



# The EDACENTER

at the University of Minnesota Crookston

The EDA Chronicle-August 2014

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## Events of Interest:

September 16

- West Central Minnesota Area Business Expo from 2-6PM at the Willmar Conference Center. Cost to participate is \$300 (\$350 after September 6). To register, please print off the form at [http://www.k-musicradio.com/images/Community%20Events%20%20Festivals/Job%20Fair/JobFair\\_registration\\_SEPT2014.pdf](http://www.k-musicradio.com/images/Community%20Events%20%20Festivals/Job%20Fair/JobFair_registration_SEPT2014.pdf).

September 18

- CBP Import Audit-Focused Assessment Changes hosted by the Midwest Global Trade Association from 9AM to 12PM at the Ewald Conference Center. For more information and to register, please go to [http://www.mgta.org/events/event\\_details.asp?id=454138&group=](http://www.mgta.org/events/event_details.asp?id=454138&group=).

September 18

- EDAM Fall Forum will be held at the River's Edge Convention Center in St. Cloud from 9AM to 6:30PM. For more information, please go to [http://www.edam.org/events/event\\_details.asp?id=437473](http://www.edam.org/events/event_details.asp?id=437473).

October 10

- 7th Annual Great Decisions Conference: Energy Independence hosted by Minesota International Center, Foreign Policy Association, Center for International Business Education & Research from 9AM to 2PM. For more information, please go to <http://www.mn.gov/deed/events/biz-events/index.jsp>. To register, please go to <https://dnbweb1.blackbaud.com/OPXDONATE/AddDonor.asp?cguid=045C189A%2DFBDB%2D4755%2D8568%2D62F2F58D652B&Target=https%3A%2F%2Fdnbweb1%2Eblackbaud%2Ecom%2FOPXDONATE%2FEventRegister%2Easp%3Fcguid%3D045C189A%252DFBDB%252D4755%252D8568%252D62F2F5>

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## EDA CENTER REPORT: Economic Emergency Program St. Cloud Printing Plant Closure

By: *Owusua Yamoah, Brigid Tuck, King Banaian, Richard MacDonald, & Adeel Ahmed*

On May 30 2014, Quad/Graphics announced the completion of its acquisition of Brown Printing Company. As part of integration plans following the acquisition, the company later announced the closure of the Quad/Graphics printing plant in St. Cloud, Minnesota. The plant currently has 280 employees who will be affected once the closure is completed as planned in late August of this year.

St. Cloud area decision-makers will need timely information regarding the potential economic impact of the closure. In response, University of Minnesota Extension and the St. Cloud State University School of Public Affairs Research Institute have prepared this economic emergency report. This report is presented with support from the EDA Center at the University of Minnesota Crookston.

## SUMMARY OF FINDINGS

On June 18, 2014, Quad/Graphics announced the planned closure of the St. Cloud printing plant by the end of August 2014. This will result in the loss of 280 jobs at the St. Cloud plant. It is estimated that the closure will result in the total loss of 475 jobs, \$72.7 million of sales, and \$24.6 million of labor income in Stearns and Benton counties. In addition to the direct loss of jobs in the printing industry, the industries of food service and drinking places, wholesale trade, real estate establishments, and private hospitals will be most affected by the closure of the plant.

For the entire report, please go to [http://www.edacenter.org/downloads/QuadGraphics\\_Economic\\_Impact\\_Report.pdf](http://www.edacenter.org/downloads/QuadGraphics_Economic_Impact_Report.pdf).

**TABLE 1: ECONOMIC IMPACT OF PRINTING PLANT CLOSURE WITH 280 JOBS LOST: STEARNS AND BENTON COUNTIES, MINNESOTA**

	Direct	Indirect	Induced	Total
	At Printing Plant	Business-Business	Consumer-Business	
Output	-\$48,500,000	-\$11,200,000	-\$13,000,000	-\$72,700,000
Employment	-280	-83	-112	-475
Labor Income	-\$16,800,000	-\$3,600,000	-\$4,200,000	-\$24,600,000
Estimates by University of Minnesota Extension Center for Community Vitality				

## Real GDP Growth in Minnesota Shows No Change from 3<sup>rd</sup> to 4<sup>th</sup> Quarter in 2013

On August 20th, the U.S. Bureau of Economic Analysis (BEA) released updated statistics showing changes from the third quarter to the fourth quarter of 2013. The change in real GDP in the U.S. during this time was 2.8 percent. This was down from 4.2 percent growth in the third quarter. All states showed real GDP growth with the exception of Minnesota and Mississippi.

Minnesota numbers were down in chained 2009 dollars slightly from \$292.124 billion in the third quarter to \$292.088 billion in the fourth quarter. This ranked Minnesota 49<sup>th</sup> in the U.S. This is down from the 10 percent increase Minnesota experienced in the third quarter. All rates listed in the

report are seasonally adjusted.

Eleven sectors contributed in a positive way to the percent change in real GDP change in Minnesota. Those sectors (with percentage point contribution in parentheses) are: mining (0.12), non-durable goods manufacturing (1.15), wholesale trade (0.47), information (0.36), real estate/rental/leasing (0.34), management of companies and enterprises (0.52), administrative/waste management services (0.04), educational services (0.02), healthcare/social assistance (0.23), arts/entertainment/recreation (0.09), and accommodation/food services (0.15).

Nine sectors contributed in a

negative way to the percent change in real GDP in Minnesota. Those sectors (with percentage point contribution in parentheses) are: agriculture/forestry/fishing/hunting (-2.11), utilities (-0.01), construction (-0.16), durable goods manufacturing (-0.16), retail trade (-0.13), trans./warehousing (-0.02), finance/insurance (-0.01), professional/scientific/technical services (-0.55), and government (-0.20). Other services did not show any change from the third quarter to the fourth quarter.

For the entire BEA report, please go to [http://www.bea.gov/newsreleases/regional/gdp\\_state/2014/pdf/qgsp0814.pdf](http://www.bea.gov/newsreleases/regional/gdp_state/2014/pdf/qgsp0814.pdf).

## EDA Center: Call for Requests for Assistance

At this time The EDA Center is soliciting Requests for Assistance (RFA). This RFA is designed to solicit requests from those seeking direct technical assistance to support their economic development activities. This RFA will be the mechanism by which the EDA Center will identify its annual technical assistance projects. Eligible applicants include: public, tribal-supported and nonprofit economic development agencies supporting rural areas.

The EDA Center does not specifically define the types of assistance that rural economic development agencies may seek. The driving consideration in evaluating RFAs are potential regional impact and availability of university expertise. Typically, the EDA Center has found success finding expertise in

assisting economic development in organizations in the following ways:

- Market Research
- Technology Studies
- Workforce Development Studies & Support
- Economic Impact Analysis
- Student-supported Projects and Internships
- Product Development Assistance
- Strategic Planning Services
- Statistical Studies
- Tech. Deployment Planning
- Support of Entrepreneurial Program Development

The EDA Center will assess technical assistance requests based on

the following criteria:

1. Location is in an economically-distressed area.
2. Impact on job creation, recruitment or retention.
3. Impact on the effectiveness of the economic development agency.
4. Project duration of less than 12 months.
5. Overall project costs.

To apply complete the RFA application along with a cover letter. Applications can be downloaded and submitted via email or completed and submitted online. The PDF can be downloaded at [http://www.edacenter.org/downloads/EDA\\_RFA\\_Form.pdf](http://www.edacenter.org/downloads/EDA_RFA_Form.pdf). The online application can be found at [http://www.edacenter.org/technicalAssistance\\_request.php](http://www.edacenter.org/technicalAssistance_request.php).

## DEED Report: 2013-2014 Local Area Unemployment Statistics and Jobs Report

After seasonal adjustments, unemployment in July increases to 6.2 percent in the U.S. and remains at 4.5 percent in Minnesota. Minnesota unemployment claims in July decreased 1,924 to 15,328 when compared to June. Over the year unemployment claims decreased 17.3 percent when compared to July 2013.

Minnesota employers eliminated 4,200 jobs in July. Trade/Transportation/Utilities (1,600), Manufacturing (700), Leisure/Hospitality (600), and Other Services (200) added jobs in July. Educational/Health

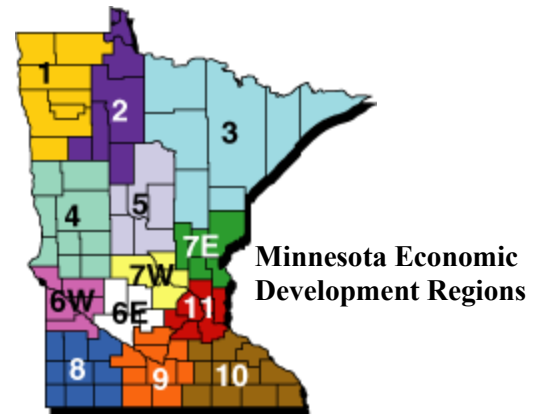
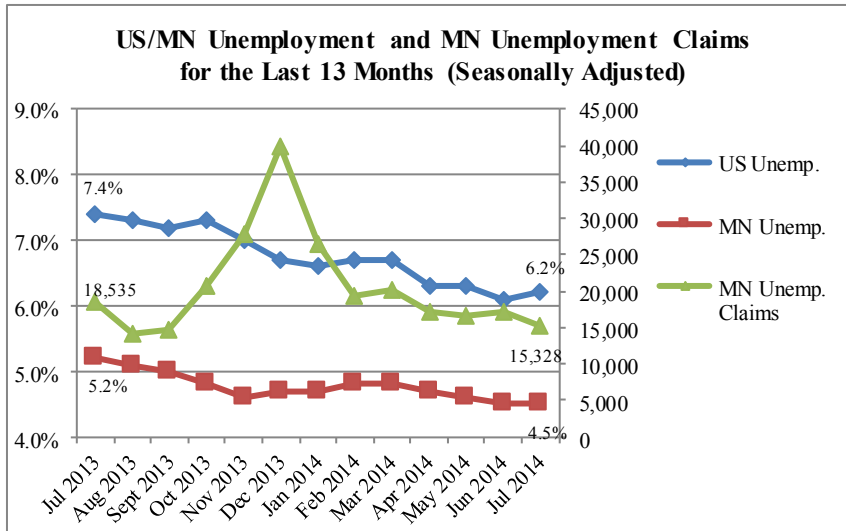
Services (-5,300), Information (-1,000), Construction (-700), Financial Activities (-200), and Government (-100) posted job losses in July. Professional/Business Services and Logging/Mining remained steady.

Minnesota has experienced 2.5 percent growth from 1 year ago with 68,344 additional jobs over the past year. This growth surpasses the U.S. growth rate of 1.9 percent over the past 12 months. Minnesota Labor participation rate in July dropped 0.2 percent to 70.1 percent. Minnesota's labor participation rate exceeds the

U.S. labor participation rate of 62.9 percent. The U.S. labor participation rate remained steady in July.

July unemployment for all of the EDRs decreased when compared to June. The Arrowhead region experienced the largest decrease in unemployment at 0.5 percent.

Go to the DEED website; [www.positivelyminnesota.com](http://www.positivelyminnesota.com) to view more employment and wage statistics.



### 2013-2014 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

Date	EDR1	EDR2	EDR3	EDR4	EDR5	EDR6E	EDR6W	EDR7E	EDR7W	EDR8	EDR9	EDR10	EDR11
Jul 2013	4.9%	6.8%	6.5%	4.1%	6%	5.1%	4.8%	6%	5%	4.7%	4.9%	4.8%	5%
Aug 2013	4.4%	6.2%	6%	3.7%	5.6%	4.6%	4.5%	5.5%	4.6%	3.8%	4.4%	4.5%	4.7%
Sept 2013	3.9%	5.8%	5.7%	3.6%	5.4%	4.4%	4.1%	5.3%	4.3%	3.6%	4.1%	4.2%	4.6%
Oct 2013	3.4%	5.4%	5.3%	3.2%	5.1%	4%	3.5%	4.8%	3.9%	3.8%	3.7%	3.8%	4.1%
Nov 2013	4%	6.3%	5.8%	3.6%	6.3%	4.3%	3.7%	5.4%	4.2%	3.2%	3.8%	3.7%	4%
Dec 2013	5%	7.4%	6.3%	4.6%	7.5%	5.3%	4.7%	6.9%	5.1%	3.9%	4.5%	4.3%	4.2%
Jan 2014	7%	9.1%	7.4%	5.8%	9%	6.6%	6.8%	8.7%	6.4%	5.2%	5.8%	5.4%	4.9%
Feb 2014	6.5%	8.8%	7.4%	5.6%	8.7%	6.5%	6.3%	8.7%	6.3%	5.1%	5.8%	5.4%	4.8%
Mar 2014	6.6%	8.7%	7.2%	5.4%	8.7%	6.3%	5.9%	8.6%	6.3%	4.8%	5.6%	5.2%	4.7%
Apr 2014	5.3%	7.5%	6.3%	4.3%	6.9%	5.1%	4.7%	7.1%	4.9%	3.8%	4.5%	4.3%	4%
May 2014	4%	6.2%	5.9%	3.4%	5.3%	4.3%	3.9%	5.6%	4.1%	3.3%	4%	4%	4%
Jun 2014	4.4%	6.4%	6%	3.6%	5.4%	4.6%	4.3%	5.6%	4.5%	4.1%	4.5%	4.4%	4.5%
Jul 2014	4.3%	6%	5.5%	3.5%	5%	4.2%	4%	5.2%	4.2%	3.7%	4.2%	4.1%	4.2%

## The EDA Center's "Regional Round-up"

*Each month The EDA Center will collect information from the different regions in Greater Minnesota in an effort to highlight notable projects and events across the state. If you have any projects or events you would like highlighted in future newsletters, please submit them to [walke810@umn.edu](mailto:walke810@umn.edu) prior to the 15th of every month.*

### Northwest Region

*By Dan Gilchrist*

More than 120 people attended the Rural Design Conference: Thriving by Design II in Crookston on July 30-31, taking on nature-based tourism, local food systems, and the role of university extension, all in the context of rural communities. Thank you to all who attended and participated in the conference!

Co-organized by RSDP, the conference heard from Extension Dean Bev Durgan and Dean Tom Fisher of the College of Design, who in his keynote told attendees that the new economy provided

great new opportunities to rural communities. Attendees also had a chance to visit local sustainability projects, including paddling the Sand Hill River, touring a natural play space at Crookston's Castle Park, exploring UMC's sustainability improvements, birding at a flood mitigation project in Warren, and visiting fruit trees in high tunnels in Mentor.

On the conference's second day, morning plenary panels addressed each of the conference's three themes, and then attendees participated in design oriented workshops that considered the opportunities and challenges to rural success vis-a-vis these themes. Conference attendees gained experience in using design thinking as a way to address local challenges and opportunities. (Watch this page for more reports and compilations of work done at the Rural Design Conference.)

Attendees also screened the design-oriented documentary "If You Build It," where two designers and ten teenagers in a rural Southern town created design-based solutions for community

challenges, designing and building a farmers market for local residents. (If you are interested in screening the film in your community, please contact Dan Gilchrist at the Regional Partnerships at [dang@umn.edu](mailto:dang@umn.edu).)

The event was organized by NW RSDP in close coordination with UMN Center for Rural Design, University of Minnesota Crookston, and the EDA Center at the University of Minnesota Crookston, and was supported in part by the Center for Prevention's Community Engagement Innovation Funding initiative. The Extension Reconsidered afternoon Design Thinking breakout session was facilitated by Design Thinking @ College of Design.

*For more information about the recent Rural Design Conference, please go to <http://blog.lib.umn.edu/rsdp/northwest/rural-design-conference/index.html>.*

## MN Campus Compact's 5 Takeaways from the Rural Design Conference

At the end of July, Tom Fisher, Dean of the University of Minnesota's College of Design gave a keynote address at the Rural Design Conference: Thriving by Design II in Crookston. Sinda Nichols from the Minnesota Campus Compact summarized his keynote on design thinking with five takeaways.

1. Design thinking uses ecological and web-like metaphors to de-

scribe reality.

2. Design thinking places value on experience, input, and co-creation.
3. Design thinking emphasizes facilitation rather than expert status.
4. Design thinking locates power in those with the most connections, not the most resources.

5. Design thinking requires a willingness to fail.

For the entire article, please go to <http://mncampuscompact.org/blog/2014/08/25/5-takeaways-from-the-rural-design-conference/>.

## First Funding Cycle Deadline for FY 2015 EDA Assistance Programs Coming Up Soon

The U.S. Economic Development Administration (EDA) has posted the Economic Development Assistance Programs Federal Funding Opportunity on

[http://www.grants.gov/view-opportunity.html?oppId=248297&utm\\_source=EDA+Newsletter&utm\\_campaign=1a569f4140-2014\\_Economic\\_Development\\_Assistance\\_Programs\\_Federal\\_Funding\\_Opportunity\\_email&utm\\_term=0\\_68e7c83ba4-1a569f4140-391698061](http://www.grants.gov/view-opportunity.html?oppId=248297&utm_source=EDA+Newsletter&utm_campaign=1a569f4140-2014_Economic_Development_Assistance_Programs_Federal_Funding_Opportunity_email&utm_term=0_68e7c83ba4-1a569f4140-391698061).

The purpose of this FFO is to "support construction, non-construction, technical assistance, and revolving loan fund projects" as part of the EDA's Public Works and Economic Adjustment Assis-

tance programs. "Grants made under these programs will leverage regional assets to support the implementation of regional economic development strategies designed to create jobs, leverage private capital, encourage economic development, and strengthen America's ability to compete in the global marketplace." Applicants from both rural and urban areas are welcome to apply. The deadline for the first FY 2015 funding cycle is **October 17, 2014**.

Eligible applicants include:

- Federally recognized Native American tribal governments
- City or township governments
- State governments

- Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education
- County governments
- Others (see text field on FFO entitled "Additional Information on Eligibility" for clarification)
  - Private institutions of higher education
  - Nonprofits that do not have a 501(c)(3) status with the IRS, other than institutions of higher education



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*The EDA Center at the University of Minnesota Crookston is one of more than 40 university centers nationwide, supported by the Economic Development Administration, U.S. Department of Commerce.*

*We conduct applied research, provide direct technical assistance and deliver educational programs development agencies that support the economy of economically-distressed rural communities throughout Minnesota.*

*EDA Center Staff:*

*Brent Hales-EDA Center Director*

*Kevin Cooper-EDA Center Associate Director*

*Eddie Walker-Research Analyst/Editor*



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