

Economic Development

from the RAEDC

Successful Trade Mission to Sweden; Long-Term Strategy Working

"This trip far exceeded my expectations," exclaimed Russell Dennis, Jr., Leading Edge Hydraulics vice president, who participated in the second consecutive trade mission to Sweden, Aug. 20 to 23. Trade missions to Sweden are designated as the Jon W. Lundin Trade Mission in honor of the former president of The Abilities Center and persuasive advocate of revitalizing Rockford's manufacturing industry. Lundin, who passed away on May 3, 2007, had participated in the 2006 trade mission and was excited about the benefits of exchanging Rockford goods and services with Sweden and the European countries.

Once again the delegation from the Rockford area had the largest contingent to the 2007 Entrepreneurial Days (E-Days), sponsored by the Swedish-American Chambers of Commerce (SACC). E-Days is an annual trade conference that helps expand trade between the United States and Sweden as well as northern Europe. This was the 12th year for the event. It was held in the South Sweden cities of Växjö, Malmö, Karlskrona and Kalmar.

A highlight of the annual conference is the business matchmaking meetings that are pre-arranged between the United States and Swedish counterparts. Due to Rockford's growing reputation as a region that is highly receptive to Swedish businesses, there were more requests for business matching meetings with the Rockford delegation than the schedule allowed.

The goal of the RAEDC trade mission is to help Rockford companies expand their business in Sweden and Europe as well as to encourage Swedish companies to increase their businesses by investing in the Rockford area. The RAEDC is a main sponsor of E-Days.

The following participated in the trade mission:

- Russell L. Dennis, Jr., Leading Edge Hydraulics Vice President
- Joel Sjostrom, Sjostrom & Sons, Inc., President & CEO
- Steve Ward, AMCORE Bank Regional President
- Judy Barnard, Winnebago County Economic Development
- Bob Lindstrom, Winnebago County Energy Consultant
- Sue Mroz, Winnebago County Director, Regional Planning and Economic Development
- Cyndie Hall, City of Rockford Director, Mayor's Office of Tourism,



Four members of Rockford's trade mission to Sweden in Malmo, Sweden. L-R Steve Ward, AMCORE Bank regional market president; Tom McDunn, Rockford Area Ventures Director of Advanced Manufacturing; Janyce Fadden, RAEDC president, and Cyndie Hall, City of Rockford Director, Mayor's Office of Tourism, Culture and Special Events. One of many examples of regional collaboration, the privately built Oresund Bridge (right) between Malmo, Sweden and Copenhagen, Denmark has a two-track rail under the four-lane road bridge and has accelerated regional growth tremendously.

Culture and Special Events

■ Reid Montgomery, City of Rockford Director of Community and Economic Development

■ Tom McDunn, Rockford Area Ventures Director of Advanced Manufacturing

■ Janyce Fadden, RAEDC President

■ Mark Podemski, RAEDC Vice President for Development

Several common observations were noted by the participants.

• Swedes are very eager to do business with Americans.

"There are many investment possibilities for them in this country, and they feel quite comfortable exploring those potentials with Rockford because of our historic and cultural bonds as well as the welcoming nature of our overtures to them," said Janyce Fadden, RACVB president.

• Continuing to build the personal connections is extremely valuable.

Each exchange reinforces relationships that began earlier. "This year, we were more like comrades, not strangers meeting for the first time," noted Sue Mroz, Winnebago County Director of Community and Economic Development, who participated in her second trade mission. "In sales and marketing, sending literature is one

thing, but being on a first-name basis is so much better!" she said.

• Rockford stood out as a delegation and exhibitor.

"It seemed like we were famous," remarked Reid Montgomery, City of Rockford Director of Community and Economic Development. "Because of the outreach that the Rockford group has done, our name is out there, and it has paid off. For a community of this size to be competing with Cleveland, Los Angeles and the State of Michigan, some of the other U.S. exhibitors and delegations, that's really something," he said.

Outcomes

While trade missions historically take years to bear fruition, and members of the delegation are following up on several promising collaborations and initiatives, here are some concrete outcomes that we can report.

• Updated industrial trade agreement between City of Rockford and Lidköping

Last year Rockford Mayor Lawrence J. Morrissey and Lidköping Mayor Kjell Hedvall signed an Industrial Partnership Agreement for greater understanding through direct personal contact and commerce as well as to explore innovation and entrepreneurship opportunities. This year,



Reid Montgomery and Cyndie Hall met with Mayor Hedvall and discussed the exchange of personnel. Staff from Rockford and Lidköping will be sent to the partner city for a period of six to nine months. "For example, we could use their expertise in urban planning as we explore how to have more mixed-use urban areas, where you can live and walk and get away from the single-passenger vehicle mindset," explained Montgomery.

• Explored potential collaborations in renewable energy

Sweden is one of the world's leaders in the field of renewable energy. Sue Mroz has been in touch regularly with the "energy" contacts she established a year ago. This year, in addition to attending the SACC presentations on bioenergy, she and Bob Lindstrom, an energy consultant for Winnebago County, stayed an additional three days and visited 10 renewable energy companies.

"We brought back a lot of information that will help us here with Freedom Field, the research and development center that Winnebago County has," reported Mroz. The R & D center, located at the Rockford airport, will house some of the latest innovations in renewable fuels such as hydrogen, biomass and methane gas. "In order to attract more businesses, we must find new and more cost-effective sources of energy, as that is about one-third of the manufacturing cost in the U.S.," explained Mroz.

• Learned about great examples of regional collaboration

Partnerships among the Swedish government, universities, businesses and regional partners have been a very successful way to expand their economy. Because the country has very few natural resources, their government is very willing to provide funding for incubators. One impressive example is the Oresund Bridge, a privately built bridge-tunnel between Copenhagen, Denmark and the port of Malmo. Such a bridge had been talked

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Manufacturing News



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Capturing Employee Creativity

One of the main pillars of lean thinking/continuous improvement is to identify and eliminate waste. The forms of waste as identified by the Toyota Production System (TPS) are: overproduction, waiting, unnecessary transportation, extra processing, excess inventory, unnecessary motion and defects. These forms of waste, to a greater or lesser extent, can be found in all types of enterprises: private, public, profit, not-for-profit, manufacturing, service and governmental.

One additional form of waste that does not always get recognized and addressed is unused employee creativity. Unused employee creativity is not a form of waste in the TPS because the Toyota business philosophy fosters listening to and engaging employees at every step of the process. This principle of utilizing employee ideas and opinions in design and production processes is one of the key principles on which Toyota was founded over 50 years ago and continues today in all their worldwide operations. How can we do a better job of engaging and listening to ideas of our employees/associates?

Communicate

Encourage people to think of ideas and have a means, formally or informally, of collecting, evaluating and implementing their ideas. Take time in meetings to ask for ideas and facilitate discussions around the ideas.

Share Ideas

Ideas and solutions to problems need to be shared with peers either one-on-one or in groups. Managers can spread ideas often by just walking around and communicating with other employees/associates.

Encourage Learning

Make sure employees know the goals of the enterprise, customer expectations, and their personal/team performance measures to achieve these goals and expectations. Provide employees with tools and information to encourage continual learning and personal development.

Allow Safe Failure

If possible, find a place to try out or pilot test a new idea. Work to make the idea a success rather than a failure.

Appreciate and Respect

Find ways to recognize the ideas that are implemented and show appreciation to the people who brought forth the ideas.



Don Williams
Rock Valley College
Business and Professional Institute

Often times a sincere "thank you" or "we appreciate your efforts" from a senior manager is one simple means to provide respect and appreciation for people and their ideas.

In addition to the above suggestions to engage employees, take a more focused approach that links your enterprise objectives to activities and actively encourages your employees to implement ideas on a continuous basis. Avoid the metric of number of people "trained." Instead, design and actively manage an idea generation process. Measure the number of problems discovered and solved, then celebrate success with building an enterprise of problem seekers and solvers. Do away with the "suggestion box" and institute a continual improvement system for seeking and implementing employee ideas.

Let's look at a couple of examples.

In the Toyota Camry assembly plant in Georgetown, Ky., that employs about 7,000 people, more than 90,000 employee suggestions are adopted each year. This is an average of almost 13 suggestions/ideas per year for each employee.

At one local manufacturing plant with about 300 employees, each employee is expected to provide eight implementable ideas per year resulting in an annual total of about 2,400 continual improvement opportunities. The continual improvement idea generation process is linked to the employee performance evaluation process.

For more information on continuous improvement training, call Don Williams in the Rock Valley College Business and Professional Institute, 815-921-2071.

Successful Trade Mission

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about for many years, but when area leaders decided to build the bridge, it helped transform the region and create thousands of jobs. The 16-kilometer bridge-tunnel is a combination two-track rail and four-lane road bridge

"We saw incredible examples of how it's all about regions working together to achieve more than they could if they were competing as individual cities. These trade missions really open your mind about the many possibilities that are available to us," Fadden said. "Now, because of this bridge, there is growing activity between Denmark and Sweden, thus helping that entire region grow. We need to remind ourselves that we

are part of the Chicago region. That's one of the many things we are learning," she said.

What's in it for you?

Consider joining the next trade mission to Sweden, Stockholm in September, 2008. If you have something of value that can be sold outside the United States, think about a global strategy. Call the RAEDC to talk about how you can start thinking and planning about competing globally. There are resources available, and the RAEDC can connect you with them.

Call Janyce Fadden or Mark Podemski at 815-987-8118 or e-mail jfadden@rockfordil.com or mpodemski@rockfordil.com.

Save the Date

for the
Rockford Area Economic Development Council

2007 Annual Meeting & Dinner

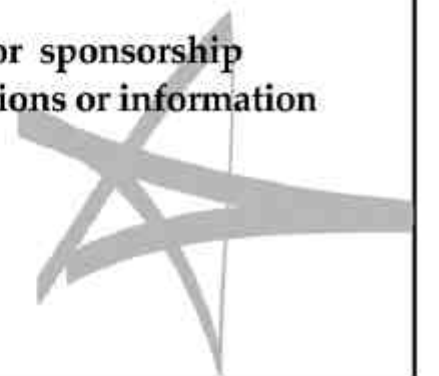
Wednesday November 28, 2007
at Giovanni's in Rockford

5:30 Networking
6:30 Dinner & Program

The Keynote Speaker will be
Angelos G. Angelou, founder and CEO
of AngelouEconomics, an Economic Development
and Site Selection Consultancy
based in Austin, Texas

Call 815.987.8118 for sponsorship
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