

The Oh-Penn Exchange: *Moving from Auto Community to 21st Century Community*

Prepared for :



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Building Assets through Knowledge & Innovation

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INTRODUCTION: Building the New 21st Century Community

Thanks to the emergence and persistence of enlightened community leadership focused on regional solutions in the five counties of the Oh-Penn Region, a unique opportunity exists to take advantage of a perfect storm of new technology, new funding sources, and new innovative partnerships to build a new model of community revitalization – in essence, a New 21st Century Community. Much attention and funding is currently being focused on “auto communities” and the application of new tools and strategies that can help impacted workers and employers adjust to apply existing skills in new ways and to new markets. At the federal government level, special efforts are being directed by an “Auto Czar” and Departments of Commerce and Labor are joining forces to package resources for auto-impacted states.

The Oh-Penn Region’s journey from steel community to auto community to the current state of readiness for building a new community has not been without pain. However, the pain has served to strengthen the local resolve to build a new sense of community on a bedrock that is not tied to a single industry but rather to connecting people and ideas in new and creative ways. The region is not for the faint of heart; much of the citizenry will tell you, if asked how they like it here, some version of – life is tough here, but we’re tough and we’re not planning leave – we plan to stay and fight. And from the 140-year-old newspaper named *The Vindicator* to the relatively new website *Defend Youngstown*, you get the sense that they mean it!

What started as a narrowly-contained look at auto-related workers and employers and their glide paths to new opportunities in the region has grown, as a result of multiple interconnected conversations, into a bold concept of community revitalization and the identification of the building blocks that are currently available to make it happen. And the Oh-Penn Region is not alone in its struggle or in its quest for new solutions. Major plant closings in many cities, towns, and rural areas of America have severed ties that formerly held these communities together. The sense of community needs to be restored in these regions. Fortunately, rapidly-advancing technology gives us new tools and new hope for doing so. As the Youngstown area has been a thought leader in many aspects of revitalization, innovative ideas have also emerged from regions such as Janesville, Wisconsin, and Flint, Michigan, that have been hard-hit by the economic downturn. The report that follows presents the path of inquiry and subsequent insights and then, in the concluding section, presents a proposed model for building and funding a new platform, the “Oh-Penn Exchange” that combines the strengths of the Oh-Penn region with the opportunities and resources that can be leveraged in the broader national environment.

PURPOSE OF THIS STUDY

The primary purpose of this study is to identify routes to prosperity for auto-impacted workers and employers in the five-county Oh-Penn Region (Mahoning, Columbiana, Trumbull Counties in Ohio; Mercer and Lawrence Counties in Pennsylvania), and to recommend actions that can be taken by publicly-funded entities in the region to accelerate progress toward that goal. The Center for Automotive Research (CAR) recently presented some rather grim statistics for the auto industry, noting that motor vehicle and parts manufacturing employment declined by 58 percent in Ohio during the 1999 to 2009 decade. The recession of the past year has been devastating for the auto industry, but overall economic recovery is not likely to restore employment to previous levels, as restructuring in the industry and global competition continue to depress employment levels. Thus, the route to prosperity for many employers will be seizing opportunities that exist for new products and new markets, and the workers' route will often be one of acquiring new skills for jobs outside of the auto industry, both with manufacturing and non-manufacturing employers.

While relying on available sources of labor market information as a backdrop, the main focus of attention in this study has been interviews with "intermediary organizations" who work with employers and with job seekers to gain insights about successful transitions, and subsequently with selected employers and impacted workers to gain further insights and perspectives about routes they have taken and the types of assistance that has proved most useful to them. Through these experiences at the ground level, we have attempted to paint a picture of regional success that can be achieved if we target our available resources and talents to bring these kinds of efforts to scale.

The challenges facing the auto industry and its workforce are daunting; however, there are plenty of reasons for optimism as we emerge from this volatile period:

- Lean manufacturing techniques, while serving to reduce employment levels on one hand, are creating new, higher-skilled jobs with training pathways that allow workers to acquire them;
- The "green" movement is creating new niches within existing manufacturers and also offering opportunities for employers to move to new markets and new products, creating new jobs as a result;
- Two federal departments (Department of Labor and Department of Commerce) have combined forces to offer assistance, via their regional offices, to states and regions in the auto-impacted Midwest;
- Federal stimulus funding has been targeted to regions that have auto-impacted counties;

- Multiple regional approaches are being incubated in Ohio, Michigan, and other Midwest states to serve as models for auto-impacted regions;
- In February 2010 the Oh-Penn Regional Competitiveness Council will convene, officially launching the strategic planning platform for the nation's first bi-state workforce area and providing enhanced coordination among workforce development, economic development, and education leaders in the region;
- The Eastern Gateway Community College has just been created as an expansion of the former Jefferson Community College – it will offer both a physical presence at a new site in Trumbull County along with a network of affiliated sites, and a creative mix of on-line courses that can respond quickly to changing needs and opportunities of the region; and
- The Advanced Manufacturing Initiative has acquired an Executive Director (from the auto industry) in partnership with Youngstown State University and, as a result, will be able to better target needs of manufacturers and improve the technology transfer pipeline from the university.

The challenge in accelerating the transfer of skills of employers and individuals will be three-fold:

1. Increasing the capacity of our publicly-funded organizations to provide the kinds of assistance needed;
2. Increasing the connections among our intermediary organizations to increase the impact and return-on-investment through better alignment of efforts; and
3. Increasing the awareness and access for employers and individuals for the kinds of assistance that is available in the region.

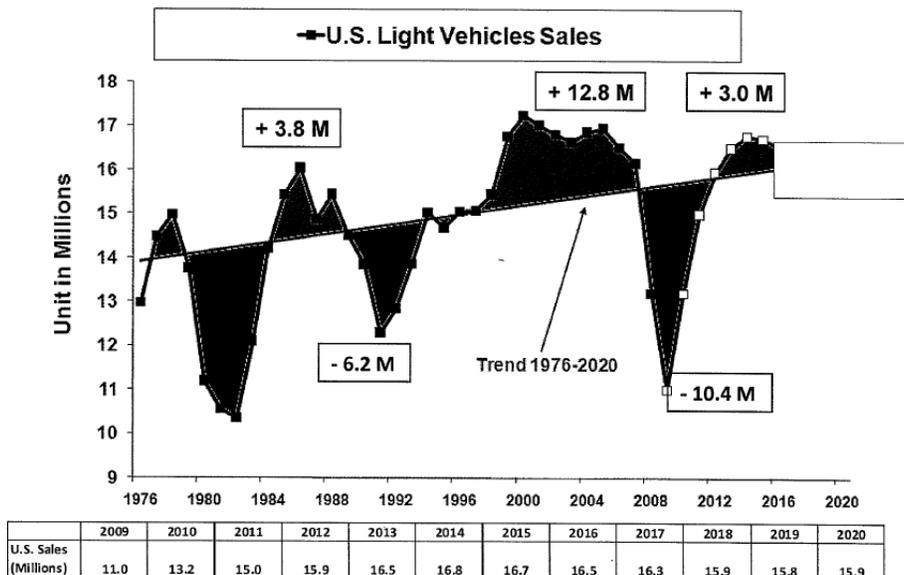
The Youngstown region is increasingly gaining national attention as an area that is leading the way for reinvention and transitioning from an old industrial region to the opportunities of a new economy. As with the steel industry in earlier years, the region must find new opportunities for its auto workers and a wide range of employers who are connected to the auto industry. This report is another step in taking action to make sure we are prepared to do so.

BACKGROUND

The restructuring and overall decline of the automotive industry is putting extra pressure on already stressed communities throughout the country. With automakers cutting back on production and jobs being shipped overseas, the strain on American communities is severe. The Federal Reserve Bank of Cleveland notes that nearly 8 million jobs have been cut since the start of the recession. Manufacturing jobs dropped by 1.9 million jobs within eighteen months (December 2007 – June 2009). Of these manufacturing jobs, durable manufacturing – or the production goods that may be used repeatedly or continuously over one year – lost 1.5 million jobs. 325,000 of these were in automotive assembly or parts production.¹

Even after the nation recovers from the current recession, the automotive industry will probably not return to its former levels of production. Employers and workers, then, should start preparing for long-term shifts into new industries or skills. The Center for Automotive Research (CAR) predicts that sales of light vehicles will eventually bounce back, but not to the same levels as prior to the recession.

New Long-Term Forecast from CAR



Source: Center for Automotive Research, “Testimony before the Joint Select Committee on the Impact of the Changing Auto Industry on Ohio, Ohio State Senate. August 2009

¹ Federal Reserve Bank of Cleveland, presentation of Ken Beauchemin at the Automotive Communities and Work Force Adjustment conference, October 8-9, 2009

As with many communities around the county, the Oh-Penn Region has been hit hard by the recession. In an area that is predominately driven by manufacturing, the unemployment rate has increased by over 80% in one year in some places. County unemployment rates in the region range from 10.0% to 13.5%. Compared to state unemployment (10.5% in Ohio and 8.8% in Pennsylvania) and the national unemployment rate (10.2%), the region's unemployment is considerably higher in most counties.

Unemployment Rates					
	Oct. 2008 (%)	Oct. 2009 (%)	Oct. 2008 (#)	Oct. 2009 (#)	% Change
Columbiana County, OH	7.2	12.7	3,800	6,900	81.5%
Mahoning County, OH	7.2	12.0	8,400	13,500	60.7%
Trumbull County, OH	7.5	13.5	8,000	14,100	76.2%
Lawrence County, PA	6.6	10.0	2,900	4,400	51.7%
Mercer County, PA	7.8	12.3	4,400	6,600	50.0%

Source: Ohio Bureau of Labor Statistics and Pennsylvania Center for Workforce Information

Impacted Workers

Major lay-offs and plant closings at mega-employers like the GM plant in Lordstown or the Delphi facility in Warren have not only affected their own employees, but have had a trickle-down effect on their suppliers and smaller local employers. The loss of these second and third tier supplier jobs is difficult to track, but a portion of the impact can be seen through employment numbers in the Transportation Equipment Manufacturing industry, which captures Motor Vehicle Manufacturing, Motor Vehicle Parts Manufacturing, and Motor Vehicle Body and Trailer Manufacturing jobs. Once employing over 7,000, the industry has lost 42.2% of its jobs since 2005.

Total Employment in Transportation Equipment Manufacturing (NAICS 336)

Counties	Total Employment 2005 (Q4)	Total Employment 2008 (Q4)
Columbiana County	212	207
Mahoning County	415	236
Trumbull County	5,136	2,968
Lawrence County	164	154
Mercer County	1,155	527
Total for the Oh-Penn Region	7,082	4,092

Source: U.S. Census Bureau, Local Employment Dynamics, Quarterly Workforce Indicators

The impact on workers from the three Ohio counties alone has been vast. Of those auto companies who benefitted from a Statewide National Emergency Grant, 1,767 workers were impacted by lay-offs or plant closures. Of these workers, 360 or 20.3% sought services from the

OneStop centers in Trumbull, Mahoning, and Columbiana counties.² Again, this only takes into account workers from Ohio companies; this number is probably considerably higher when Pennsylvania businesses and their employees are included.

When looking at the impact on workers, it is important to consider that the Oh-Penn Region is served by an aging workforce. Within the five counties, the percentage of the population 45 years or older ranges from 43.8% - 46.4%.³ Many of these older workers exiting the automotive industry may not be interested in new industries or trainings. Many may opt to retire, draining the local workforce of a significant portion of its talent pool. It is safe to assume, however, that those who remain in the labor force will need training or upgrades on new technologies.

Impacted Employers

Anecdotally, it is clear that there have been many local employers impacted by the automotive industry's decline. It is difficult, however, to quantify how deep the impact has been because the effect on second and third tier suppliers is often lost. The table below shows the number of businesses in each of the counties that fall under the following North American Industry Classification System (NAICS) codes: Motor Vehicle Manufacturing (3361), Motor Vehicle Body and Trailer Manufacturing (3362), and Motor Vehicle Parts Manufacturing (3363). This table does not include all businesses that supply to the automotive industry, only those that are primarily classified as an automotive manufacturer or parts manufacturer.

Motor Vehicle Manufacturers, Motor Vehicle Body and Trailer Manufacturers, and Motor Vehicle Parts Manufacturers in the Oh-Penn Region

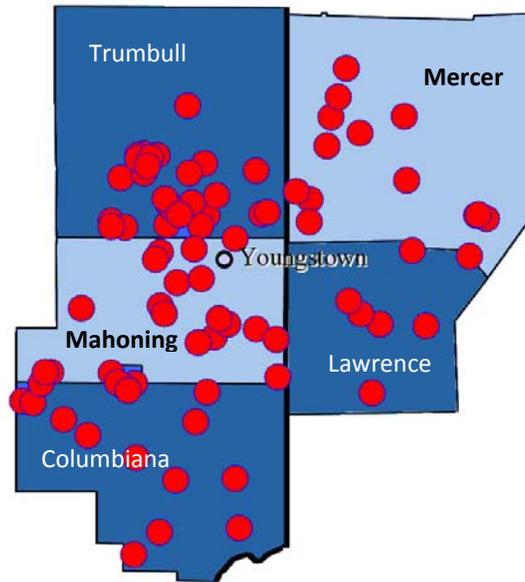
Location	Establishments
Columbiana County	19
Mahoning County	22
Trumbull County	29
Lawrence County	8
Mercer County	17
Oh-Penn Regional Total	95

Source: Decision Data Resources, 2009

² Ohio Department of Jobs and Family Services

³ US Census Bureau, *Annual County Resident Population Estimates (2007)*

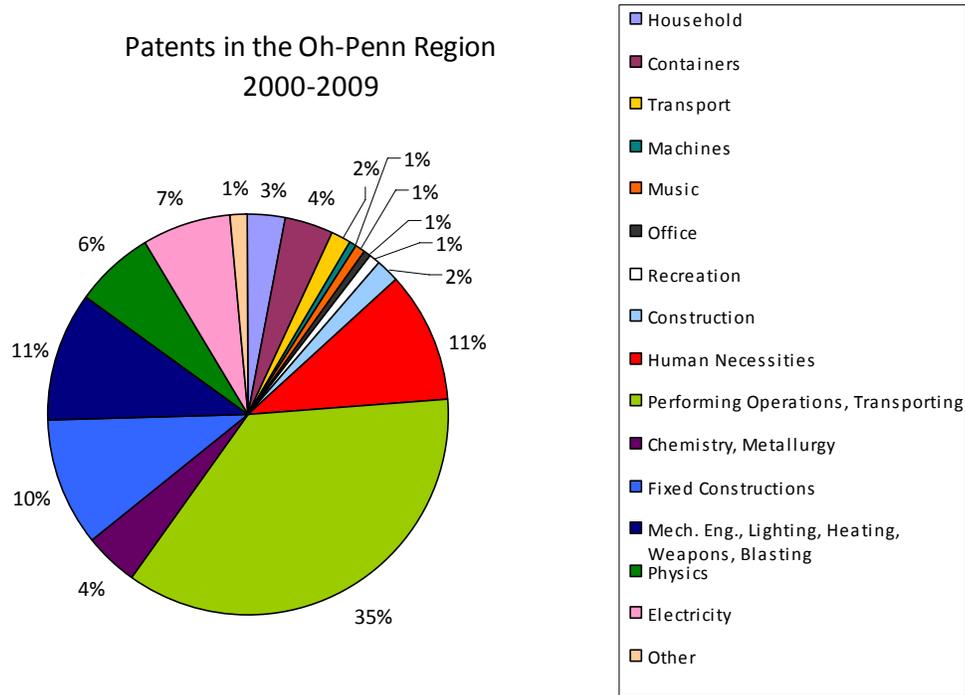
Geographic Distribution of Motor Vehicle Manufacturers, Motor Vehicle Body and Trailer Manufacturers, and Motor Vehicle Parts Manufacturers



Source: Decision Data Resources, 2009

Innovation

Since 2000 – 2009, there has been a limited amount of patent activity in the Oh-Penn Region. There were 301 patents filed in the five counties. Of these, 108 or 35% of these were for Performing Operations, Transporting which includes patents for metal working, grinding and polishing, machine tools and vehicle components.



Source: Decision Data Resources, 2009

According to the Institute for Strategy and Competitiveness at Harvard Business School, in 2007 there were 1.97 patents per 10,000 employees in the Youngstown-Warren-Boardman, OH-PA Metropolitan Area. This falls well below the national average of 6.38.⁴ One way for the Region to boost its competitive edge in spite of the declining automotive industry is to promote resources for technology transfer and intellectual property protection, thus encouraging innovation and retaining the minds and funds it attracts.

⁴ Source: Prof. Michael E. Porter, Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School, 2009.

EMPLOYER INTERMEDIARY INSIGHTS

One of the many benefits of a bi-state region is the doubling of assets and resources that are or will become available in the area. Employers are often connected to these resources through intermediaries like the Business Resource Network (BRN), Northwest Industrial Resource Center (NWIRC), Catalyst Connection, Manufacturing Advocacy and Growth Network (MAGNET), and the Mahoning and Shenango Valley Advanced Manufacturing Initiative who assist time-conscious employers in navigating through resources, gleaned insights about the automotive impact along the way.

The Business Resource Network has assisted several automotive supplier companies over the past year. In these interviews a few interesting comments emerged.

- At one of the companies, many of the issues that the BRN could assist with – growth plans, training resources, infrastructure assistance – were put on hold until some larger relocation decisions were made.
- Another company sought assistance for a new product line involving electric motors, but also identified that it would need its workforce trained accordingly. There may be similar green opportunities for other automotive suppliers.

The newly-hired Executive Director of the Advanced Manufacturing Initiative noted that:

- Third Frontier Grants are available for some of the employers wishing to employ new technology for new products and markets;
- Youngstown State University (YSU) is Ohio's first "STEM College" and is also helping to create a regional focus as the Advanced Materials Center;
- YSU is also rapidly moving from an inward focus (academics, pure research) to an outward focus (technology transfer, business start-ups); and
- Efforts are already under way to assist laid-off auto employees with business start-up ideas (Delphi Night at Incubator).

Catalyst Connection, Northwest Industrial Resource Center (NWIRC), and Manufacturing Advocacy and Growth Network (MAGNET) are all resources dedicated to the support and growth of manufacturers in northwest Pennsylvania and northeast Ohio. These intermediaries offer valuable services and assistance to employers on a day-to-day basis; they provided the insights below.

- Employers need cash to explore other markets. To get them into new markets, it may take an investment of \$30,000 – 40,000 to conduct market research for new products, design and engineering support. Management within these companies need to embrace this culture change.
- Resources like Catalyst Connection, NWIRC and MAGNET can target new markets by looking at who is using similar products, essentially completing a new customer analysis.

They can also help companies mount new marketing campaigns for existing products, but a yearlong campaign with web site support is optimal and costs a minimum of \$5,000 - \$10,000. Many small companies see this as a gamble with no guarantee it will produce revenue at the end of investment.

- Catalyst Connection can assist employers in finding grant money and matching funds for workforce training and exporting. They also have a small grant program for small and struggling companies to help with equipment leasing and inventory purchases.
- Generally, the workforce is capable of gaining new knowledge and acquiring new skills. What is missing, however, is the management capability for new projects and innovation. These companies do not move forward without leadership.
- As the new generation of employees moves into leadership roles, the playing field is changing significantly for most auto suppliers. Intermediaries such as NWIRC can offer support on market research and sales generation as well as succession planning.

WORKER INTERMEDIARY INSIGHTS

From OneStops and CareerLinks to education providers like Kent State University – Trumbull, there are a number of intermediaries in the Mahoning and Shenango Valleys prepared to serve dislocated automotive workers on their road to re-employment. In speaking with these intermediaries, they often have a “bigger picture” of the automotive impact on workers and can help to identify trends among the many laid-off workers who come to them for assistance.

Education Levels

- While the majority of the individuals were formerly working on the assembly line or as machine operators, a surprising number of individuals coming through the OneStops have a Bachelor’s or Master’s degree.
- At Kent State University - Trumbull, an estimated 40-45% of auto-impacted students are degreed individuals, engineers, or journeymen who have been working on the assembly line because those jobs paid the best wages.

According to the Mercer County CareerLink, there is a higher demand for Healthcare courses than training providers can deliver. Current waitlists for some of these training programs go well into 2011.

Training

- In Pennsylvania, CareerLink staff is finding that about half of workers want to stay in the trades and upgrade their skill sets while the other half are interested in completely different industries. The OneStops in Ohio report that the majority of automotive workers want to move into new industries.
- For those wanting to go into different industries, the most interest is in Healthcare –RN and LPN training. The second most popular is training for a Commercial Driver’s License.
- Intermediaries report that Healthcare is popular for two reasons: first, it offers the most competitive wages, and secondly, because workers are frustrated by years of lay-offs and are looking for a stable and reliable industry for employment.
- Some workers have expressed interest in entrepreneurship as an employment option.

Employers need to realize that auto workers who have taken the initiative to get training are valuable assets to their workforce; dislocated workers need to understand that they will be more marketable if they use their time to take advantage of training.

Other notes of interest

- KSU Trumbull is finding that students from the auto industry do not understand transferable skills.

- A barrier for workers is the stigma that is attached to the auto industry – smaller employers are reluctant to hire the “union mindset” or think that workers won’t be satisfied with their wages and work environments.
- Completion rates for training vary; some will stick with training even if they are called back. Others, especially if nearing retirement, will drop out of training.

INTERVIEWS WITH EMPLOYERS

In phone interviews as well as through a survey tool, employers from the automotive supply chain were able to share how they have been impacted by the collapse of the automotive industry. Some are struggling to keep their doors open, almost all have had to lay-off employees; but while there will be more disappointments and challenges in the future, there are unique opportunities to move into new markets and product lines. Whatever happens in the future for these surviving companies, it is sure to be a very different picture from “business as usual” in the automotive industry we have seen in the past.

Transitioning to New Markets

- Even while in survival mode, there is no interest in returning to solely relying on the automotive industry.
- Some companies have dabbled in other markets but do not know how to access these properly. They often need to profile individual accounts to see the common denominator and go after like customers. Often, they do not know why customers are most valuable to them.

Workforce Issues and Concerns

- Generally, the workforce is capable of learning new things. Still, a consistent worry among employers was that their workforce is not prepared to take them to new level of competition.
- On the other hand, one plastics company mentioned that the workforce is woefully undertrained and has horrible work ethic. This company reported that they often go through many employees to find the right fit. Service providers can help them profile job and do pre-employment testing to reduce turnover costs.
- Drug Screening is key and many prospective employees fail.

Other Insights Shared by Employers

- Employers expressed that it would be nice to attract other Original Equipment Manufacturers (OEMs) outside of the auto industry. Companies could retool and rethink their strategy. Suggestions for moving forward on this issue included the possibility that students at YSU could do a study of core capabilities and capacity of manufacturers in the Mahoning and Shenango Valleys by looking at industrial parks and other companies. Chambers of commerce might also be able to assist by surveying companies to attract OEMs and investors.

- Companies can use help with adopting quality standards such as ISO 9000. It takes 12-18 months or 8 months on the fast track. Recently, there has been more pressure to emphasize quality standards along the supply chain by top tier suppliers.
- The companies that are doing well—the 3 largest plastic bottle enclosure companies for example – are still cutting costs and trying to be leaner.

One Employer's Successful Transition

Located just outside the Oh-Penn region in Portage County, this plastic parts manufacturer realized it had the opportunity to grow despite the bad economy. In order to do so, however, the firm decided to work with the Manufacturer's Advocacy and Growth Network (MAGNET) to improve three components of its business: quality control, eBusiness, and more efficient production processes.

The company, along with their partners at MAGNET, created three teams, each devoted to one of the three areas in need of improvement. The quality team focused on ISO requirements; they received ISO training from MAGNET and worked on Standard Operating Procedures. The eBusiness team worked on identifying new software systems to best fit their business. Finally, the third team was trained on Lean manufacturing and implemented more cost-effective and time saving processes.

Overall, the company was able to reduce its inventory by 30% and is now projecting a total sales growth of 50% over the next six years.

INTERVIEWS WITH WORKERS

Perhaps the group who is most strongly impacted by the automotive industry decline are those workers who now find themselves without a job. Many of these dislocated workers saw themselves as automotive employees for the rest of their careers, never considering that they would need to find other employment. Often assembly line workers and general laborers have limited skills or experience in other industries. Through interviews and a focus group, auto impacted individuals shared their perspectives on these uncertain times.

- Only one of the individuals we interviewed was able to find secure employment directly after being laid-off. One other had been re-employed, but had been laid-off yet again.
- Many of the workers had some college experience, but did not have their degrees.
- Responses regarding the use of the public workforce system ranged from individuals who have not used its services at all to individuals who reported that it was easy to navigate and overall had a very positive experience.
- Of the individuals who participated, there was a fairly wide range of training interests and plans. Participants reported that they were either considering or already enrolled in the following training programs:
 - Biomedical Technology
 - Commercial and Industrial Maintenance
 - Electrical Repair
 - Mechanical Engineering
 - Business Administration
 - Occupational Safety
 - Veterinary Medicine
 - HVAC training

One of the individuals reported that he was still exploring options; because he was 50 years old he was unsure whether he wanted to begin an entirely new career or if he wanted to build on his machine skills and hope for another job in manufacturing.

- When asked about their motivations for choosing these training and future career paths, responses ranged from comparable incomes to help identify interests through TABE and WorkKeys assessments to word of mouth information on hiring trends.
- When asked about transferrable skills they left the automotive industry with, several said that their work, especially at General Motors, required and taught no skills. Nevertheless, a few of the workers were able to identify skills that they could use in other employment: working with his or her hands, adapting to a fast-paced environment, mechanical skills, and various occupational safety knowledge.

“The day I would have graduated I would have been eligible for Social Security.”
- Focus Group Participant

One Worker's Successful Transition

Devoting a long career to the automotive industry, Doug was laid off in 2008 with no hope of being called back. Although he had never attended college, he had worked his way up through the ranks – starting his career in front of the conveyor and eventually serving in a senior management capacity.

Frustrated with his inability to find a good paying job without a college degree, Doug sought the assistance and services of the local One-Stop Workforce Center. He identified particular skills he needed to upgrade as well as gained valuable information about employment trends in various industries and career paths.

Doug chose to pursue a Licensed Practical Nursing (LPN) path because of the stability of the healthcare industry. Hoping to one day work as a nursing home administrator, he currently is enrolled in an LPN program at the Trumbull County Career and Technical Center.

IDENTIFICATION OF OPPORTUNITIES

Develop an Online Auto Community

As employers and workers move away from the automotive industry, they also transition away from everyday platforms for communication like union halls or sector-based employer associations. The Oh-Penn Competitiveness Council, in its efforts to build a region-wide community portal, can simultaneously develop a distinct platform for an online auto community that can offer information sharing and networking, as well as the option to connect to services. The core functions of the platform that is envisioned are best captured in the acronym *NICE – Navigation, Information, Communication, and Education*:

- *Navigation* tools will enable users to easily access job opportunities, education opportunities, social services, information, and peer support groups;
- *Information* processes will allow constant updating of portal content from experts in the field plus engage users in updated content from experiences, thus ensuring user buy-in and engagement with the portal;
- *Communication* tools will promote social networking on-line through topical forums and person-to-person contacts via portal addresses; and
- *Education* will be enhanced via training on computer usage with immediate value to the user for taking full advantage of the site and subsequent value as a skill needed for most emerging jobs – in addition education paths will be identified and referrals made to local education providers based on users' career goals.

Transferability of Workers' Skills

According to comments made by worker intermediaries as well as workers themselves, the automotive workforce lacks an understanding of their transferable skills. Arming jobseekers with this knowledge is crucial to their successful re-employment.

- WorkKeys or online tools via Monster.com can help individuals assess their current skill sets and identify career paths or skill paths toward future careers.
- With this information, the Oh-Penn Region can engage the newly expanded Eastern Gateway Community College in customizing paths and programs to critical new jobs. With its flexibility to offer both on-line and classroom learning, Eastern Gateway provides an ideal partner who can use its network of Career and Technical Centers to react quickly to workforce needs.
- The Oh-Penn Region can promote Green skills and occupations to its workforce in anticipation of the many employers who will transition to new products and markets in

this arena. Even for those employers who do not move into the Green niche, individuals with training in Lean manufacturing or processes will be more attractive.

Transferability of Employers' Skills

As interviews with employers and employer intermediaries pointed out, most businesses do not have the time or funds to independently explore new products or markets. Their transition into these new territories will require significant support from regional resources.

- The Advanced Manufacturing Initiative and Business Resource Network can leverage their relationships with auto employers to “package” a collective story about the needs of auto employers. In other words, AMI and the BRN can engage their network of employers to help identify what services companies are in need of, allowing MAGNET, Catalyst Connection, and NWIRC to effectively target those specific needs.
- The Region can follow Dayton’s model to connect employers to new ideas and markets through Opportunity Fairs. These events provide other industries (Healthcare, for example) the chance to present their needs and find ways to adapt the talents of the automotive industry to fill those needs.

Promote an Entrepreneurial Climate

The Oh-Penn Region has entrepreneurial assets that it can boost as a means of growing the local economy as well as providing dislocated automotive workers with another option for re-employment. With resources like the successful Youngstown Business Incubator, SCORE, and Small Business Development Centers (SBDC), the Region can build an environment where entrepreneurship is a viable option for its residents.

- The Region can partner with the Youngstown Business Incubator, SCORE, and SBDCs to create more exposure for interested individuals to entrepreneurial resources. Use events like “Delphi Night” at the Youngstown Business Incubator to target transitioning automotive workers who can leverage their knowledge and experience into independent ventures.
- Through the Advanced Manufacturing Initiative, leverage technology transfer opportunities from Youngstown State University.
- If possible, seize dormant patents for entrepreneurial activities.

Determine a Single-Point of Contact for Auto-Related Concerns

Although there are early signs of an economic recovery, the woes of the automotive industry will be long-term and will probably have impacts that are impossible to predict. It is important

to be prepared for future shifts and challenges. A single point of contact for automotive issues in the Oh-Penn Region will ensure efficient distribution of information and project coordination. Possibly housed within the Youngstown/ Warren Region Chamber or the Advanced Manufacturing Initiative, this person can also serve as a liaison to the State Legislature on important automotive concerns on behalf of the Region.

Develop an Advanced Materials Research and Development Niche

One of the State of Ohio's strategies for the future of the automotive industry is to create a hub for automotive research within the state. With its rich history in production materials and manufacturing processes, the Region can align itself to the state strategy by collaborating with YSU and the Advanced Manufacturing Initiative to build its own niche in Advanced Materials Research and Development.

A CALL TO ACTION: Building the “Oh-Penn Exchange” for the New Community

We currently have a unique convergence of national thinking and resources with regional thinking and resources that allows us to propose the creation of a local “portal” that becomes the staging area for a New 21st Century Community. A portal is distinguished from a simple web site by its ability to seamlessly tie together a wide range of already-existing related web sites and content sources for its users. It does not compete with existing web sites but rather serves as a mega-navigational tool for finding the right sites, information, and people. A portal also brings social networking capabilities, allowing users to connect to each other without a gatekeeper.

An “Oh-Penn Exchange” portal will become the focal point for a new level of community engagement around four action arenas:

- *Navigation Tools* that allow job seekers and employers to find each other more efficiently and precisely – career pathways for job seekers; precision hiring tools for employers;
- *Information* that is constantly updated to include information about emerging opportunities in the region, from new kinds of jobs to new entrepreneurship advice – content can be expanded to include a wide range of offerings from social events to user-generated video clips;
- *Communication Tools* that promote social and civic networking on-line and via promotion of face-to-face venues – interfaces with popular sites such as Facebook and Twitter will also be developed; and
- *Education Connections* that will enable access to on-line training and to an expanding array of universities, community colleges, and private schools in the region.

Technology and the use of social media is rapidly rendering most existing job boards obsolete. What is emerging is a new platform that includes more customized job matching along with social networking that is integrated with the site. Combined with content that must be updated on a daily basis, the users of the site become connected in ways that over time create the new community. While technology cannot (and should not) replace the need for human contact, a properly designed online hub can enhance and encourage such contacts while raising the community’s digital literacy level and allowing service organizations to maximize limited resources. The model we propose to develop and implement will demonstrate the key elements for success that other communities in the country can employ, further supporting the region’s leadership position as a model for reinvention.

A second goal of the Oh-Penn Exchange is to increase the computer, or digital, literacy of the region’s workforce as an enabler for lifelong learning. A recent Knight Commission report urges

action to “strengthen the capacity of individuals to engage with information” and to “promote engagement with information and the public life of the community.” A prerequisite for the engaged citizen and the skilled worker is basic computer literacy. It is essential for using the tools of the portal and has the concomitant benefit of preparing the workforce for employment and ongoing learning needed for job retention and advancement.

The Core Partnership

Thanks to ground-breaking work that has been done in the Janesville/Rock County, Wisconsin region, an innovative partnership is emerging at the national level to support a possible network of regional sites that will be built on a three-legged support structure in each region:

- Local Workforce Investment Boards
- Local United Way organizations
- National Public TV/Radio affiliates

An initial meeting was held in Washington, D.C. on February 9, 2010, to begin the process of engaging national sponsors for supporting an array of auto-impacted communities and regions. Also attending the meeting were representatives of Monster.com and a non-profit organization, One Economy, that is working internationally to promote digital literacy with under-served populations as a means for advancement. The Oh-Penn Region, as a result of the work done under the Regional Innovation Grant and the subsequent creation of the Regional Competitiveness Council, combined with the recent receipt of a special grant from the WalMart Foundation, stands at a better implementation position than almost all other areas of the nation to implement such an ambitious endeavor.

The Funding Partnership

In addition to the leadership coalition that is already in place, the Oh-Penn Region, with the Regional Competitiveness Council as the driver, should aggressively pursue a combination of resources to launch the Oh-Penn Exchange:

- Funding from the State of Ohio under the just-announced “Innovation Hubs” – this will allow the Oh-Penn Exchange site to be used initially to assist both workers and employers in moving and building skill sets for the innovation focus that is chosen;
- Funding from the Commonwealth of Pennsylvania’s Announcement of Grant Availability for training programs – this should be targeted to expand Ohio’s Project Hire program into Mercer and Lawrence Counties to allow a consistent approach across the region in moving unemployment recipients into jobs;
- Funding from both Pennsylvania and Ohio for energy-related training under each state’s recent State Energy Sector Grants – this will also serve to target occupations and associated training in emerging energy fields such as wind, solar, and biomass;

- Use of the WalMart grant to further expand access to training for the region's laid-off auto workers ; and
- Application for a soon-to-be-announced funding source from the federal government for "Innovative Communities."

The conceptual framework for this call to action will be presented at the inaugural meeting of the Oh-Penn Regional Competitiveness Council on February 26, 2010. Pending endorsement at that meeting, an action team will be formed to initiate discussions with national sponsors of the innovation platform and to form work groups to begin to create applications for the funding sources described above.