



Next Move Group

We Are Jobs Podcast

with Special Guest: Pat O'Brien

Chad Chancellor: I want to thank Research Consultants International for sponsoring today's podcast. They are a globally renowned lead generation firm that helps economic development organizations create real prospects. They've helped over five hundred economic development organizations. Let me tell you exactly what they do.

They facilitate one-on-one meetings for economic developers with corporate executives who have projects soon. They can facilitate these meetings to where you travel to the corporate executive's office and meet them there or you meet them at a trade show or even have a conference call, so you don't have to pay for travel.

They recently launched a service called FDI365 which provides you a lead a day of fast-growing companies that will be expanding soon. Their research has helped over \$5 billion in projects get sighted since inception. I encourage you to go to www.researchfdi.com to learn more about Research Consultants.

As far as I'm concerned, they are absolutely the best lead generation firm in the business for economic development organizations. Call them now. They can help you create real prospects.

[music]

Welcome to this week's episode of the Next Move Group We Are Jobs podcast. This is Chad Chancellor, co-founder of Next Move Group. I'm happy to have with us today Pat O'Brien with us from Milwaukee 7, which is a regional economic development organization in Milwaukee, Wisconsin. Pat, thank you for being with us today.

Pat O'Brien: Thanks for having me, Chad.

Chad Chancellor: Well, to start off, just tell us a little bit about your region and I know you guys have had some huge announcements lately. So, tell us all the good stuff going on in the Milwaukee area.

Pat O'Brien: Sure, absolutely. We've got a region-- Milwaukee 7 is the seven counties of southeastern Wisconsin. So, we're part of the greater Chicago mega-region. Our overgrown suburb to just the south of us, but we claim its airport O'Hare is one of our regional assets along with a great airport ourselves.

We've got about two million people, couple of different metros, but the labor shared is regional and since that's the biggest opportunity, I think, for economic developers today to help companies that's why-- one of the reasons we're focusing, but our purpose, our sole purpose in life is to help companies in driver industries, those that export goods and services outside the region create jobs and invest capital in the region so that the whole region prospers.

So, as you mentioned, Chad, we've had some great recent successes. I think everybody's heard about Foxconn and also the turmoil surrounding Foxconn partly caused by them, partly caused by the markets. With the Chinese government now even more substantially supporting the making of their type of glass manufacturing in China has created a lot of the product and also lowered the prices.

I think you can see that if you go into your local Costco and the size of big screen TVs. But the good news is that they recently announced that they are breaking ground on a new manufacturing facility for the size 6 television screens and televisions probably not a large enough word. It's the interactive screens; the kind you might see in a Tesla or in medical device manufacture and medical imaging things.

So, they've announced that. We expect that to be somewhere near a \$2 billion project with 1,000 jobs to start and maybe go into 2,000 jobs and all that depends, of course, on technology improvements and robotics and that kind of thing.

That's the biggest thing, but we've also had success with companies like HARIBO. The gummies manufacturer has their North American headquarters and their manufacturing plant, their first

manufacturing plant. They placed that here in Kenosha County and they've broken ground on their facility and that will be 500 to 1500 jobs.

Chad Chancellor: The Foxconn deal, I mean, \$2 billion and a thousand jobs, that's a huge project. I know in the news it's been up and down and up and down, but my goodness, everybody would love to have that. So, that's a real coup for you guys. If I remember it's like 30 minutes out of town in one of your rural locations, so you might talk a little bit about the site and where that is.

Pat O'Brien: Sure. Foxconn-- that's correct. They wound up sort of almost halfway between Chicago and Milwaukee in Racine County in the village of Pleasant Prairie and a huge undertaking obviously for the village and the county. The county wound up-- as we were making the project and trying to do all the upfront work and pay some costs to get 1200 acres under control, which they were able to do in about a six-week time span.

The county wound up actually supporting the town. They put a TIF in place. They got that through the legislative process and are providing-- it's about \$750 million of infrastructure-type work for roads, sewer, water infrastructure, lift plant, police station, fire station, those kinds of things.

All back stopped by some personal guarantees and a guarantee from Foxconn to pay a minimum payment on the TIF payments regardless of how much infrastructure, how many buildings they build. So I think this is a well-structured incentive plan and if Foxconn doesn't use the space, it's a burgeoning corridor of the Milwaukee-Chicago corridor and that infrastructure will do somebody well because there's a lot of manufacturing going on in that area. In effect, HARIBO is one of the most recent people to commit to that region.

Chad Chancellor: So the community optioned 1200 acres in 6 weeks with different landowners they had to deal with?

Pat O'Brien: Yes, there's about--

Chad Chancellor: Wow!

Pat O'Brien: --40 different landowners.

Chad Chancellor: Oh my goodness! Wow! Yes, these are parts of the story that people never hear of. This is really economic development where people are doing this. So, talk about your actual organization. I'm always curious to hear how-- are you guys mostly privately funded or publicly funded or how does Milwaukee 7 actually work? What's your model?

Pat O'Brien: Sure. We are connected with the metro area chamber. We're a seven-county organization. We have about 90% of our funding comes from private companies and private foundations. The other 10% is maybe 3% or 4% from the state, 3% or 4% from the city and another couple of percent from either the economic development administration of Federal Government or through some county and city participation. We're player-run and led.

Some of our favorite type deals are the local expansions that we can help and keep a company here and one of those is Milwaukee Electric Tool, which is in suburban Brookfield. They're owned by a Chinese company. Ten years ago, they had 200 workers in the region and the Chinese parent was thinking about moving them back to Shanghai then R&D and training facility here. We're under a third expansion right now. There are 1400 workers today and are moving quickly to 1600 workers. That's sort of the unsung hero of this expansion, so we try to focus on that.

Chad Chancellor: Great. We're asking all our guests how they got into this profession because few people wake up when they are ten years old and go I want to be an economic developer. I've known you for a while, but I've never asked you this story. We are recording it here, so I hope it's not too bad. Why don't you give us your story?

Pat O'Brien: Yes, it was kind of back ended, but I was in commercial real estate development with Trammell Crow Company for about 20 years. I left them, went out on my own and a good friend of mine around the chamber asked me to come and run a catalytic community based real estate organization in the city here, so I did that.

We brought that in-house with the chamber. At about the same time, the chamber and the city were thinking about how do we get regional. We went out surveyed many areas of the country and came up with the Milwaukee 7 and drew the business expansion traction as the core mission and I became the guy to lead that as a short-term endeavor, mind you Chad, and I've been here for 15 years.

Chad Chancellor: Ha - Short-term. Yes, most economic developers have had five jobs in that amount of time, Pat. Well Pat, thank you for being with us today. We have been up there with projects and different things and you guys really do a first-class job and so for any of our manufacturing companies listening to this, I can assure you if you get in touch with Milwaukee 7, they'll handle you very professionally. Pat, why don't you give us your website real quick so these folks know how to get a hold of you if they have any interest?

Pat O'Brien: Okay, it's milwaukee7.com or you can find us under choosmilwaukee.com as well. Google us and we'll come up upfront.

Chad Chancellor: All right. Thank you, Pat. We appreciate it.

Pat O'Brien: Okay. Great. Thank you, Chad. Have a good day.

Chad Chancellor: I want to thank the University of Southern Mississippi's Masters of Economic Development program for sponsoring today's podcast. We work with Southern Miss a lot and they do tremendous research for us whether we're working with a site selection project and we need Southern Miss's help to understand labor and the market around that area, transportation they do a lot of research in or whether we need talent from the University of Southern Mississippi.

We have hired-- their students actually work for us as both interns and full-time employees. So, you can get a Master's degree in Economic Development from the university. They have two options to do that. One is mostly an online option where you go in a few weekends and one is the more traditional classroom option.

So, whether you run an organization and need talent or whether you run an organization and need research, you should really consider the University of Southern Mississippi's Masters of Economic Development program.

[music]

A special thank you to Younger Associates for recording, editing, and publishing this podcast for us. I encourage you to visit their website at younger-associates.com