



**Regional
Economic Cluster
Program**

Regional Economic Cluster Program

Regional Economic Development Councils Round V Initiative

Defining Clusters

“Industry cluster” can mean a variety of things. Councils may identify their priority cluster based on these or other reasonable definitions.

- A set of proximately located firms in similar or related industries that benefit from shared regional assets [especially knowledge, markets, technologies] accessed through networks
- Michael Porter definition (1990; credited with popularizing the term): “Geographic concentrations of interconnected companies and institutions in a particular field,” including:
 - ✓ Linked industries and other entities, such as suppliers of specialized inputs, machinery services, and specialized infrastructure
 - ✓ Distribution channels and customers, manufacturers of complementary products, and companies related by skills, technologies, or common inputs
 - ✓ Related institutions such as research organizations, universities, standard-setting organizations, training entities



REDCs, Rounds I-V

- 2011 Strategic Plans included strategies to advance key competitive or emerging industries
- These were informed by surveys and other forms of public engagement as part of the strategic planning process
- 2012, 2013, and 2014 Progress Reports sustained or modified these areas of focus
- Some Councils' structures include industry-specific work groups

Round V: Enhanced focus on key clusters

- Identification of one established or emerging industry cluster to be prioritized by each REDC



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Examples of NYS Industry Groups

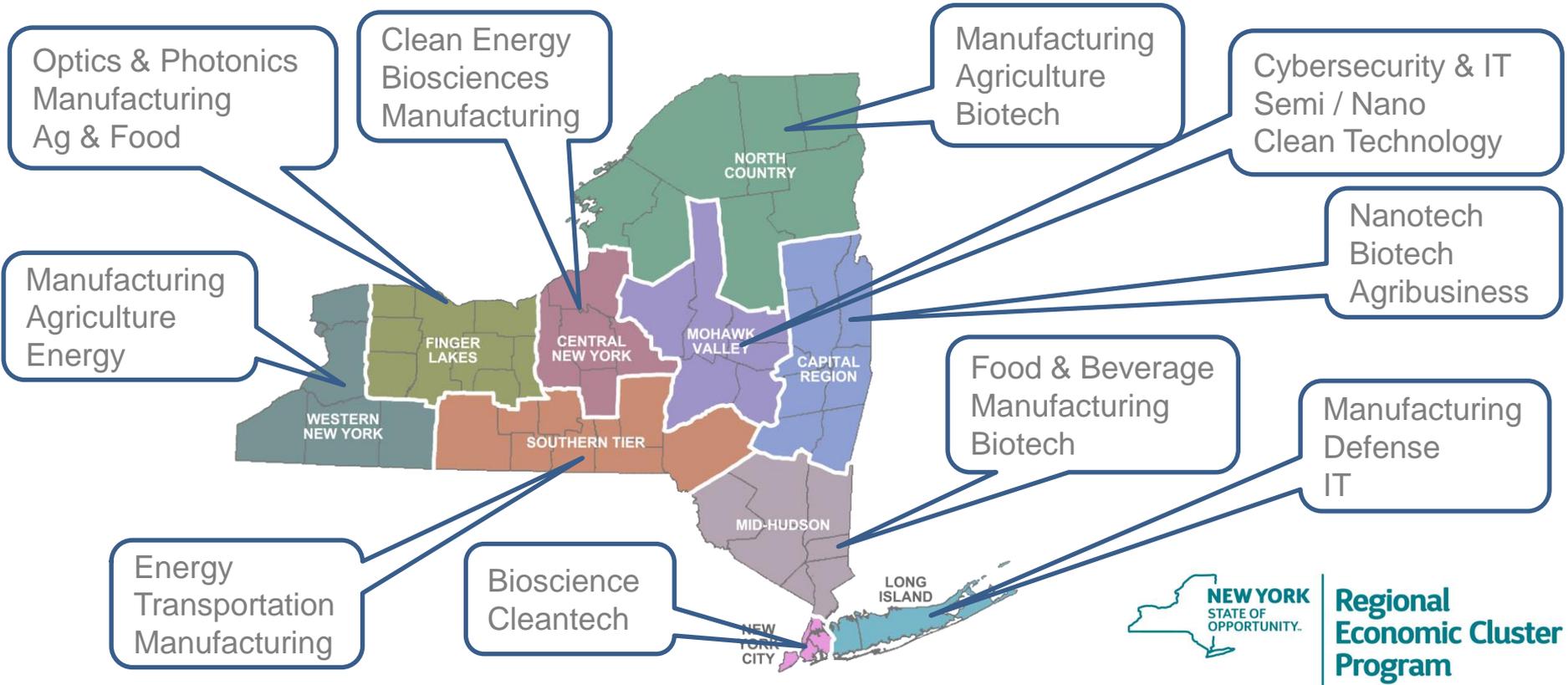
Industry Groups	Establishments	Jobs (2014)
Manufacturing	17,418	455,562
Health Care & Life Sciences	56,873	~2,000,000
High-Tech Industries (without Health Care)	44,786	639,773
Biotechnology	3,069	96,345
Advanced Materials	6,225	241,768
Agribusiness, food processing/manufacturing, related technology	5,047	102,618
Transportation and logistics	9,697	193,788
Clean tech	6,886	130,303

Source: *Economic Modeling Specialists Int.*



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Example Industry Groups From 2011 REDC Plans



REDCs are asked to:

- ❑ Establish Cluster Program working group
- ❑ Research and select priority cluster
- ❑ Support selection by highlighting existing/emerging companies and regional assets and strengths
- ❑ Develop strategies to advance the cluster
- ❑ Identify potential projects for funding
 - Company expansion
 - Equipment acquisition
 - Industry attraction
 - Workforce training



REDC Cluster Plans might include:

- **Growth of existing/emerging companies** and related assets
- Build-out of regional **supply chains**
- **Attraction of out-of-state companies** and related assets (including an action plan and linkage to your REDC's Global NY and START-UP NY strategies)
- **Strengthening of key enablers** for cluster growth (e.g. human capital, research capabilities, innovation and commercialization, infrastructure, local governance)
- **Alignment and partnering with NYS assets** in the region (Centers for Advanced Technologies, Centers of Excellence, Regional Technology Development Centers, NYS Certified Incubators, Innovation Hot Spots, Small Business Development Centers, Cleantech Incubators)
- **Overall coordination of efforts**, meetings/meet-ups, competitions and other events



ESD's Division of Science, Technology & Innovation (NYSTAR) Role

- 1) Facilitator / strategic planning assistance, coordination and information sharing
- 2) Provide access to potential partners and relevant state initiatives
- 3) Coordination among regions with similar cluster focus
- 4) Include cluster plan program in NY Manufacturing Extension Partnership (NY MEP) proposal
- 5) Align NY MEP program to support clusters



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Timeline

May / June

Meetings with individual REDCs to discuss program and address overlap

August

Follow-up meetings and coordination as necessary

September

Cluster Plans due as part of 2015 Progress Report submission

Regular ongoing calls with Facilitators



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