



Clause No. 1 in Report No. 6 of the Planning and Economic Development Committee was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting on June 21, 2007.

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ECONOMIC DEVELOPMENT MARKETING AND COMMUNICATION STRATEGY

The Planning and Economic Development Committee recommends the following:

1. The presentation by Patrick Draper, Director, Economic Development Branch and Blair Minnes, Larter Advertising, be received; and
2. The recommendations contained in the following report dated April 25, 2007, from the Commissioner of Planning and Development Services be adopted subject to deleting recommendation 1 and renumbering recommendations 2 and 3 as follows:
 1. A consultation program be established with stakeholders and the business community to review the York Region brand positioning and recommended theme lines.
 2. Staff be directed to report back to Regional Council in the fall after the consultation process has taken place as set out in this report.

1. RECOMMENDATIONS

It is recommended that:

1. Council adopt in principal the recommendations of Larter Advertising for the development of the Economic Development Marketing and Communication Strategy.
2. A consultation program be established with stakeholders and the business community to review the York Region brand positioning and recommended theme lines.
3. Staff be directed to report back to Regional Council in the fall after the consultation process has taken place as set out in this report.

2. PURPOSE

The purpose of this report is to present the Economic Development Marketing and Communication Strategy to Council.

3. BACKGROUND

During the consultation process held with the business community and stakeholder groups to create the Economic Strategy 2005, the need to promote a balanced approach to economic development that enhances quality of life, environmental sustainability and economic vitality was identified, and are confirmed in Planning for Tomorrow and the Region's Sustainability Strategy. Towards that end, the development of a marketing and communications plan to promote York Region and its natural and cultural attributes is a key objective identified in the Economic Strategy.

The creation of an Economic Development Marketing and Communication Strategy will support investment attraction to the Region. An essential part of the Region's efforts to sustain a competitive and prosperous economy is increasing its visibility as a unique and desirable location for new commercial investment. It is important for the Region to communicate its strengths, acknowledge its thriving economy and promote its quality of life.

In January 2007, the advertising consulting firm, Larter Advertising of Aurora, was hired through an RFP process. The process to develop an Economic Development Marketing and Communication Strategy comprises the following steps:

- Step 1 - in depth research of York Region based on: Product, Price, Place, People and Promotion.
- Step 2 - application of the research to the brand assessment model.
- Step 3 - establishment of the brand position.
- Step 4 - development of the marketing and communication strategy to bring the brand position to the target market.
- Step 5 - development of creative design in all media formats.
- Step 6 - creation of compelling communication material to convey the brand position and deliver key messages to the business and investment community worldwide.

The goal of the location brand and tag lines will be to showcase York Region's positive attributes and vision for the future, distinguish it from other locations, and be easily recognizable and marketable.

4. ANALYSIS AND OPTIONS

Between February and May 2007, Larter Advertising has conducted a marketing analysis with the aim of developing a brand position and communication strategy that will support existing business and be effective in attracting commercial investment to the Region.

Larter also reviewed all relevant York Region documents: the Economic Strategy 2005 and Economic Profile, Industry Cluster Analysis Report 2006, the Business Wisdom Exchange Report 2006, Export Industry Report 2004, Economic Development Annual Reports, as well as public domain statistics relative to economic development,

competitive economic development marketing campaigns, historical regional marketing activity and site selection and facilities management media. They also contacted government agencies, both foreign and domestic, and international economic development agencies.

From the information review they augmented their insights with interviews with corporate executives involved in decisions to locate in York Region and commercial real estate professionals on the specific question of “Why did you locate here?” The summary of that effort by Larter Advertising was documented in the “brand positioning analysis” which was sent to all municipal Economic Development staff for comment.

Larter has determined specific criteria for brand development. They identified that in order to maximize opportunities for growth, the Region should market to segments where we have strength and competitive advantages. It is imperative that the Economic Development Marketing and Communication Strategy have the ability to advocate growth in businesses already located in the Region as well as encourage new investment. In addition, one of the goals of the Economic Development Marketing and Communication Strategy will be to develop a compelling positioning that is applicable to a broad range of industry sectors, as opposed to positioning York Region as the best area in one sector. Implementation projects will be very collaborative and inclusive of all the Region’s municipalities, however some initiatives will have greater appeal to certain municipalities. The brand development must also be consistent with the values and character of York Region and significantly differentiate York Region from other jurisdictions as a superior location for investment. There should be long term potential for development and enhancement of the brand.

Industry clusters play a key role in a regional economy. Within an industry cluster, firms work together to create jobs, attract investment, and evolve over time as they respond collectively to changes in the global economy. Larter Advertising has utilized the findings of Phase 1 of the York Region Industry Cluster Analysis which was undertaken in 2006. This has allowed Larter to better understand target markets and develop the industry clusters into super-cluster and dove-tailed clusters to establish unique and valuable branding for York Region.

4.1 Larter Analysis

According to the Organization for Economic Co-operation and Development (OECD) the conditions sought by companies looking for a location in which to invest include:

- A predictable and non-discriminatory regulatory environment and an absence of undue administrative impediments to business more generally.
- A stable macro economic environment, including access to engaging in international trade.
- Sufficient and accessible resources, including the presence of relevant infrastructure and human capital.
- Incentives from various levels of government.

The following is a summary of the Brand Positioning Analysis and Marketing Analysis Executive Summary submitted by Larter Advertising. The Larter analysis assesses the York Region branding against five aspects: Product, Price, Place, People and Promotion.

4.1.1 Product

Larter has identified that York Region, as a potential location for commercial investment, can offer significant satisfaction with relation to all of the OECD criteria. However, the degree to which the Region can deliver on these criteria is not sufficient to distinguish it from other surrounding regions. Advocacy of environmentally beneficial business practices, facilitation and the creation of programs and services in support of key clusters can distinguish York Region as the best location for companies.

The existence of industry clusters in York Region provides an opportunity to target companies and industries more closely that will derive benefits from locating in the Region and ultimately increase the success of local industries. Opportunities exist for companies to leverage “green” business practices and attract high quality new investments from firms committed to sustainability. The development of a dynamic “green” industry sector will benefit from the Region’s reputation as a steward of the environment.

4.1.2 Price

An analysis of the costs related to commercial investment in York Region and competing regions indicates that the cost of commercial development cannot be positioned as a distinct advantage for York Region. However, significant cost benefits can be realized by those companies that trade in one of the Region’s key industry clusters if they locate in York Region.

4.1.3 Place

The Larter analysis identifies that York Region offers a level of infrastructure, access to global markets and quality of life that is comparable to any of the regions with which it competes. Nevertheless, it is the perception amongst prospect companies that York Region offers a more relaxed, countrified environment that truly represents the Region’s distinct benefit in terms of quality of life which is a key factor influencing site selection for investment. York Region's commitment to quality of place is enshrined in Vision 2026, the long term plan that establishes the foundations of York Region's growth through strategies and initiatives that support environmental stewardship.

4.1.4 People

York Region should focus its investment acquisition resources on key cluster industries for which it offers more distinct and significant benefits and maximize the benefits received by those industry clusters. The Region has a highly educated workforce, however many individuals commute to work from outside the Region. As the Region attracts more industry and high value jobs, it will enable those workers to both live and work within York Region.

4.1.5 Promotion

York Region can improve the results of its promotion and advertising efforts by focusing those efforts on companies that trade within the Region's key industry clusters and are located in the GTA or are based in USA/Europe and are interested in establishing a North American presence.

4.2 Recommended Positioning of York Region

York Region acts as the endorsing brand for all of the municipalities within the Region. The York Region brand must convey the key benefits of locating a business in the Region as well as represent the quality of life that is enjoyed by those who live and work in the Region. Based on an examination of the key benefits afforded by the Region to the target industry clusters, the following brand characteristics are recommended by Larter Advertising for the York Region brand:

Supportive

York Region believes firmly that maintaining a healthy environmental balance is key to the Region's prosperity and quality of life. The York Region Sustainability Strategy demonstrates the Region's commitment to preserving the environment. Through advocacy, facilitation and collaboration, York Region acts as a partner to those who wish to live and prosper in the Region.

Expert

York Region has focused on developing expertise that is relevant and helpful to industries involved in environmental initiatives. While the Region exists to support all of its inhabitants, it realizes that specializing in environmental initiatives allows it to be more expert and effective in attracting and supporting the industries that form the core of the Region's economy.

Innovative

York Region actively pursues methods of enhancing the benefits realized by companies engaged in environmental business initiatives. Increasing productivity, fostering innovation and promoting collaboration between companies are all aspects that York Region seeks to improve through creative and innovative programs, policies and advocacy.

Practical

York Region takes a proactive and responsible approach to attracting and supporting companies to ensure the long-term sustainability of the Region's economy. All initiatives undertaken to bolster the Region's industry clusters are measured against the tangible benefits for the industries involved and the citizenry at large.

Approachable

A willingness and desire to consider the needs and views of all of the constituents in the Region is a hallmark of York Region's approach to governance. York Region eschews

complex bureaucracy in favour of a collaborative and inclusive approach to assisting industries in the Region.

4.2.1 Use of Corporate Logo

In December 1997, Council adopted the York Region Ontario Rising Star logo and slogan to be used for tourism marketing and promotion purposes. Subsequently, the York Region Ontario Rising Star logo and slogan has been utilized in other applications, including economic development.

The York Region Ontario Rising Star logo and slogan conveys the message of growth and prosperity however changing conditions in the investment attraction marketplace suggest a need to combine the positives of growth with messaging regarding the Region's environmental stewardship and high quality of life.

Economic Development will use the Region's corporate logo without a slogan and create a theme line for use in advertising materials that will be presented separate and distinct from the corporate logo. Theme line alternatives are discussed in the next section.

4.2.2 Theme Line Options

The Economic Strategy 2005 identified five strategic directions including *Enhance the Quality of Place* with accompanying action plans. These plans include the promotion of a balanced approach to economic development that enhances quality of life, environmental sustainability and economic vitality in York Region. Additional plans included the development of a marketing and communications plan to promote York Region and its natural and cultural attributes.

In the process to develop the York Region Economic Development Marketing and Communication Strategy, Larter Advertising identified the need for a new, unique York Region theme line to be used separate and distinct from the Region's corporate, blue logo.

Over twenty concepts for theme lines were reviewed. From these the following theme lines were selected as best meeting the criteria established:

“Better Business is in our Nature”

“Business with a Better Nature”

“Where Commerce and Nature Thrive”

“Where Life Meets Business, Naturally”

“Where Business and Nature Work”

The preferred theme line recommended by Larter Advertising that captures both the dynamic environment of York Region and its environmental stewardship is:

“Where Commerce and Nature Thrive”

It is further recommended that this theme line be used as the Region’s advertising tag line, separate and distinct from the York Region corporate, blue logo and for the sole purpose of marketing and communication for economic development. Consultations with stakeholders and the business community will occur over the summer to review all the theme line options.

4.3 Support for New Positioning

Support for and implementation of the Economic Development Marketing and Communication Strategy is dependent upon the following:

- The Regional Municipality of York maintaining its environmental stewardship role.
- Existing businesses in York Region, especially in key industry clusters, demonstrating concern for the environment through action.
- The attraction of new businesses that are actively engaged in sustainable business practices.

4.4 Key Findings

Larter Advertising has identified that quality of life is a key factor influencing site selection for investment in York Region. Senior executives involved in selection want as good quality of life for their families and their employees. York Region is seen as offering a superior quality of life by virtue of its ability to offer the best in both urban and rural alike. As 69% of York Region has been designated as green space, the Region can truly claim to offer the best of country and city life. In addition, York Region has significant protected greenbelt and moraine lands and demonstrates leadership in environmental stewardship.

Environmental products are one of the fastest growing markets and York Region has over 170 companies that are involved in environmental business. Few jurisdictions have adopted environmental stewardship as their investment attraction benefit.

4.5 York Region’s Commitment to a Healthy Environment

York Region's commitment to quality of place is enshrined in Vision 2026, the long term plan that establishes the foundations of York Region's growth. Maintaining a healthy environmental balance is key to the Region’s prosperity and quality of life.

During the past five years York Region has undertaken a number of significant initiatives and programs which benefit the Region's land, air and water. Some of these initiatives include:

York Region Sustainability Strategy demonstrates the Region's commitment to preserving the environment. Through advocacy, facilitation and collaboration, York Region acts as a partner to those who wish to live and prosper in the Region.

York Region Greening Strategy ensures that the Region's natural heritage will be a legacy for future generations; 69% of York Region has been designated as green space. The York Natural Planting Partnership is a program that furthers the York Region Greening Strategy by increasing forest cover and promoting private land stewardship.

The York Region Forest comprises approximately 40,025 hectares of York Region with over 2,070 hectares of these forests being Regionally owned. The Region has certified the forest as being managed as a sustainable forest and has developed a 20 year management plan.

The Oak Ridges Moraine Conservation Plan (2002) and Greenbelt Act (2005) require that York Region and its municipalities bring their plans into conformity with the Provincial *Greenbelt Plan* as part of future Official Plan reviews. The act has strict policies that address how transportation infrastructure will be constructed in these areas and mandates the needs and justification that must be addressed in proposing improvements or new facilities through this area.

State of the Environment Report (SOE) 2005 *Focus On Our Environment* provides a comprehensive description of York Region's natural environment. Key indicators of good environmental health in the Region that were identified in the SOE 2005 Report include:

- the extent of the Regional Greenlands System
- the extent of farmland
- the quality of municipally-supplied drinking water
- the presence of good quality fish habitat in substantial parts of most rivers in York Region
- the warm water fishery in the Region

Energy and the Environment Management System (EEMS) undertaken as a York Region initiative, is a versatile, web based software designed to capture energy consumption and expenses of buildings, street lights and other facilities. The Region began implementation of initiatives in 2005 with an aggressive 35% energy reduction target. EEMS has the capability to track electricity, natural gas, water and waste water accounts, and other fuel usage (gasoline, propane, etc.), as well as provide analyses on utility performance which can lead to intelligent decisions on energy procurement.

York Region Transportation Master Plan Update (TMP) is an essential element in allowing the Region to reach its goals of Sustainable Natural Environment, Economic Vitality and Healthy Communities, while providing safe, affordable, efficient and effective transportation for people and goods. An update to the TMP is underway to

ensure that continuing transportation decisions for an integrated network can be made within the context of recent development trends and legislative changes.

York Region Rapid Transit – VIVA is the first system in the GTA to implement a bus rapid transit service providing an attractive alternative to driving. Launched in September 2005, the system provides flexibility and convenience with frequent service. The VIVA vehicles operate on clean burning diesel fuel and meet the latest emission standards. VIVA will link the Regional urban centres, facilitate inter-regional connectivity, and improve the speed, reliability, and overall quality of public transit.

Smart Commute Initiative led by York Region under the Federal Government's Urban Transportation Showcase Program, this initiative is establishing programs such as carpool and vanpool ride-sharing in three transportation management associations throughout York Region:

- Smart Commute - North Toronto, Vaughan
- Smart Commute 404-7 Association, Markham, Richmond Hill (404-7)
- Smart Commute Central York Transit Management Association

York Region Pedestrian and Cycling Master Plan Study has been initiated in consultation with the local municipalities to increase walking and cycling for commuters and for recreational purposes. The plan will provide a coordinated and integrated Regional pedestrian and cycling system serving both the urban and rural areas of York Region.

York Region Water for Tomorrow Program provided building owners and managers free comprehensive water audits of their facilities to assist in saving water. For small businesses, schools and institutions, Water for Tomorrow has provided free installation of low flow showerheads and early-closing toilet flappers.

Over the last 6 years, water leakage specialists have surveyed, monitored, identified and repaired leaks throughout the 1,800 kilometres of water mains in York Region resulting in more than 8.1 million litres of water being saved per day.

York Region Groundwater Monitoring Program measures water levels in over 200 observation wells throughout York Region. Water levels are like the 'pulse' of an aquifer, providing an indicator of the quantity of water available.

Corporate Clean Air Steering Committee is being coordinated to develop 4 action plans as identified in the Corporate Model for Clean Air including: Auto Trip Reduction Plan, Corporate Smog Alert Plan, Green Fleets Plan and the Green Procurement Plan. York Region is committed to improving outdoor air quality and reducing Green House Gas (GHG) emissions.

York Region Sustainability Program is an initiative directed towards building awareness, providing support, and motivating action towards the adoption of sustainable environmental practices within York Region communities. It provides an opportunity for small to medium-sized (SME) manufacturers to embrace pollution prevention (P2) practices in an attempt to minimize their adverse impacts on human health and the environment.

York Region Waste Management delivers environmentally sound waste diversion and disposal services that ensure public health and safety. York Region has partnered with Durham Region to undertake an environmental assessment to determine how to minimize landfill needs while maximizing energy recovery.

Environmental Community Based Organizations. The Oak Ridges Moraine Land Trust protects environmentally significant properties on the Moraine through the generosity of land owners and the use of conservation easements. The lands become registered on title to prohibit their use for future development thereby becoming environmental legacies.

Sustainability Awards

In 2005, York Region was recognized for its leadership in energy conservation by the Federation of Canadian Municipalities (FCM) in its award of the FCM-CH2M HILL Sustainable Community Award. The Region's quality of life was once again recognized in 2005 as one of the highest in Canada in the report Dynamic Societies and Social Change. Awards were also received from the Recycling Council of Ontario in recognition of the Region's Litter Prevention Strategy and Yard Waste Diversion campaign.

York Region residents also believe that the quality of life in the Region is exceptional. In a 2004 survey by Environics Research, 61% of the residents surveyed felt that the Region's quality of life was "good" while 30% rated it as "excellent".

4.6 Next Steps

A consultation program will be organized with the business community and key stake holders to review the brand positioning and theme line options recommended by Larter Advertising. Once feedback has been received, final recommendations will be made in the fall.

4.7 Relationship to Vision 2026

As the blueprint that defines the Region's role in achieving the *Vibrant Economy Goal* in Vision 2026, The Economic Strategy sets the direction to *Enhance the Quality of Place*. The Economic Development Marketing and Communication Strategy responds to this objective of the Economic Strategy to promote York Region and its natural and cultural attributes and increase its visibility as a unique and desirable location for business investment.

5. FINANCIAL IMPLICATIONS

The fee for the total contract, services and key deliverables by Larter Advertising is not to exceed \$141,509.43. An application for a grant from the Community Investment Support Program (CISP) was submitted in 2006 and the Region has been officially awarded \$40,000 for the creation of the Economic Development Marketing and Communication Strategy.

To build awareness of the Economic Development Marketing and Communication Strategy, branch staff will work with Larter Advertising on the development of a 2008 media plan. The financial implications of this media plan will be incorporated into the 2008 Economic Development budget process.

6. LOCAL MUNICIPAL IMPACT

York Region's marketing efforts have the potential to benefit all the municipalities in the Region and the brand positioning will focus on benefits that are pertinent to all of the key industry clusters. The goal of the Economic Development Marketing and Communication Strategy is to increase the number of investment leads for each municipality.

In April 2007, municipal economic development staff were asked to review and comment on the Brand Positioning and Marketing Analysis. A presentation by Larter Advertising on the recommendations of the Economic Development Marketing and Communication Strategy was given to municipal economic development staff on June 8, 2007.

7. CONCLUSION

By leveraging the Region's natural attributes and unique stewardship in environmental issues and practices, York Region can significantly differentiate its Economic Development brand's appeal to potential investors. York Region can increase the effectiveness of its commercial investment acquisition efforts by focusing on companies requiring/ desiring increased connectivity to green business initiatives and targeting companies engaged primarily in "green" business sectors. The Region can enhance the competitiveness of its existing businesses through advocacy of environmentally beneficial business practices.

Based on the endorsement of the Economic Development Marketing and Communications Strategy by Council, Larter Advertising will create collateral materials to incorporate the brand message and new design elements of the Economic Development Marketing and Communication Strategy. Among these will be marketing brochures, as printed material and a DVD or CD-ROM, trade show posters, targeted magazine advertising and website copy and imagery. The preferred theme line recommended by Larter Advertising that captures both the dynamic environment of York Region and its environmental stewardship is:

“Where Commerce and Nature Thrive”

It is recommended that this theme line be used as the Region’s advertising tag line, separate and distinct from the York Region corporate, blue logo and for the sole purpose of marketing and communication for economic development. Consultations with stakeholders and the business community will occur over the summer to review all the theme line options.

For further information about this report, please contact Patrick Draper, Program Director, Economic Strategy at (905) 830-4444 ext. 1503 or email patrick.draper@york.ca.

The Senior Management Group has reviewed this report.