GEORGIA INSTITUTE OF TECHNOLOGY
ENGINEERING EXPERIMENT STATION

PROJECT INITIATION

Date: July 29, 1975

Project Title: Economic Development Training Program

Project No.: A-1746

Project Director: R. B. Cassell

Sponsor: Dept. of Intergovernmental Relations, Helena, Montana 59601

Agreement Period: From 6/5/75 Until 10/3/75

Type Agreement: National Standard Research Project Agreement

Amount: $7,779

Reports Required: Not required

Sponsor Contact Person:
Mr. Ronald Richards, Director
Dept. of Intergovernmental Relations
1424 Ninth
Helena, Montana 59601

Assigned to: Industrial Development Division

COPIES TO:
Project Director
Director, EES
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General Office Services
Library, Technical Reports Section
Office of Computing Services
Project File
Other

Sue Corbin, Service Coordinator
GEORGIA INSTITUTE OF TECHNOLOGY
ENGINEERING EXPERIMENT STATION

PROJECT TERMINATION

Date: November 4, 1975

Project Title: Agricultural Development Training Program

Project No.: A-2746

Project Director: R. S. Cassell

Sponsor: Dept. of Intergovernmental Relations, Helena, Montana 59601

Effective Termination Date: 11/24/75 (Final Report submitted)

Clearance of Accounting Charges: 12/31/75

Grant/Contract Closeout Actions Remaining: Final invoice as soon as all charges clear

Assigned to: Economic Development Laboratory

COPIES TO:
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Project File
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Form EES 402 (R3-75)
Mr. Ronald Richards, Director  
Department of Intergovernmental Relations  
1424 Ninth  
Helena, Montana 59601

Dear Mr. Richards:

Although our contractual arrangements did not call for a final report on our project to conduct "Economic Development Training for Glasgow, Montana," it seems appropriate that we furnish a brief summary to your organization.

That report is enclosed, along with some documentation of the work and of various phases of the project.

It was a genuine pleasure for us to undertake this assignment. I trust that the reactions you have received from Glasgow and Valley County have been favorable to the total effort.

Sincerely yours,

Robert B. Cassell, Head  
Community Development Branch

cc: R. W. Hammond  
S. A. Bloom ✓  
Mike Fitzgerald
Background

This project was originally proposed to the Old West Regional Commission as a vehicle for involving the local community leaders of Glasgow and Valley County, Montana, in an effective development effort. It was hoped the group then could speak for the entire community and work effectively to generate new employment opportunities. Since contemporary economic development is a very competitive process, the major successful results are accomplished by those groups which are working together and which proceed in a businesslike fashion. The Valley County Industrial Development Committee was the target audience for the program.

Many so-called contact teams, such as industrial commissions or chamber of commerce committees, simply do not have, without specific training, the expertise to handle projects which can eventuate as new investment opportunities for the area. In most small towns, the professional talents are not available, and these smaller communities must rely upon volunteer participation. The better trained the volunteers, the greater will be the opportunity for positive and productive results.

What was sought in this training program was to upgrade local efforts, making the volunteer leaders more responsive and able to cope with locational inquiries. In the process, they would be prepared to assist in a positive fashion over the intensive investigation process covering a host of community resources.

Procedures

The training program was designed to enable the local community development team to examine the scope and depth of local economic information, to learn how this information should be applied, and to review the entire spectrum of local infrastructure. Inasmuch as the city of Glasgow and Valley County are confronted with potential growth and development, the area presented positive qualities for undertaking this training program. Further, the local efforts are complicated with a serious involvement to obtain maximum utilization and conversion of the Glasgow Air Force Base.

First Phase: After an initial orientation with the local Valley County Industrial Development Committee, and an explanation of the simulation exercise
and role-playing process, the Industrial Development Division, as the project contractor, proceeded to structure a true-to-life industrial project. This project was intended to involve the committee as well as state and area development resource personnel active in the development field. After general details of the inquiry were forwarded, a reply was obtained. The information and general data were passed along to a consultant from the Middle West who was brought in to conduct on-the-ground investigations. At this session, fifteen local leaders and four resource staff members from regional and state agencies participated.

A wide selection of plant location factors and related considerations were involved in this procedure. Details of the plant location investigation were formalized and check lists prepared for use of the investigators. A full day meeting was held with Glasgow-Valley County leaders and they were allowed to present the assets of the community in the manner they found desirable.

Second Phase: Upon completion of the first phase, a thorough analysis and critique of the group's performance was prepared. In the copy of the report (attached as Appendix 1), we detailed the "Community's Response to the Initial Inquiry;" the "Community's Handling of the Prospect's Visit," which discusses both the strong and the weak points in the presentation; the "Community Follow-up;" the "Consultant's Comments;" and finally, a specific program of work under "Recommendations for Future Action."

This report and the list of suggestions for a work program were then reviewed in a special meeting with the Valley County Industrial Committee, with twelve members present. At this meeting, specific approaches to solution of some of the problems were made. Several long-range alternatives were also explored and additional sources of support identified.

As a consequence of the division of responsibilities among the contact team members, special assignments were made to two-person teams to research data in at least seven different subject areas pertaining to Valley County's resources and services. These efforts have contributed to the compilation of comprehensive information and its location in a central source as a "Briefing Book," as recommended in the July report and critique to the development team. Local sources contend this is one of the most complete inventories of any community in the state.

Final Phase: The final phase consisted of a return visit and meeting with the Industrial Committee at which time an update of program accomplishments was reviewed. The amount, extent and variety of positive action taken toward
implementing the local development program was most encouraging. All fifteen committee members were involved.

Specifically, the organization of a "Briefing Book," as recommended in our report of July, had proceeded to the point where most of the available data had been compiled and organized. Some information never previously available to the community had been accumulated. As a specific case in point, the "Briefing Book" was to be used during that very week in negotiations with a Canadian manufacturer considering the Glasgow location for a branch facility location.

Seminar: In conjunction with the final visit and program review, a special seminar and workshop (attached as Appendix 2) was developed and interested citizens of the community were invited to attend. Purpose of the seminar was to explore the community development program at Glasgow, to outline the reasons for an active and positive program, the competitive climate in which such efforts operate, and finally, to review the training sessions and the progress made by the community's contact team.

This seminar served to underscore the need for local support of the program and to solicit confidence in the volunteer cadre which had been assembled. The program described the need for collection and verification of basic economic information. It also stressed the elements of a well-rounded community action program that contains proper land development, programs for financial support, procedures for the collection of essential information, and techniques for the most effective presentation of community assets.

Improvement in Community Techniques

Substantial improvement in resource knowledge and employment of more sophisticated techniques by the Valley County development team has occurred over the period during which this training program was implemented.

Inception: Initially, the team consisted of a very loose-knit group of up to fifteen interested citizens who tended to rely upon one or two individuals to perform almost all of the research and also to interpret the data. The assignment of particular responsibilities and areas of expertise was untried.

As indicated in the report, when the consultant first interviewed the Valley County Industrial Development Committee, the individuals were not at all well
informed about the community's resources which could be utilized by the farm equipment client. The information which the consultant needed was not all available and that which was furnished was far from complete.

A number of important points were raised several times, and in some complete credence could not be placed on the reply finally framed. There was very little back-up material for many statements which appeared to be given somewhat reluctantly and with little confidence in what was being offered.

Conclusion: By conclusion of the program, the group was much closer, more cohesive and certainly better informed. Responsibility for designated areas of resource information and for performance of certain tasks was much clearer. It appeared, to the outside observers, that the group was functioning in a vastly improved and effective manner.

Among other changes noted, there appears to be an enlarged sense of confidence and authority among the team members. They have, in effect, been tested and now feel more certain and at ease with information and with the process of investigating projects of this nature. At the same time, the enthusiasm of the group seems at a higher level, supported in part by the stronger feeling of confidence.

Long-Range: The above are more of the short-range objectives which are being accomplished. There remain, however, certain areas which will require additional attention and improvement as part of the long-range program. Certain of these have been identified to the local team, for continued review and scrutiny. In particular, the identification of suitable alternative industrial sites and the provision of adequate utilities to those locations, a firmer posture with respect to financing of projects, refinement of work force and available labor information and the development of in-house capabilities to substitute a comprehensive slide presentation for community tours in inclement weather are major items.

Furthermore, unless outside funding and support is continued for the Glasgow Air Force Base reuse project, the availability of a professional to handle and follow up on details regarding possible use of existing structures and eventual conversion of open, unoccupied land tracts will seriously handicap that phase of the program.

Appendix 3 to this report consists of selected newspaper articles relating to various phases of this program.
APPENDIX 1

LEADERSHIP TRAINING FOR INDUSTRIAL DEVELOPMENT

FOR GLASGOW, MONTANA

Conducted by

Industrial Development Division
ENGINEERING EXPERIMENT STATION
Georgia Institute of Technology

Under Sponsorship of

Old West Regional Commission

Purpose

The intent of this program is to provide training for contacting and handling of industrial and other entrepreneurial prospects by Glasgow community leaders.

July, 1975
Step 1. Develop a working organization.

Step 2. Determine if your town is ready for industry. Make a complete inventory including all the facts on:

  o Available labor supply.
  o Transportation services, including air, rail, motor and water.
  o Available plant sites.
  o Available industrial buildings.
  o Raw materials in quantity, including mineral, timber and agricultural products.
  o Availability and cost of fuels and power.
  o Local tax structure, past and present financial picture.
  o Form of government and size of the town.
  o Housing, schools, churches and recreational and cultural facilities.
  o Extent of local financial assistance in the erection of plants and/or housing.

Step 3. Develop a community Economic Brochure.

Step 4. Get your town behind the drive for industry.

Step 5. Decide on financial assistance for industry.

Step 6. Handle your prospect's inquiry properly.

  o Govern your reply by the nature of the inquiry. Give the prospect the information he asks for, and offer more.

  o Don't overload your reply with a lot of other material. Be factual, brief, honest.

  o If the inquiry is general in nature, write back and ask for information on specific needs such as size of building, type of site, labor requirements.

  o If you don't have the specific information requested by the prospect, get it. Call on specialists for help. But don't wait to reply: write, thank the prospect, tell him when he can expect the requested information.

  o Get the information requested as soon as possible. When you forward it, refer back to your previous correspondence, and offer to develop further information if needed.
o After your first letter, wait a week or ten days, then follow up with another letter, refer to your previous letter, enclose more related information, and offer further material on your town.

o An alternate follow-up is a telephone call to the prospect, making the same offer. Use this method only if the inquiry appears definitely promising and you have something worthwhile to discuss. Don't waste the prospect's time.

o If you get no reply to your second letter, wait a couple of weeks and try again. If you then fail to obtain a reply, you can decide the prospect is not interested.

o In follow-ups of this type, try to get variety into your letters.

**Step 7.** Handle your prospect's visit properly.

o Find out in advance as much as possible about your prospect's requirements.

o Keep the visit confidential.

o Have a small group meet with your prospect, confining the group to people who have the facts and can speak for your town.

o Have specific information ready; be prepared to show specific sites and/or buildings.

o Bring in a state-level specialist (bank, railroad, utility, state organization).

o Keep your meeting businesslike. Never try to cover up any shortcomings you may have, but show how other assets offset them. No location is ideal in every respect.

o Don't over-feed or over-entertain your prospect. He is in your town on serious business. His time is valuable -- don't waste it.

o Be prepared to negotiate with your prospect, but know how far you can go on financing, provision of utility services, and related matters.
COMMUNITY RESPONSE TO INITIAL INQUIRY

Nature of Inquiry

The initial letter of inquiry provided the following details:

- Metal manufacturing company -- consultant making survey
- Well rated, sizeable plants elsewhere
- Plant building of 50,000 sq. ft., new or existing on site of at least 15 acres
- Initial employment: 90 to 100 (needed -- machine operators, welders, polishers/buffers; also large number of semi-skilled)
- Eventual employment:
- Most important criteria
  - electric power and natural gas
  - rail and truck transportation
  - community attitude
  - attitude of existing industry

COMMUNITY RESPONSE

- The community responded to the initial letter of inquiry. However, that response included no data whatsoever regarding the location factors enumerated in the original inquiry.
- Details should have been provided on the available industrial buildings and/or land (site flyer, size of utility lines, etc.)
- Since the letterhead of the Valley County Development Council does not contain a telephone number, it is desirable to include one in the body of the letter. This would make it easy for the prospect or consultant to communicate with local contacts.
COMMUNITY HANDLING OF PROSPECT'S VISIT

Strong Points

Although the community leadership needs considerable additional experience and practice, many good points were observed:

INTRODUCTION

- The group made the visitors feel welcome. They were sincere and "sold" on what they were doing.
- The meeting place was a satisfactory one (see below for suggestions).

TRANSPORTATION

- The transportation situation was fairly well covered, but the weakest area was in regard to truck service.

UTILITIES

- Utilities were touched upon, but the group expressed no concern over the content of the effluent from the proposed plant.

INDUSTRIAL SITUATION

- The local situation was described to the prospect.

GOOD QUESTIONS ASKED

- Time frame for project.
- Company attitude on lease/local construction.
- Need for financing.
- Market potential and need for local evaluation.
- Other locations under consideration.
- Company branch plants and other operations.
MISCELLANEOUS

- The community attitude towards new industry appeared positive.
- Community leaders did ask the prospect about possible pollution, although they did not raise specific questions regarding sewage or air pollution.

Weak Points

A number of weak points appeared in community presentation:

INTRODUCTION

- The introduction of the community team was sketchy; each member should have been identified as to his civic responsibility and occupation. A list of these persons should be provided the prospect.
- Although the conference was fairly well organized, the initial orientation could be improved with use of a map of both Glasgow and the region. This gives the prospect a better feel of the location, especially in regard to the highway network, physical location, etc.
- Better meeting place for informal discussions can be obtained.
- Use of first name of prospect is objectionable -- never identified outside professional expertise.
- List of those present had to be forced.

COMMUNITY TOUR

- Prospect and his sponsor should not have to insist on a tour of the community.
- Could have used the tour for the prospect to interview plant managers.
- The community tour could have been organized through the use of a map.
LABOR

- Labor availability and rates were not well covered.
- No convincing data presented that this plant could be staffed.
- Technical training facilities not specifically identified.

TRANSPORTATION

- Data on the nearest truck terminal and frequency of truck deliveries should be at top of priorities.
- No back-up data supplied on rail service.
- Asked for truck and rail schedules (are such available?).

PLANT SITE

- No land available or identified in Glasgow.
- Imprecise as to land area at Glasgow AFB.

BUILDING

- Information concerning building costs were not available at the time of the presentation; should have been provided in a follow-up letter.

TAX CONCESSIONS

- How important are these to the project?
- Information volunteered that concessions apply to "all manufacturing" -- is this valid?

MARKET

- Canadian market is leading question: may have other implications, including international business relations.
FINANCING

- Despite emphasis on this subject, no response whether 100% financing is available -- should be answered.

MISCELLANEOUS

- Community data or profile to be completed -- but not available.
- Fire insurance ratings not covered in a satisfactory manner.
- No one in the community kept a list of unanswered questions, so that the prospect could be furnished answers later.
- No community profile other than OEDP was available for use of the prospect.

SUMMARY

- No one asked what, in effect, it would take to make Glasgow the company's choice.
COMMUNITY FOLLOW-UP

If Glasgow is genuinely interested in obtaining the industry which is represented by this prospect for whom the consultant is making the investigation, it is essential that all information which he requested be furnished as soon as possible prior to the prospect's visit.

Then, other specific details should be furnished as developed from the prospect's visit. That information should be accompanied by a letter setting forth the community's interest and an offer of further material on the town.

Do not assume when the prospect leaves that he is satisfied, and has all the facts he may need. Find out if that is the case, by asking.

As far as is known, the subsequent effort made by the Glasgow group to follow-up on this project was very belated (material received over two weeks after prospect's visit.) The prospect would likely assume Glasgow is really not interested in obtaining this plant.

An immediate follow-up is highly desirable since the state and area development agencies deal with many communities and many prospects. They should be kept current on local progress, particularly in any further contacts with the prospect.
COMMENTS FROM THE CONSULTANT

If I were to report on my Glasgow, Montana inspection to the client, I could not recommend that community for further consideration on this particular project for the following reasons:

(a) The group (VCDC) with whom I met was not at all well-informed on the community insofar as the needs of my farm equipment client's operations are concerned.

(b) The information which I needed was not all available; that part which was furnished was far from complete.

(c) Several rather important points were questioned a number of times; in some cases, I could not put complete credence in the reply finally given. There was little back-up material for most of these statements which appeared to be given somewhat reluctantly and with little show of confidence in what was being offered as a reply.

(d) No sites presently exist to fit the requirements of this project, nor are there any buildings immediately available. There appears to be no real "inventory" of sites and/or buildings maintained by either the VCDC or the C of C. Strangely, a real estate agent (member of both organizations) offered no comment with respect to sites or buildings.

The buildings (at the Air Force Base) are occupied at present and there is no target date for their becoming available.

Despite the foregoing negative reaction, I can detect real possibilities for the eventual attraction of new and expanding industry for the Valley County area.

As Mr. Cassell and I agree, this will entail and necessitate considerable conscientious work with attention to detailed accurate information aimed toward highlighting the advantages of a Glasgow location.
It is my feeling that if the initial group is smaller, better informed, has top-notch leadership, backed with specific and accurate data for specific projects, I am convinced that the group can do a respectable selling job.

These comments are based on my observation that the committee with which we met is composed of Glasgow's top business leadership and is obviously committed to the community and its future.
RECOMMENDATIONS FOR FUTURE ACTION

We are convinced that Glasgow could improve its attractiveness to industry if the following steps are taken:

- Develop an improved technique for responding to letters of inquiry.
- Create specific task forces on subject areas (i.e., utilities, labor supply, taxes, financing, community attitude).
- Develop a plan for handling industrial prospects. This plan should incorporate all matters pertaining to: (1) introductions, community orientation, (3) tour, (4) finding out the precise needs of the prospect, and (5) furnishing the prospect with other needed information after his departure.
- Emphasize more the team's business-like approach.
- Develop a "Briefing Book" which could be used by the team dealing with prospects.
- Become more conversant with data relating to building costs, labor availability and rates, truck transportation, pollution, fire protection/rating,
- Make color film slides to be used as either a substitute, or back-up, for the community tour.
- Prepare an ECONOMIC PROFILE on Glasgow.
- Prepare regional orientation and community tour maps.
- Develop plant site sketches.
Valley County Development Council

INDUSTRIAL DEVELOPMENT COMMITTEE
Courthouse Annex, Room 2
Post Office Box 822
Glasgow, Montana 59210
Tel: (406) 228-3339

September 30, 1975

Valley County - You & Now

Community workshop sponsored by the Valley County Industrial Committee

Members of the committee are: Manson Bailey, Jr.
Norris Forum
Lynn Grobel
Buell Hayward
Linda Madson
Tom Markle
Glen Miller
Carlo Porteen

Leon Squires
Jim Smrcka
Conrad Tvedt
Carolee Wallem
Jerry Wiltfong
Newell Anderson Co-Chairman
Ray Pehlke Co-Chairman

Featured speakers are: Mr. Robert Cassell
Mr. George Dodson
Director - Community Development Branch, Georgia Institute of Tech.
Associate Director - Community Development Branch, Georgia Institute of Tech.

Subject: The importance of broad based community attitude and involvement in economic development of Valley County.

This public workshop is the third phase of the Georgia Tech. instructional program provided to the Industrial Development Committee under funds through the Old West Regional Commission.

Keep Valley County Growing
Valley County
Resources
Researched by Committee

The Community Industrial Development Committee of the Valley County Development Council completed the formal portion of the Leadership Training Course which has been in progress since June in various cities.

The course was conducted by Robert Carroll, Director, Community Development Branch of Montana Institute of Technology which is nationally recognized for its approach in this type of training. He was assisted by Koder M. Collins, a private consultant with a broad background in community development from Columbus, Ohio, and institute staff member, George Dodson, Community Development Branch.

The teams visited here last week concluded with an open session in the Valley County Courthouse to inform the public of the principles of the course and the headway the committee made by participating in the course.

One of the exercises undertaken by those involved was to split up in teams of two to research information data in all aspects of Valley County resources and services. This was compiled into a data book for ready reference on any question which may be asked and especially by those who can be directed to this area for business expansion.

It was reported that this is probably one of the most complete inventories of any community in the state, adding to information already compiled by various groups in the county, including VCDC Oren Economic Development Program (OEDP), the Glasgow Chamber of Commerce, the Air Base Re-Use Project, the Situation Statement of the Valley County Committee for Rural Development plus contribution of businesses contacted.

It is planned that three data books will be available for reference at the Base Re-Use Office of Carlo Por-teen, the Glasgow Chamber of Commerce Office and the VCDC office in the Courthouse Annex. There will also be a brochure giving a brief overview of information for distribution throughout the county and for promotion of the area to prospective clients in business and industrial expansion. Industrial Committee members and participants in the course are Newell Anderson and Ray Pehlke, co-chairman, Norris Forum, Lynn

Grobel, Glen Miller, Buell Hayward, Tom Markle, Linda Madison, Carlo Por-teen, Leon Squires, Jim Smacka, Conrad Tvedt, Carol He Vallem, Jerry Willfong and Manson Bailey.

Dr. Sam Espeland, president of the VCDC, said this training was financed through the Old West Region Commission. Staff members of the Montana Department of Community Affairs were observers of the Course.
Robert Cassell, of the Community Development Division of the Georgia Institute of Technology, and his assistant, George Dodson, will present a public workshop on the Valley County Community Development on Tuesday.

The workshop, which is a part of a three-phase informational program funded by the Old West Regional Commission for the Valley County Development Council, will be held in the Valley County Courthouse, at 7:30 p.m., and is open to the public.

A core group of people from the Valley County community have been receiving the training to help them present the Valley County area to a prospective company looking for a new location site for his business.

As a result of the training that the group has been receiving, they are preparing a briefing book that will show an economic profile of Valley County.
Industrial Group Trains On Problems

The Industrial Committee of the Valley County Development Council is undergoing a series of training problems on how to handle conditions and prospects in the expanding of the industrial uses of the Air Base and communities within the county.

The course is being conducted by Robert Cassell, of the Georgia Institute of Technology, nationally recognized for having developed a special course of this type. This is one of the recommendations of the Office of Economic Adjustment, who were here a year ago to survey the community and work with those associated with making a more self-sustaining unit of the Air Base. The course is being financed through the five-state Old West Regional Commission.

It is a working course, wherein a consultant who helps locate sites for expansion of certain businesses is brought in to meet with the Industrial Committee.

In this case it was Koder M. Collison, United Consultant Services, Columbus, O., who presented the committee with the needs of a company looking for a place to expand. Answers were given by committee members. The committee was given a week to compile other information not readily available. In a followup meeting, assignments were given to each of the members so that greater local knowledge is spread out on a broader base.

In followup meetings, instructor Robert Cassell will point out the strong and weak points of how the community handled the problems, and how to organize a more effective group. The final meeting will be open to the public to give a broader informational presentation.
Industrial Development Workshop
Scheduled Thursday at Courthouse

A special workshop is scheduled for 1:00 P.M., at the Community Room of the Valley County Courthouse, at which time members of the Valley County Development Council’s Industrial Development Committee will meet with Mr. Robert Castell of the Georgia Institute of Technology for review and summary of an industrial seminar being presented by the Georgia Institute of Technology later on in the summer.

The effects being undertaken by the Industrial Committee and the Georgia Institute of Technology in cooperation with the Glasgow AFB ‘Re-Use Development Project’, a program to provide a stimulus for commercial and industrial development at Glasgow AFB through active solicitation of industrial firms to relocate and utilize facilities at Glasgow AFB.

Rob Podesta and Chris Rooney of the Chicago Corporation, industrial development consultants for the Re-Use Development Project, will also be in the Glasgow area meeting with interested community leaders.