High-speed Internet access
- New business starts/sustainability
- Patents issued per worker

Population Change

- County population

Prosperity

- Personal income
- Employment rate
- Average wage

Skilled and Educated Workers

- Higher degree attainment
- Job vacancy rate

The Berkshire Blueprint

The focus and initiatives contained in the *Berkshire Blueprint* result from a community strategy with a carefully crafted action plan for success. The implementation of this strategy, led by the Berkshire Economic Development Corporation in collaboration with a wide range of industry, government, and not-for-profit organizations, provides a comprehensive road map for economic development efforts in the region.

Through the *Berkshire Blueprint*, there is a new concentration on a multifaceted, entrepreneurial economy and recognition that multiple sectors and many firms must succeed for the region to prosper. High-value manufacturing, hospitality and tourism, and the creative economy are now better understood and are in sharper focus as clusters targeted for regional growth.

The *Blueprint* presents a new approach of collaboration with educational institutions through the *Berkshire Compact for Higher Education* in order to achieve the critical goal of creating a select set of well-educated workers with specialized skills targeted to the needs of local firms and clusters.

The *Berkshire Blueprint* provides the initiatives to move the regional economy toward increased prosperity in a measured effort that preserves and maintains our quality of life and markets the Berkshire lifestyle to attract visitors, firms, and entrepreneurs. Extensive action is under way, choreographed through the *Blueprint* process, and now it's all about execution.

For further information contact
Berkshire Economic Development Corporation
75 North Street, Suite 360
Pittsfield, MA 01201
413.499.4000
www.berkshiredc.com

