

08 - 0145

January 31, 2008

The Honorable James Metzen
Minnesota Senate
322 Capitol
75 Rev Dr Martin Luther King Jr Blvd
St. Paul, MN 55155-1606

The Honorable Tim Mahoney
MN House of Representatives
591 State Office Building
100 Rev Dr Martin Luther King Jr Blvd
St. Paul, MN 55155-1206

Dear Sen. Metzen and Rep. Mahoney:

This is an overview of the Bioscience Marketing Program that the Department of Employment and Economic Development (DEED) is currently developing. During the last legislative session, the Legislature appropriated \$125,000 in Chapter 135 (H.F. 122) to DEED to implement an international bioscience marketing program emphasizing businesses and business locations in Greater Minnesota.

DEED has coordinated bioscience marketing efforts for several years. Most recently, DEED has been working with several organizations to create a comprehensive, deliberate marketing plan that effectively communicates the strengths of Minnesota to national and international audiences. The group includes the following organizations:

- University of Minnesota
- Mayo Clinic
- BioBusiness Alliance of Minnesota
- Life Science Alley
- St. Cloud Area Partnership
- Worthington Regional Economic Development Corporation
- Greater Mankato Growth
- Rochester Area Economic Development
- Fargo/Moorhead Economic Development Corporation
- Several small bioscience service businesses
- Department of Agriculture
- Department of Employment and Economic Development

The main focus of the group is to assist in developing an effective marketing campaign and to ensure that all organizations are equally knowledgeable about the needs of bioscience-based businesses. The Positively Minnesota Marketing Partnership - many of the organizations named above are members - is also invited to participate in our efforts. In addition, the Bioscience Coordinator at MnSCU and numerous other leaders who participate in Life Science Alley and the BioBusiness Alliance are aware of the collaboration.

Previous marketing efforts have mainly been focused around the Biotechnology Industry Organization (BIO) Trade Show for good reason: It is the premier international event for demonstrating Minnesota's capabilities. The exhibition draws more than 20,000 attendees from nearly 40 states and 30 countries. The marketing plan includes funding for the BIO show and other trade shows Minnesota has either historically attended, such as the Medical Device and Manufacturing Show in Minneapolis, or should attend such as the BIO Industrial Trade Show and other regional medical device shows.

The second major activity planned includes identifying companies interested in Minnesota and assembling a team to conduct marketing missions. The team's purpose is to meet with company officials and/or corporate real estate executives in other states to more fully explain the benefits of having a presence in the State of Minnesota.

Finally, we intend to host web-based events to targeted audiences in advance of our trade show engagements. We are creating awareness through well-placed articles and advertising in relevant journals and other notable publications that provide the appropriate readership.

The following budget has been developed for a one-year marketing plan:

Event	Amount (est.)
Trade Shows – Bio, Medical Device, Industrial Biotech	\$60,000
Marketing Missions - various regions of U.S.	\$45,000
Marketing – advertising, communications, web-based events	\$20,000
Total	\$125,000

Planning for the June BIO trade show is focused not only on presenting Minnesota's strengths, but on creating awareness among our partners through a broadly understood and recognized brand. We are building a coalition that understands the industry's key site selection drivers to effectively communicate and enhance our ability to attract bioscience businesses. The group has gained an understanding of the network of capabilities within certain sectors of the industry through this planning process.

As with any marketing campaign, researching the desired audience is critical, and we are beginning to understand the markets in which Minnesota can compete globally. Without understanding the customer, it is virtually impossible to effectively market our product and produce any desired results. However, results are rarely immediate. We intend to continue to create awareness among the targeted audience through a sustained effort.

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DEED will measure the results of the marketing program by the number of prospect inquiries, the number of visits by site selection and company representatives, and the number of mentions in targeted-industry publications, among others. Another important measure will include other public or private funds that this appropriation will leverage since many of our partners will participate in all of the events. Conservatively, we estimate these funds will leverage an additional \$400,000 in the form of sponsorships or advertising and event participation.

We are pleased with the number of partners that have been engaged and excited about our progress. Should you have any questions, please contact Kevin McKinnon, Director of Business Development, at 651-259-7445.

Sincerely,

A handwritten signature in cursive script that reads "Dan McElroy". The signature is written in dark ink and is positioned above the printed name.

Dan McElroy
Commissioner

C: Legislative Library