



Next Move Group

We Are Jobs Podcast

with Special Guest: Larry Holt

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Chad Chancellor: Welcome to this week's episode of the Next Move Group We Are Jobs podcast. This is Chad Chancellor, co-founder of Next Move Group and today I'm glad to have Larry Holt with us. Larry is sort of a man out of my own heart. He is the VP of business development for the Greater Portland Oregon Economic Development Organization and is really, really solid at business development which I like to think I am, Larry.

So, you're a man out of my own heart. I'm glad that you're here today. I know recently, Consultant Connect named you one of the top 50 economic developers, so congratulations on that award and why don't we start out with you just tell us a little about all the good stuff going on up there in Portland.

Larry Holt: Well, I'll be remorse if I didn't mention that one of the fun things about my job is we represent Southwest Washington as well. We are a two-state organization, which I think kind of helps out our clients really because they can kind of evaluate two markets for the price of one when they are looking at the Greater Portland area.

This is a great section of the country that's tremendous beauty, great quality of life and one of the things I really love is just personally and professionally, how much transportation access there is, how easy it is to get around. We got a ways to go, but sometimes I watch communities like Nashville buckle down expanding their transportation system and I think well, we might be doing all right up here.

We're really competitive in some key sectors like course. Athletic & Outdoor probably would people think of for us, Nike, Columbia Sportswear, Nautilus, lots of companies making use of the great outdoors here to build companies. Of course, we've grown up really strong at computer software and that's built on our semi-conductor legacy as well, what's sometimes called the Silicon Forest.

We do economic development here just like everybody else in the country. We have to get out there and pound the payphone and people aren't sitting in their office in Chicago thinking of Portland, Oregon. So, I believe it is our job to get out there and tell them about it and tell them about some of the great things happening here.

So, it's been a great role for me. I moved here about three and a half years ago; early 2016 in the middle of a rainy season which I would not recommend. What I learned is the summer is a lot like San Diego which I consider our big secret. So, economic development is a lot of fun and real good for me here in the Pacific Northwest.

Chad Chancellor: I've never talked to anybody that's been to Portland that didn't love it. So, I don't know what it is about it, but if it ever comes up, people say that they love it. I know you all

recently-- I've read a study where you were top five in the USA in companies with at least a million dollars a year in annual sales or in the growth of those top companies.

So, you guys not only win the big deals and the semi-conducting headquarters, but obviously, it's a good place for entrepreneurs too. I'm an entrepreneur, so that really stood out to me. So, what really makes that area so attractive for those type of companies? Obviously, Silicon Valley or California or other places-- Seattle you might compete with.

Larry Holt: Value compared to those other markets is you get the same West Coast market as Seattle, for example, but maybe at about 50% of the price, to be quite honest, and we have that access up and down the West Coast. We have something like 40+ flights a day into the city of San Francisco. It's not like you're even that remote. You can be down there in basically an hour and a half. I heard a Seattle broker one time describe it as we've all kind of become San Francisco suburbs. So, I don't want to take too much credit, but we really do have this great location right in the middle of northern California and the Pacific Northwest.

You can take the train to Seattle. You can fly to San Francisco real easily and the big thing is this is not a real rigid place. A lot of people ask me-- I moved here from Austin and some of those arguments about who invented the Keep Boston Weird or Keep Portland Weird first and my response to that is neither of them are in any danger of losing that. So, they're both just unique places that attract unique people and that's attracting startups.

Chad Chancellor: What do you really feel-- so, we got some listeners out there who work for regional organizations. Some may even work for two states. So, what tips would you give? How does it work there with Washington and Oregon? How are you able to keep everybody-- I'm sure everybody-- nobody's ever happy no matter what you're doing. So, how are you able to really make that work? What tips would you give other places that may be thinking about doing something like that; a bi-state effort?

Larry Holt: I think it's important to recognize that on some level our communities always do compete and I don't think there's any way around that and it was that way in Texas. It's certainly that way here. That doesn't mean that we're out there poaching jobs from each other, but I can assure you that if there's a project looking at just, for example, Vancouver and say Hillsborough, both those communities want that and that's good, I think. That makes my region stronger, but for

me as a regional economic developer to ignore the fact that those guys are competing against each other would be naïve.

So, I don't-- I think what builds up those relationships is-- this is where transparency is just so huge and the whole of the regional group should be the honest broker and represent all the communities equally. If you do that, you'll build up credibility and trust with those communities, but it's tough and working in a regional group is hard work and there's always somebody unhappy with you, but that's the job.

I enjoy the challenge and I enjoy the feedback truthfully because when somebody is unhappy with you, that's an opportunity for you to grow and learn and figure out how you can better serve your communities better and just adding another state just kind of multiplies that.

Chad Chancellor: You're well respected and well known in the site selection community and of course, I mentioned you won the Consultant Connect's Top 50 award. I know you conduct a lot of site selection marketing missions and host them. So, what have you-- and I know every site selector is different, but what could be your tips in dealing with site selectors not only through a project but how have you found a way to not only let's say take a site selector to lunch but give them something that's valuable? What tips would you give economic developers out there maybe if they're just starting in the profession about how to put themselves on the map with site selectors?

Larry Holt: Honestly, I don't think it's rocket science, Chad and I think I talked about this a second ago. I think being responsive is a pretty important value. When you've got a major global commercial real estate firm out of Dallas reaching out to you for information on tax change, if you can't drop what you're doing for that, I wonder what your priorities are.

That's served me well is just taking the time to be responsive and prioritize and understand who our key customers are and the opportunity with site selectors, the reason all of us are in this business spend a lot of time trying to hone those relationships is they offer the ability to bring repeat business.

So, I think all of us are on some level judged on the amount of projects we can bring into our communities. So, why not do everything in your power to make sure those relationships run as smoothly as possible? So, we've had a good deal of luck with that. We are responsive. We stay in

regular communication and then I'm not-- everybody knows this. There are four big site selector markets in this country: New York, Atlanta, Chicago, Dallas and to an extent two major cities in California though it's a little more dispersed.

We try to hit two of those every year and just fly out to New York, fly out to Chicago, spend a couple of days there, let them know about the latest news in our community, which in this case is Diamond Trucking announced a major expansion of their North American headquarters here in Portland. So, that's a bit of a manufacturing and automation and plain technology story.

We're happy to go about there and tell because like I said, they're not sitting there in their office in Chicago looking at news in Portland. I do think there is value in getting out there and telling that story yourself.

Chad Chancellor: Well, I saw an announcement on your website; a synthetic diamond manufacturer, De Beers, is doing a project there. That caught my interest; diamond manufacturing. So, talk a little bit about that project.

Larry Holt: That's the Element Six project. That was a great project. We worked with their UK site selection team on that for a little over a year. We engaged with the company. They were still looking at the western part of the country, but that was multiple states in the western part of the country and they had a site in Canada they really liked as well.

It's so interesting. In terms of the technology they were putting in this plant, it may as well have been kind of an advanced semi-conductor facility. We really had to drill down and really help them understand soils and electricity capacities. Time to market was just huge and so, we managed that customer service experience like you do all your projects and we were very fortunate that our site in Washington and our site in Oregon made the shortlist.

They finally eliminated the Canadian and the North Dakota site and then as they were able to vet utility rates, they made the decision to go in Gresham, Oregon. We're super proud of that project. It is a large capital investment and that's a real key--

One area we really go after is foreign direct investment because those do tend to be higher-paying jobs and they tend to spend a little bit more money in the community with your local business. There are arguments made that I believe those companies provide kind of a higher bang to your

buck in terms of-- because all of us in economic development at some point are sitting there looking at a whiteboard going what should I go after?

For Greater Portland, the answer has been FDI opportunity. So, that was a great project for us; a very happy ending. It's appeared in the Wall Street Journal a few times. In fact, we think they're-- it's not just Larry saying it's cutting edge technology. A major American media has cited it is too.

Chad Chancellor: Well, I can see when you do your site selectors tours that would probably interest most people. There's more manufacturing up there than I would have just thought thinking about Portland. When I looked at you, I always thinking you all are IT and semi-conductors, but you have a lot of advanced manufacturing up there.

Larry Holt: We really do and I was just working a manufacturing project recently and one of our suburban communities and even-- I've been here three and a half years and I was surprised at the amount of manufacturing we had out there. Some of it is aerospace with Precision Castparts and Boeing has one of their largest facilities and companies here, but then a lot of it is cutlery.

There are a lot of advanced knife makers here and some of that outdoors stuff kind of bleeds in as well. So, yes, we do get compared to Austin a lot, but this is ultimately a port city and there's quite the manufacturing legacy here. We love going after those projects and staying competitive on those. For those companies that need that Asia access, we have a particularly compelling story.

Chad Chancellor: I'm sort of a manufacturing guy, so I guess I reveal my strength and my weakness here. Most of the projects I've ever been with have been advance manufacturing of some kind. I know nothing about biotech, but you've really had a lot of success on that and people will ask us sometimes, how do you go after that?

So, you're talking to somebody that knows nothing about it. So, what would be your elementary education to me on your biotech success and what it takes to win those projects and kind of an overview of the keys to compete in that market?

Larry Holt: I think when you're in economic development as a practitioner and you're identifying targets and you want to start with the top-down look and go what industries are going to grow over the next 20 years in the United States? And a dozen-- probably at the top of that list is healthcare.

So, I think if you take a really kind of expansive view of what that can mean, there are trade detector opportunities within healthcare to have some project success. Some of the assets we have here that I think are critical are having are a major medical school for the state of Oregon is here in Portland and that's a tremendous asset in terms of research and research sciences.

We have a number of what I would call primate and invertebrate testing facilities up and down the I5 corridor and with Intel-- and this is where thinking broadly has to come in, Intel has put together a really-- they've brought some of their big data expertise to build a supercomputer that allows for the kind of really advanced genetic testing that the industry requires. So, that's a tremendous resource here as well.

So, like any industry, you think broadly, you think about what your assets are and then go after targets. So, one of those that's announced some deals here in the past few years is Genentech in multiple locations throughout here.

We're working a project now that, of course code-named NDA, but really big in genetic testing and it kind of aligns with that sweet spot of some of the things that attracted De Beers and Element Six, which is super reliable power, great data infrastructure because really this sort of genetic company they're doing gigantic amounts of computing is what's driving that.

So, just understanding that that is really kind of the bread and butter of a lot of modern health tech kind of allows you to connect the dots going hey, we've got a strength here. So, that's some of the-- like we've had and of course, we're still growing and we're not Seattle, we're not Raleigh, but I think we're starting to pop up under some radars around the country.

Chad Chancellor: We've talked a lot about recruiting. If we transition to taking care of the companies you have, your original organization, do you do that or the local counties do retention expansion? I know you've had a strong retention expansion track record in your past before Portland. So, talk about how you guys do that with a regional group and any tips you might have of how to take care of your existing companies.

Larry Holt: The local communities here own the retention relationship. That and as they should. That is-- I think one of the most powerful things in economic development, Chad, is the power of the local economic developers sitting down with a company that's in their community and letting

them know they are happy they are employing people in Clackamas County or Clark County in Washington and how they want to help them and be of service to them.

We support our community partners in that work and of course, as you know we can talk all about recruitment all we want, but who are the first people your recruits want to talk to is your existing customers. So, really ensuring those relationships is critical. Our goal is just to make our communities be as successful as they possibly can be and building on those existing relationships.

That's kind of-- our role is more of support mechanism and vice versa. Sometimes your existing companies need recruitment support in terms of data needs, marketing needs to help them grow and so, we're just kind of that resource for regional communities.

Chad Chancellor: As we sort of wrap up Larry, why don't you just give these folks the Portland sales pitch. We do have some company executives who listen to our podcast. So, give them the elevator pitch for Portland.

Larry Holt: Well, we like to think of Greater Portland as a community where good business climate and quality of life don't compete. We really start there. We think we represent an outstanding value in talent and of course, this region has spent billions on building a modern public transportation infrastructure that includes light rail.

You can go from the Silicon Forest in Washington County to the airport on our light rail system today. That's not something planned in the future or on a PDF in someone's "what our transportation system might look like" packet. That runs today in Greater Portland and again, it comes down to value.

When you look at our commercial real estate prices, some of our home prices, we think we present one of the greater cost advantages to certainly our West Coast peers and increasingly, communities like Denver as well. So, we're real proud of that and we have the proof points. That's not just Larry saying that.

You have world-class companies like Nike, Intel, Diamond Trucking North American, Adidas. North American moved their headquarters from Boston to Portland just in the last few years. So, that's just not economic development speak, that is market proof points of those data points as well.

Chad Chancellor: Is Eugene, Oregon in your region or is that outside your territory?

Larry Holt: Eugene is real south of our region. I'm actually going there tomorrow for a Duck's football game, Chad.

Chad Chancellor: Oh! Who do they play tomorrow?

Larry Holt: Montana.

Chad Chancellor: Mississippi State has played and had Oregon before and I've got a lot of friends who made the trip and they just loved it. That's why I was wondering if Eugene-- they've really built a heck of a program up there. They almost beat Auburn a few weeks ago.

Larry Holt: Well, we wish they had.

Chad Chancellor: As we wrap up, Larry, give these folks your contact information or your organization's website for our business owners out there, Larry and this group know how to do a deal, so they can help you out. For economic developers, Larry knows how to do business development. So, I just thank you so much for spending a few minutes with us today. Give these folks your contact information if you don't mind.

Larry Holt: Thanks so much, Chad. Greater Portland Inc's website is greaterportlandinc.com. You can find me on Twitter @lfholt. Anybody out there, feel free to email me directly if you like. That's larry.holt@greaterportlandinc.com. I'm pretty easy to find and maintain a good social media presence where I like to talk about music, barbeque, and occasionally, economic development.

Chad Chancellor: Larry, thank you for being with us today. We'll do another one one day where we do the music and the barbeque.

Larry Holt: Awesome! Great. Thanks so much, Chad.

Chad Chancellor: Thank you.

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Chad Chancellor: A special thank you to Younger Associates for recording, editing, and publishing this podcast for us. I encourage you to visit their website at younger-associates.com.

