

# GROW MINNESOTA! PARTNERSHIP

We know Minnesota's economy



## Each Grow Minnesota! Visit Results in Value to Businesses Visited

*Business assistance provides connections to growth opportunities*



The Grow Minnesota!® Partnership is Minnesota's premier private sector-led business retention and assistance program. The partnership of more than 90 local chambers, economic development organizations and business retention stakeholders works to spur business growth throughout the state and has been doing so for 17 years. The partnership collectively conducts confidential, comprehensive one-on-one site conversations with nearly a thousand businesses each year, tracking on-the-ground business conditions, collecting data on what it takes businesses to stay and grow in Minnesota, and identifying areas where we can provide solutions to business concerns. The aggregate information is used to assist individual businesses, and to develop programs and policies to enhance and grow Minnesota's economy.

Our partnership's one-on-one assistance links businesses to resources that can help them stay and grow in Minnesota. Examples include:

- **Minnesota supplier sourcing**
- **Workforce recruiting and training**
- **Business financing programs**
- **Exporting opportunities**
- **Technical and regulatory assistance**
- **Networking and business development opportunities**
- **Economic and labor market research**
- **Environmental sustainability and energy conservation assistance**
- **Training/consulting for entrepreneurs and small businesses**

### Number of visits and assistance 2019

# 896

business retention visits

# 359

businesses assisted

### 2003 - 2019

# 12,753

business retention visits

# 2,734

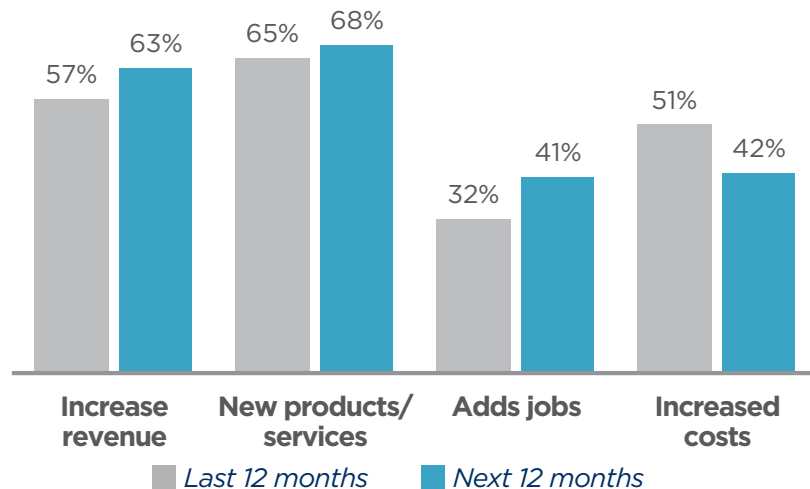
businesses assisted

To view more business resources and/or to request a site visit, go to  
<https://www.mnchamber.com/your-opportunity/grow-minnesota-partnership>.

# Grow Minnesota! Key Findings 2019

1. Innovation remains a bright spot with new technologies and products enhancing businesses' competitiveness.
2. Industries tied to construction, professional services and regional/national consumer markets reported strongest growth.
3. Industries tied to agriculture, senior care/ senior living and legacy products (e.g. forestry products, publishing, telecommunications) struggled in the face of low prices, wage pressures and policy impacts.
4. The manufacturing sector has largely held on despite fears of a sectoral downturn. While some firms report weaker demand and negative impacts from tariffs, others continued to see steady growth as they implement new technologies and bring new products to market.
5. Tariffs and trade uncertainty appear to be impacting exports with the state's total export growth declining for the first time in 10 consecutive quarters.
6. While some health care providers – particularly senior care facilities – are facing challenges, hospitals and clinics are investing heavily in new facilities, renovations and expansion of services.
7. Businesses reported navigating multiple layers of cost drivers from shipping and supplies to wages and health insurance to state-imposed business costs and federal tariffs.
8. Despite various challenges and uncertainties, businesses remain fairly optimistic about their outlook for 2020.

## Businesses remain fairly optimistic heading into 2020



Taken from responses in Q2 and Q3 2019  
to show more recent results

Source: Grow Minnesota! Partnership!, 2019

## What state policies are businesses tracking



Source: Grow Minnesota! Partnership!, 2019



## Minnesota Chamber of Commerce Foundation Economic Research

### 'Minnesota: 2030' is first long-range examination in 30 years

Minnesota grew faster than the U.S. average from the 1970s to the early 2000s. Since that time, Minnesota's economic growth has actually lagged the rest of the nation. Phase One findings of the Minnesota: 2030 study include:

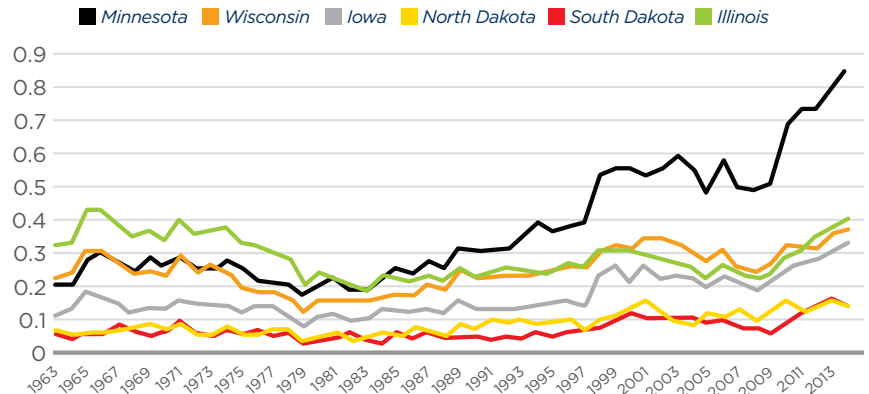
- 1.) Population growth, labor force growth and productivity growth are all key to Minnesota's economic growth.
  - a. With projected slowdowns in population and labor force growth, productivity (e.g. output per person) will be an increasingly important driver of growth in the coming decade.
- 2.) Minnesota's economy is structurally diverse with multiple economic sectors - not overly reliant on a relative few.
  - Minnesota's structure diversity was fifth highest among all states.
  - But ...
    - Less diverse economies can grow faster if concentrated in high-growth sectors (e.g., technology).
    - Several peer states delivered higher growth rates with lower levels of structural diversity.
- 3.) Minnesota has an above-average base of high tech and IT talent, but growth in technology sectors has lagged peer states and the nation as a whole.
- 4.) Minnesota is the innovation hub of the Upper Midwest and ranks in the top 10 for total number of patents across 17 different industries. (See chart)

Phase Two of the research project will dig deep into Minnesota's regional economies.

This research will begin the discussion of shaping economic opportunities for Minnesota's next decade and beyond. For more information on the research project go to <https://www.mnchamber.com/minnesota-2030>. The Grow Minnesota! Partnership will be using the research results in 2020 to help identify strategic business retention visits.

## Minnesota is the innovation hub of the upper Midwest

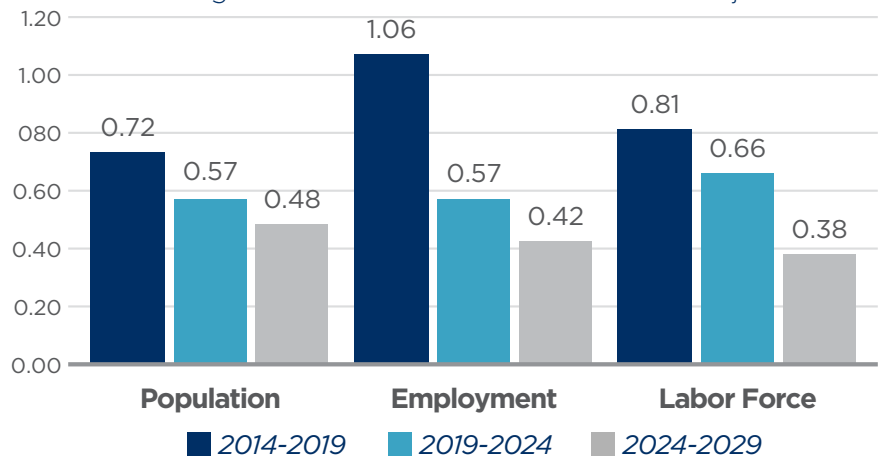
Patents per 1,000 people: Midwest



Source: Minnesota Chamber Foundation, U.S. Patent and Trademark Office

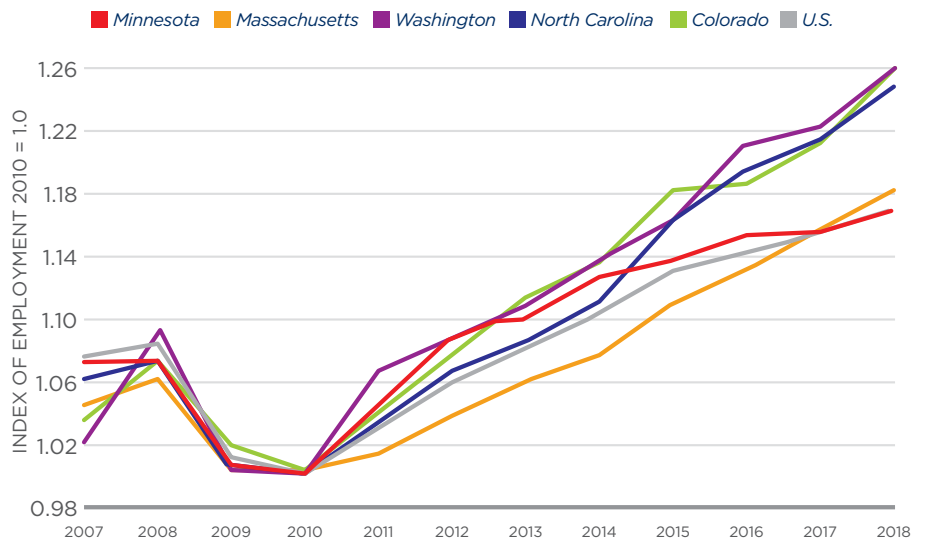
## Population, employment and job growth all projected to slow

Average Annual Growth Rate — Actual and Projected



Source: IHS Markit

## Minnesota's high-tech job growth lags peer states



Source: IHS Markit



# Grow Minnesota! Partnership <https://www.mnchamber.com/grow/grow-minnesota-partnership>

*A robust statewide partnership of local chambers of commerce and economic development stakeholders*

## CENTRAL MINNESOTA

Big Lake Chamber  
Big Lake EDA\*  
Brainerd Lakes Area  
Economic Development  
Corp.\*  
Brainerd Lakes Chamber  
Cuyuna Lakes Chamber  
Elk River Area Chamber  
Elk River EDA\*  
Greater St. Cloud  
Development Corp.\*  
Long Prairie Chamber  
North 65 Chamber  
Pine City Area Chamber  
Pine City EDA\*  
St. Cloud Area Chamber

## TWIN CITIES

### 7-COUNTY METRO

Apple Valley Chamber  
Burnsville Chamber  
Dakota County Regional  
Chamber  
Eden Prairie Chamber

Greater Stillwater Chamber  
Hastings Area Chamber  
& Tourism Bureau  
Hastings HEDRA\*  
I94 West Chamber  
Lakeville Area Chamber  
MetroNorth Chamber  
Progress Plus\*  
Richfield Chamber  
River Heights Chamber  
Roseville EDA\*  
Saint Paul Area Chamber  
Shakopee Chamber  
St. Paul Port Authority\*  
Twin Cities North Chamber  
TwinWest Chamber  
Waconia Chamber  
White Bear Area Chamber  
White Bear EDC\*  
Woodbury Area Chamber

## NORTHEAST MINNESOTA

APEX\*  
Duluth Area Chamber  
Entrepreneur Fund\*

Grand Rapids Area Chamber  
Hibbing Area Chamber  
International Falls Area Chamber  
Itasca Economic Development  
Corp. (IEDC)\*  
Laurentian Chamber  
Northspan Group\*

## NORTHWEST MINNESOTA

Bemidji Area Chamber  
Downtown Moorhead  
East Grand Forks Chamber  
East Grand Forks EDA\*  
Greater Bemidji\*  
Thief River Falls Chamber

## SOUTHERN/SOUTHEAST MINNESOTA

Albert Lea-Freeborn  
County Chamber  
Albert Lea Economic  
Development Agency\*  
Austin Area Chamber  
Blooming Prairie Chamber  
Fairmont Area Chamber

Fairmont EDA\*  
Faribault Area Chamber  
& Tourism  
Greater Mankato Growth  
Lake City Chamber  
Lake City EDA\*  
Northfield Area Chamber  
& Tourism  
Northfield EDA\*  
Owatonna Area Chamber  
Rochester Area Chamber  
Rochester Area Economic  
Development Inc.\*  
Waseca Area Chamber  
Winona Area Chamber

## SOUTHWEST MINNESOTA

Litchfield Area Chamber  
Marshall Area Chamber  
Meeker County  
Development Corp.\*  
New Ulm Area Chamber  
& Visitor Center  
Pipestone Chamber  
Willmar Lakes Area Chamber

Worthington Area Chamber  
& Visitors Bureau

## WEST CENTRAL MINNESOTA

Alexandria Area EDC\*  
Alexandria Lakes Area Chamber  
Detroit Lakes Regional Chamber  
Detroit Lakes EDA\*  
Fergus Falls Area Chamber  
Greater Fergus Falls Corporation\*  
M State – Detroit Lakes\*

## STATEWIDE AFFILIATE PARTNERS

Minnesota Retailers Association  
Tri-State Manufacturers  
Association  
University of Minnesota Extension  
SCORE – Minneapolis  
SCORE – South Metro  
SCORE – St Paul

\*Denotes local and regional  
economic development  
stakeholder

# GROW MINNESOTA! PARTNERSHIP

*We care about Minnesota businesses*

The Grow Minnesota! Partnership is helping to grow our state's economy. Our passion to retain and grow Minnesota businesses aligns with the overall mission of the Minnesota Chamber of Commerce.

## GROW MINNESOTA!® PARTNERSHIP Minnesota Chamber Staff

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<https://www.mnchamber.com/your-opportunity/grow-minnesota-partnership>

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## Maximize Your Business Potential

From commercial loans and equipment financing to cash management and commercial real estate, we can handle whatever needs your business may have.

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