

Worcester Chamber Wants \$1.2M To Court Biomed and Tech Manufacturing

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The Worcester Chamber of Commerce wants to raise some big money to lure some new industry.

Tim Murray has been in the driver's seat of the [Worcester Regional Chamber of Commerce](#) for less than 60 days. But he's already revving the long-stalled organization up to 60 MPH as the region's economic-development engine.

Murray's goal is to raise \$1.2 million over the next few months, to recruit, retain and incubate biomedical firms, including high-tech manufacturers – those using high-tech equipment such as robotics to make products such as

medical devices - in Greater Worcester. The new Worcester Economic Development Advancement Fund has initial commitments totaling \$300,000.

Initial plans for WEDAF include identifying companies in sectors of the economy that play to our region's strengths. As such, the Chamber will focus recruitment efforts on specific industry sectors as well as the developer community.

In the past month, the Chamber reports, there has been “a significant increase” in the number of new businesses joining the organization. According to the Chamber, there have been “many initiating contact and asking to become a member. Several have cited increased activity by the Chamber and a new level of enthusiasm as factors in their decision to join.”

The membership turn-around is long overdue. Two decades ago, the then-named Worcester Chamber of Commerce had 4,400 members, including those of its affiliate Chambers. Since then, the ranks have shrunk by nearly 50 percent, to around 2,300.

A much more onerous trend has been the decline in our region's manufacturing jobs coupled with the inability of many returning – and highly skilled - veterans to find good jobs at good wages.

Taking it to the next level

Respondents to a recent Chamber survey of its members and local business leaders called on the Chamber to take “a greater leadership role in promoting economic-development efforts and assets in the region.” WEDAF, the Chamber's answer, is aimed at “pursuing strategic, regional economic-development initiatives focused on recruitment, retention and incubation.”

WEDAF, which has been rolled out to area business leaders and college administrators, is being funded by contributions from area businesses and foundations. An initial commitment from [The Hanover Insurance Group](#) has been announced by Fred Eppinger, the company's president and CEO, with a challenge grant of \$100,000 over two years. He cites an opportunity to take the Chamber and its economic-development efforts to the next level by building on the momentum already underway in Worcester and the region.

The Chamber calls the response from the business community “positive.” In addition to Hanover Insurance, companies that have pledged their support are Bank of America, Benefit Development Group, Coghlin Electrical Contractors, Columbia Tech, Commerce Bank, Consigli Construction Co., Fidelity Bank, Gilbane Building Co., Harvard Pilgrim Health Care, and Polar Beverages.

The Chamber's new president and CEO, Timothy Murray, says he is “encouraged and gratified by the enthusiasm exhibited by the region's leadership” in establishing the fund. “The Chamber will lead these initiatives with like-minded partners, institutions, and members,” he adds. “The new initiatives under development will have specific economic development goals and objectives as well as sustainability plans and metrics to measure their impact.”

The chair of the Chamber's Board of Directors, Richard Burke, of Fallon Community Health Plan, is leading the effort with John Merrill, of Fidelity Bank. Both emphasize the importance of strategic partnerships to fulfill the Chamber's economic-development mission. Burke stresses that Murray “will have the full support of the Executive Committee and the entire Board, who will be actively involved in the development and evaluation of these initiatives.”

WEDAF also represents a good opportunity for the Chamber to strengthen its partnership with the [Worcester Business Development Corp.](#) The WBDC was originally part of the Chamber, before spinning off on its own in the late '90s.

The Chamber vows that its new economic-development effort “will be part of a comprehensive approach with partners such as the [WBDC,]” which develops real estate to create pad-ready sites and commercial space. The Chamber is also teaming up with Destination Worcester, which showcases Worcester to meeting and convention planners and visitors throughout New England, as well as with Mass Biomedical Initiatives and the City of Worcester.

Craig Blais, president of the WBDC, says he’s “thrilled and excited” by WEDAF. He points to the brownfields-cleanup work this his organization has been doing in recent years with projects such as WPI’s Gateway Park, the Worcester Technical High School and the Telegram & Gazette’s former home on Franklin Street. “On the supply side, we’re doing our thing,” he says.

When it’s come to business advocacy and recruitment by the Chamber, Blais adds, “That’s sort of where we [as a community] have been weak. ... Now, with the Chamber sort of getting

stabilized with this [economic]-development fund and taking on the [business-] recruitment side, we really have a fully rounded, strong business community in terms of taking it to the next level.”

Working hand-in-hand is just what’s required

What's one definition of a third-world nation? A country that exports its skilled labor. In this sense, Greater Worcester has in recent decades become a third-world region.

Nationally, manufacturing generates \$1.6 trillion in revenue—and manufactured goods make up more than 60 percent of U.S. exports,” according to a 2008 report titled [Staying Power: The Future of Manufacturing in Massachusetts](#) by the Center for Urban and Regional Policy at Northeastern University. At that time, this highly productive sector employed almost 300,000 people in thousands of companies across the state. And while that represented a significant decline from job levels in the 1940s, the Commonwealth's manufacturing output had increased over the previous decade to stand at close to \$40 billion.

“Yet here, as elsewhere in this country, manufacturing often is perceived as emblematic of an 'old' economy,” the report noted. “Not true.” As the report made clear, “manufacturing continues to be a dynamic and healthy part of our economy, offering solid, well-paying jobs.” According to the Boston Indicators Report at the time, the average weekly wage for jobs in manufacturing was \$1,273, much higher than many jobs in other sectors. Nationally, manufacturing jobs paid on average 25 percent more than other jobs.

For veterans returning from war zones in Iraq and Afghanistan – many of whom have received training and experience in high-skilled military posts – the paucity of skilled, well-paying jobs is a national tragedy and embarrassment. A 2012 report by Prudential titled [Veterans' Employment Challenges: Perceptions and experiences of transitioning from military to civilian life](#) found, among other things, that “veterans name 'finding a job' as the greatest challenge in transitioning, with transferring military skills to a civilian environment a major hurdle.”

To address our own region's atrophying manufacturing base, the Chamber also intends to use WEDAF “to strengthen workforce-development efforts for important industry sectors.” A stated purpose of the new fund is “retaining college graduates in the area and facilitating more commercialization of the research taking place on the region's college campuses.”

Jeff Turgeon is executive director of the [Central Massachusetts Workforce Investment Board](#), a volunteer body of diverse stakeholders responsible for policy, oversight and coordination of federal and state workforce-development initiatives and job-training programs. He calls WEDAF “a very good first step forward” and the \$1.2-million goal “enough to get [WEDAF] off the ground.” Asked whether the challenge facing the Chamber - presuming it raises most, if not of all, of the \$1.2 million – is to highly leverage that cash in the right ways, he responds, “Correct, that’s right.”

Echoing both Turgeon and Blais, is U.S. Rep. Jim McGovern (D-Worcester). He’s also heartened that collaboration among Greater Worcester’s various economic-development entities

is being taken “up to the next level” by the Chamber. The veteran congressman makes the not-so-subtle point that increased and improved working hand-in-hand is just what’s required, so he can continue bringing home the needed federal economic-development dollars to his district’s hub city.

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