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2006 Communications Plan

Final Version

June 1, 2006



Consultant's Report

Introduction

The purpose of this Communications Plan is to support the strategic direction of Iron Range Resources. It establishes the brand character/tone, defines communication objectives, describes the target audiences, and identifies communication strategic initiatives and supporting tactics and rationale. Research conducted by Akerson Marketing Research provided the foundation for the plan. The research focused on current and potential IRR customers and their perceptions of IRR and the Iron Range as a business location.

Organizational Structure

Iron Range Resources is a unique governmental agency designed to help strengthen and diversify the economy of northeastern Minnesota. Located in Eveleth, the agency's funding comes from a percentage of taconite production taxes paid in lieu of property taxes by mining companies in the Taconite Assistance Area. The agency employs 55 staff members and is headed by Commissioner Sandy Layman who was appointed in 2003 by Governor Tim Pawlenty. The IRR is governed by a board made up of five state representatives, five state senators and three citizens.

Brand Promise

The Brand Promise Statement describes the experience that Iron Range Resources promises to provide to external audiences. However, this statement is for internal use—external audiences should understand and perceive its message, but they do not necessarily see it verbatim. It is an internal promise practiced externally.

We will leverage your business expertise with our financial resources to help you make your business a success on the Iron Range.

Elevator Speech

This is the concise description of who you are and what you offer and is often used at the end of news releases.

Iron Range Resources is an economic development agency dedicated to advancing growth on Minnesota's Iron Range by providing financial expertise and resources to help existing businesses expand and attract new businesses to the region.

Brand Character/Tone

Respondents in research conducted by Akerson Marketing Research describe the agency as hard-working, competent, respected, financially strong, knowledgeable and well-connected to key decision makers, and extremely committed to helping businesses succeed on the Iron Range.



Communication Objectives

- Increase awareness of IRR's financial expertise and resources among established Iron Range businesses wanting to grow and expand operations.
- Build awareness of IRR's financial expertise and resources among targeted Twin Cities' businesses.
- Consistently communicate your story to convey your brand promise and encourage businesses to move to the Iron Range or expand their existing business on the Range.
 - Clearly define the separate roles of the IRR agency and the IRR board and share with targeted audiences, i.e., legislature, businesses.
 - Change negative perceptions by reinforcing key messages.

Target Audiences

Primary

Regional:

- Small- to mid-size business owners on the Iron Range
- Partners:
 - Economic Development Agencies
 - Higher Education

Metro: Small- to mid-size business owners in the Metro area that specialize in the following:

- Technology-based businesses and electronics manufacturing businesses.
- Companies performing contract work for larger corporations in the Twin Cities such as 3M, Medtronic, etc.

The main contact is the company CEO who is typically 50 years old, white, male and enjoys outdoor recreational activities.

Secondary

- Venture Capital Firms

Internal

- IRR Board
- IRR Employees

Influencers

- Governor's Office
- Minnesota Legislators
- Iron Range Communities
- Mining Companies
- Media



Key Customer Insights

- Business owners want to work with someone who gives them credit for their vision, expertise and the success they already have achieved.
- Business owners believe the biggest attractions for running a business on the Iron Range are the hard-working, talented people, natural resources, and the lifestyle and recreation opportunities.
- Business owners view the IRR as an agency that can connect them politically and provide business contacts.
- Business owners believe the biggest hindrances to running a business on the Iron Range are its remote location, strong union mentality, decreasing labor pool and lack of transportation infrastructure.
- Business owners want to work with a partner who is willing to stick their neck out.
- The IRR is not perceived to have the business or management skills required to help a business put together a strategic business plan.



Key Messages

Primary

- We have the financial strength to help you realize your business vision.
- We want you to succeed. Our success is intertwined with your business success.
- We will help you navigate the business financing process.
 - Our funding process is transparent, fair and accessible to qualifying businesses
 - We will help you find a building to suit your needs
 - We will scout out the Iron Range to find locations that meet your needs
 - We will help you find innovative ways to help meet your capital needs
 - We will work with the technical/community colleges of the Northeast Higher Education District on the Iron Range to develop training programs your business will need
 - Big or small, your business plan and ideas will be treated with respect
- The Iron Range offers a unique working environment, free from many of the stressors found in metro areas: less traffic, safer communities, affordable housing, recreational opportunities and a better quality of life.

Secondary

- Let IRR connect you. Our strong, experienced economic development team has fostered local and state government, higher education, and business relationships you can leverage.
- The Iron Range offers a hard-working, dedicated and loyal workforce willing to go the extra mile.



Business is Beautiful Campaign

Our campaign targets two primary audiences: Regional and Metro. The message is simple but carries more than one meaning which can easily be adjusted to the various secondary target audiences.

- “Business is beautiful” from a small business owner’s perspective reflects the excitement and satisfaction of being your own boss.
- “Business ‘will be beautiful’ on the Iron Range” speaks to the overall potential for success in the region.
- The Iron Range offers a “beautiful” environment with forests, lakes and outdoor recreational opportunities.
- “Business is beautiful” from the standpoint of Iron Range community leaders, lawmakers and the public, because it translates into more jobs and a vital economy.



Regional Campaign

Objectives:

- *Develop and nurture programs for local businesses and prospects, encouraging their own growth and expansion and educating on how IRR can help.*
- *Strengthen the brand of Iron Range Resources.*
- *Generate enthusiasm and excitement for the Iron Range among public and regional leaders.*

Tactics:

- **“What Does the Range Need?”**—Meet with local communities and businesses to identify the types of industries and services that would help strengthen the Iron Range and current businesses. For example, do hospitals and clinics need medical equipment and/or transportation? Assisted living facilities?

Get buy-in from community to eliminate the perception the Iron Range doesn't welcome new business. The object of this initiative is to open the door to opportunity and encourage new ideas. Consider sending a survey to local business owners and using the feedback to set up Coffee with the Commissioner.
- **Coffee with the Commissioner**—Set up individual meetings with Commissioner Layman and Chambers of Commerce, local business leaders, partners and other influential regional leaders. Topics of discussion to focus on projects for the Iron Range, workforce recruitment, etc.
 - Develop list of groups and individuals Commissioner Layman can meet with, which may include:
 - NorthNet
 - Chamber Leaders
 - Individual Business Owners
 - Partners
 - Produce a DVD with Commissioner Layman addressing topics relating to business development, workforce trends, upcoming projects, etc. The DVDs will be broadcast by Iron Range and Duluth cable access programming.
 - Promote cable access programming with print advertising schedule, Range e-Views and chamber bulletins.
- **RangeView**— Kick-off Business is Beautiful campaign with four-page special insert published in September/October edition. The insert will focus solely on Business is Beautiful campaign and include articles on the campaign, business success stories and supporters of the campaign, launch of “Coffee with the Commissioner” article and a picture of unveiling of the new billboard.
- **Range e-View Electronic Newsletter**—Send newsletter to current and prospective customers about recent successes, business trends and tips, and IRR's message of support. Implement registration at the Website. Consider segmenting *RangeView* and sending out select articles or information from upcoming edition.



- **Business is Beautiful Appreciation Day**—Host a September 10, 2006 golf outing for current and potential customers, lawmakers, and media at Giants Ridge to show IRR’s appreciation for business owners who are diversifying and strengthening the Iron Range economy.
 - Golf foursomes made up of IRR staffer, Iron Range business owner, prospect and chamber leader.
 - Roll out Business is Beautiful campaign with signage, posters, program, etc.
 - Invite media (business writers from the regional and the Twin Cities media).
 - Have newsworthy story ready to go; some major announcement if possible.
- **Print Ads**—Targeted print ads in business publications such as *Business North*.
- **Outdoor Advertising**—Targeted billboards on the Iron Range that showcase Business is Beautiful campaign.
- **IRR Business is Beautiful Partner**—Develop window clings for area businesses that have received support from IRR identifying the business as a Business is Beautiful partner with IRR.
- **Chamber Advertising and “Lunch-n-Learns”**—Invite local chamber leaders for lunch to educate them about the Business is Beautiful campaign and its purpose in the overall goal of diversifying and growing the Iron Range’s economy.
- **Brochure**—Develop an image brochure and folder packet based on the Business is Beautiful campaign. It will showcase IRR’s message of support for businesses and pull out proof points on dollars invested and jobs generated.

Distribute to:

- Partners
- Iron Range business owners
- Iron Range community leaders
- **Speaking Engagements**—Develop Power Point presentation template for speaking engagements before service clubs, chambers, etc., so that each IRR staffer is able to present IRR’s message clearly and consistently.
- **Business Proposal Template**—Create templates for business proposals, letters to prospects, etc. for agency-wide use. Templates will include logos, taglines, messages, etc. to ensure consistent look and feel of IRR brand.
- **Career Visioning**—Expand Iron Range workforce through promotion, retention and recruitment efforts at job fairs, college speaking engagements, chamber events, etc. To be carried out by IRR workforce development staffer.
- **One-on-One Meetings**—Continue to strengthen relationships with partners by meeting with them on a scheduled basis to keep abreast of projects coming down the pipeline as well as industry trends.



Media Tactics:

- **News Releases & Op-Ed Columns**—Send news releases to community newspapers and regional magazines such as *Business North*. Consider writing editorials about IRR and projects for these same publications.
- **“Almanac North”**—Pitch stories that focus on the Range’s economic potential for businesses to Duluth-based public television’s “Almanac North.” This forum provides a strong vehicle for the IRR to convey its story.
 - Strengthen relationships with media contacts
 - Pitch story about changing demographics on the Range, i.e., new job opportunities on the Iron Range as the region undergoes a generational change in workers.
 - Send press kit detailing Business is Beautiful campaign including article on changing demographics, image brochure, etc.
- **Meetings with Media**—Hold regular meetings with editorial boards of regional newspapers, news director/reporters at regional television stations to educate media about IRR and to provide consistent messaging.
- **Television Interviews**—Pitch story ideas to WDIO’s mining reporter and KBJR’s Range Eleven reporter. Nurture relationships by providing story ideas and holding face to face meetings. Consider setting up appointment with Duluth media as Commissioner Layman is returning from legislative session in St. Paul to generate goodwill, as media will appreciate convenience and timeliness of interviews.



Metro Campaign

Objectives:

- *Attract small- to mid-size businesses from the Twin Cities to move/start up a business on the Iron Range.*
- *Strengthen the brand of IRR.*
- *Generate enthusiasm for the Iron Range among public and state leaders.*

Tactics:

- **Top 25 List**—Spur networking by crafting a “Top 25” list of Twin Cities-based companies IRR wants to attract to the Iron Range. Identify potential contacts within those companies that will enable IRR to reach key decision makers. Utilize legislative, business and personal networking to expand prospect contact list. Once contacts are identified, devote time and energy to setting up one-on-one meetings or pursue marketing avenues to reach contacts.
- **Print Ads**—Targeted print ads in business publications such as *Minneapolis/St. Paul Magazine*, *Twin Cities Business* and *Minnesota Technology*.
- **Outdoor**—Targeted billboard advertising in metro area showcasing Business is Beautiful campaign.
- **Brochure**—Develop an image brochure/folder based on the Business is Beautiful campaign that will showcase IRR’s message of support for businesses and pull out proof points on dollars invested and jobs generated.

Distribute to:

- Small to mid-sized business owners in metro area
- **Splash Page**—Consider developing splash page that can either be linked from partners’ websites or that can be e-mailed to prospective clients.
- **Tradeshow**—Set up booths at tradeshows to raise awareness of IRR and its resources. Consider developing an attachment to the display that carries IRR’s economic development message.
- **University of Minnesota Duluth alumni *Bridge* magazine**—Targeted ads in magazine touting IRR’s Business is Beautiful campaign with copy targeted at alumni. Many alumni are now working in the Twin Cities and have fond memories of the Iron Range and Duluth and may be looking for opportunities to return home.
- **Event sponsorships**—Collaborative special events targeted to venture capitalists such as luncheons, seminars, etc.
- **One-on-One Meetings**—Solicit venture capital firms and set up two meetings a month to foster relationships and build awareness of IRR’s financial resources.



Media Tactics:

- **Feature stories**—Brainstorm feature story ideas about successful business owners on the Iron Range or upcoming projects and pitch to feature and business reporters at the *Star Tribune* and *Pioneer Press*. Build excitement for the Range as a “beautiful” place to do business.
- **“Almanac”**—Pitch stories that focus on the Range’s economic potential for businesses to Twin Cities-based public television’s “Almanac.” The show provides a strong vehicle for the IRR to convey its story.
 - Strengthen relationships with media contacts.
 - Pitch story about changing demographics on the Range, i.e., new job opportunities on the Iron Range as the region undergoes a generational shift in workers.
 - Send press kit detailing Business is Beautiful campaign including article on changing demographics, image brochure, etc.
- **Meetings with Media**—Regular meetings with editorial boards of metro newspapers, news director/reporters at metro television stations to educate media about IRR and to provide consistent messaging.



Future Considerations

- **Website**—Set up special section on current website that offers business tips and worker statistics. The site serves as an informational tool to showcase IRR’s partner mentality. Consider streamlining website for ease of use by customers and public. Consider adding “how can we help you” survey to your venture capital section of your website.
- **Research**—Consider research to further target prospective businesses for relocation and expansion on the Iron Range including benchmarks of other similar cities and their efforts to expand and recruit potential businesses.
- **We Are Connected**—Work with partners to develop better infrastructure for trucking, rail, air, and overall transportation and access.
- **Case Studies**—Develop case studies with business partners, both union and non-union companies that have experienced success on the Iron Range.
- **Women Connect**—Campaign targeted at the growing number of female business owners to increase IRR’s visibility among this targeted group and increase understanding of IRR’s resources and message of support. The campaign could include direct mail campaign, print ads placed in *Women in Business*, website, speaking engagements, testimonials and tradeshow space at events targeted to women in business.
- **Direct Marketing Kit**—Very targeted marketing in a “box” with information inviting select venture firms to partner. Include *RangeView* publication as a means to update prospects about current and upcoming projects on the Iron Range.
- **PR article**—Publish articles in venture capital firms’ newsletters and at Web sites.



Appendix A

Positioning Statements



Positioning Statement Options

In the simplest terms possible, these taglines get at your entire message and your entire brand promise. They say, “You have the ideas and we have the ability to help make them happen.” They are positive, supportive—and fall in line with what our target audiences are looking for. Most importantly, they tell a story in four memorable words.



Appendix B

IRR's Mission Statement and Background Information

Mission Statement

The Iron Range Resources Agency's mission is to advance regional growth by stabilizing and enhancing the economy of northeastern Minnesota's Taconite Assistance Area.

Agency History

As the oldest Minnesota state agency created to address a specific issue, Iron Range Resources has worked since its founding in 1941 to diversify the economy of northeastern Minnesota and to improve the quality of life for area residents.

Its impact can be quantified through jobs created and dollars invested, but the agency is about more than numbers. It is about planning for the future and creating common direction.

In 1941, young Minnesota Governor Harold Stassen announced the formation of a state agency that would oversee the development of natural and human resources on the Iron Range in response to a dramatic drop in employment levels. Employment in the region fell from 12,000 in the 1920s to less than 2,000 in 1932.

Stassen understood that Iron Range residents did not want charity or relief. They wanted jobs and opportunities that went hand-in-hand with steady employment.

On April 27, 1941, Stassen and the Minnesota legislature formed Iron Range Resources and Rehabilitation Commission. Its purpose was to diversify the economy of the Iron Range.

Stassen considered the Iron Range to be one large community comprised of many cities and towns sharing common economic and social conditions. He felt that a rehabilitation program benefiting any one area of this community would be a benefit to all.

He also felt that the area's socioeconomic standing could be improved through the development of key resources (today known as the "4 Ts"):

- Taconite: low-grade iron that would eventually take the place of high-grade ore.
- Timber: forest management that would replenish the region's forest resources and revitalize the timber industry.
- Technology: a system of post-secondary and vocational educational institutions to train and educate the region's people for a variety of careers.
- Tourism: Proper development of recreational resources could lead to a lucrative tourism industry.

Over the ensuing six decades, agency commissioners and staff have kept the vision of the "4 Ts" strongly in focus as they founded, funded and fostered a broad range of projects geared towards diversifying the region's economy.



Appendix C

Small Business Research



Small Business Research

Source: *Positively Minnesota*

Site: <http://www.deed.state.mn.us/facts/businessstrends.htm>

Info:

- Minnesota is recognized as one of the best places in the world for business. With a diverse business community that includes 19 Fortune 500 companies and notable small- and medium-sized businesses, Minnesota offers proven growth opportunities for current and future industry leaders.
- Start-up businesses in the state of Minnesota increase by six percent during 2002. During this period approximately 12,400 new businesses were created. It is likely the majority of these businesses are small to medium in size.
(<http://www.deed.state.mn.us/facts/PDFs/Bts-1203.pdf>)

Source: *Small Twin Cities Businesses Unite in 'Buy Local' Movement*

Site: http://news.minnesota.publicradio.org/features/2005/05/16_zdechlikm_localbiz/

Info:

- In May of 2005 an organization called Metropolitan Independent Business Alliance was organized in the Twin Cities area. The organization's goal was to educate people about why it is important to have a locally based economy.
- Locally owned businesses recycle a much bigger share of the dollars that they take in back into the local economy.
- Those within the local business organization in the Twin Cities hope to pool their purchasing to bring down costs, so they can be more competitive with national chain stores.

Source: *U.S. Census Bureau: 1997 Economic Census*

Site: http://factfinder.census.gov/servlet/IBQTable?_bm=y&-geo_id=30000US5120&-ds_name=E9731A1&-lang=en

Info:

- The table in this section shows the number of businesses that were in the Minneapolis St. Paul area in 1997.
- These businesses are divided by industry.
- Unfortunately, this information, which was released in 2002, is the most recent that can be located.



- An excel spreadsheet has been developed utilizing this information to calculate the following “approximate” totals. These totals are approximate because some businesses fall within more than one industry.

	Number of Establishments	Establishments with >20 Employees	Establishments with <20 Employees
Total	22,135	7,743	14,392

Source: *U.S. Census Bureau: Statistics of U.S. Businesses: 2003*

Site: <http://www.census.gov/epcd/susb/2003/mn/MN--.HTM>

Info: Tables found on this site show the number of firms in Minnesota that have 1-4, 5-9, 10-19, 20-99, 100-499, and 500+ employees.

<u>Employment size of enterprise</u>	<u>Firms</u>	<u>Estab-lish-ments</u>	<u>Paid employees</u>	<u>Annual payroll (\$1,000)</u>
All firms	120,777	145,861	2,382,177	87,297,655
Firms with no employees (as of March 12)	19,021	19,034	0	765,349
Firms with 1 to 4 employees	52,018	52,074	107,273	2,984,217
Firms with 5 to 9 employees	19,996	20,172	131,826	3,615,693
Firms with 10 to 19 employees	12,903	13,498	173,100	4,959,513
Firms with 20 to 99 employees	11,722	14,961	439,477	13,647,821
Firms with 100 to 499 employees	2,703	7,336	378,431	12,785,637
Firms with 500 employees or more	2,414	18,786	1,152,070	48,539,425

