

**EMBARGOED: Tuesday, January 19 at 3 p.m.**



## **Frequently Asked Questions**

### **What is FocusMaine?**

- A private-sector-led group of Maine leaders focused on accelerating business development in Maine through the identification and growth of just a few select, key industries that have a high potential to create jobs and wealth in the state.

### **What is the goal of FocusMaine?**

- Strengthen and revitalize opportunity and prosperity in Maine by accelerating the creation of traded jobs within a few select sectors (details on page 2).
  - Traded jobs are those that produce goods or services that are sold primarily outside of the state, a process which then increases wealth in the state.
  - FocusMaine is centered on traded jobs because they have higher rates of full-time work, they pay 50 percent higher wages than local jobs and each new job in a traded industry creates, on average, an additional 1.6 new jobs in the local economy.
  - Maine has a lower share of traded jobs than the rest of the U.S., and that share continues to decline.
- Center efforts around three traded sectors with a high potential to become “signature industries” — industries that serve a growing global market, provide a significant number of meaningful jobs for a sustainable period of time and reflect the values of our unique state in a changing world in which Maine can compete successfully by relying on its inherent strengths.
- Create a fertile environment for Maine citizens to:
  - Grow their career;
  - Create family economic security;
  - Sustain a compelling location to grow jobs organically in the signature industries and supporting industries; and

- Serve as a beacon for entrepreneurs and current Maine companies in the selected industries or supporting industries to compete more successfully in the signature industries.

### **How is FocusMaine’s approach different from other economic growth strategies in Maine’s past?**

- FocusMaine is acutely targeted on three traded sectors.
- FocusMaine is privately led and resourced by a diverse group of some of the state’s strongest and most successful business leaders, many of whom have created significant jobs in Maine.
- FocusMaine is informed by participating advisers and economists from research, academia, business associations and government.
- Maine’s best economic thinkers and a leading global strategic management consulting firm conducted an in-depth analysis that identified the intersection between the strengths that exist in Maine and major global trends.
  - This analysis resulted in the identification of high-potential sectors that Maine could build to serve global growth markets, thus creating sustainable job growth.
- FocusMaine is committed to:
  - Selecting sectors without bias toward political, geographical or current business cluster influences, to optimize total state job growth potential;
  - Developing and executing comprehensive 10-year sector growth implementation plans and overseeing the execution of the plans;
  - Building on and collaborating with other state economic initiatives, thereby leveraging the resources of the state most effectively; and
  - Raising the required operational funding to drive the implementation strategies identified in the planning process.

### **What are the selected industries, and what opportunities do they provide?**

- **Renowned producer of high-quality, traceable food:** Consumers are willing to pay more for foods traced to regions with a strong branding of quality (e.g., Maine lobsters sell at a 15 to 20 percent premium over other lobsters). Creating a brand, as well as developing markets and distribution chains for Maine food, will help to realize this potential. Increasing Maine’s traceable, high-quality food production will require two different areas of focus: food from the earth and food from the sea.
  - **Agriculture:** Unlike many regions of our country — and, indeed, the world — Maine has abundant water, vast and relatively low-cost land, and a wave of growth in agricultural production. Maine is also experiencing an increase in value-added food processing, a key to maximizing the economic growth of food production.

- **Aquaculture:** Fish protein consumption is projected to rise significantly in the years ahead, and because wild-caught harvests are already at maximum capacity, aquaculture will be the means to meet the growing demand. Maine has a strong heritage of fishing, including high-quality fish production and a concentration of labor in fish-related industries. Additionally, Maine’s robust coastlines and nutrient-rich, clean and cold waters are conducive to diverse species. Maine also has leading product providers in the aquaculture supply chain (e.g., vaccines, nets), as well as nascent activity in mollusks and algae with a great potential for growth.
- **Build a world-class biopharmaceutical development and manufacturing environment:** The Boston region is a leader for biopharma research, with potentially 200 companies making up the cluster, and Maine has proximity to both Kendall Square and the I-128 corridor. These companies are expressing a preference for having the development and manufacturing sites relatively close to the research, but most likely outside of Greater Boston. Maine could leverage its life sciences experience and other capabilities to position itself to become a logical location for the development and manufacture of biopharmaceuticals. Additionally, there are strong Maine sources of related R&D and production of inputs to R&D, and a regulatory environment at the intersection of animal health and biopharmaceuticals.
- **Knowledge workers enabler:** The crosscutting enabler that touches each signature industry and many other sectors in Maine is that of the knowledge worker. In addition to identifying the select signature industries mentioned, FocusMaine’s research also identified the compelling need to develop a set of strategies to foster, grow and attract knowledge professionals and entrepreneurs, which could have wide-ranging and long-lasting benefits for the state.

**How did FocusMaine decide on the selected industries?**

- FocusMaine completed a thorough Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis of Maine, which resulted in a fact base built upon:
  - A robust understanding of Maine’s competitive advantages/disadvantages, drawn from previous research reports and literature reviews, interviews with Maine subject matter experts, a custom competitiveness analysis and insights from statewide stakeholder workshops; and
  - Global perspectives, with insights from leading think tank research, cutting-edge trend models and industry expert interviews.
- Nine relevant global and national trends were assessed to identify the intersection of global growth markets and Maine’s competitive advantages.
- The potential focal signature industries were evaluated based on impact, using the following two prioritization criteria:
 

Potential impact:

  - High traded-job creation

- Value creation (e.g., net exports)
- Indirect job creation (e.g., direct effect multiplier of suppliers)

Feasibility:

- Resources required
- Difficulty of policy changes required
- Competitive risk — Maine’s competitiveness with other states

**Which entities are funding FocusMaine?**

- During its research phase and moving into its planning phase, prominent Maine foundations and leading Maine companies have funded FocusMaine, including:
  - Baker Newman Noyes
  - Bangor Savings Bank
  - Bank of America
  - Camden National Bank
  - Dead River Company
  - Gorham Savings Bank
  - Harold Alfond Foundation
  - IDEXX Laboratories
  - John T. Gorman Foundation
  - KeyBank
  - Maine Community Foundation
  - MaineHealth
  - Northeast Bank
  - People’s United Bank
  - SMRT Architects and Engineers
  - The Betterment Fund
  - The Jackson Laboratories
  - Unum
  - WEX Inc.

- Wright-Ryan Construction
- On January 15, 2016, the Maine Technology Institute (MTI) bestowed Cluster Initiative Program (CIP) awards for the planning phase of FocusMaine, to support Maine’s food and aquaculture clusters.
 

“These two projects leverage significant private sector investment and leadership and will advance and stimulate economic activity in two high-potential clusters in the state of Maine,” said Brian Whitney, MTI’s president. “These projects will enhance collaboration and innovation between public and private sector entities and will lead to the development of new businesses, products, processes, skilled workforce and jobs.”
- Additionally, FocusMaine is heavily resourced by donations of time and talents:
  - The Leadership Team, Advisory Team and Implementation Team participants all donate countless hours to offer their passion and talents to this process.
  - Anchor Consulting Maine provides project management services and donates time above and beyond the contract requirements as a contribution to the effort.
  - Global research firm McKinsey & Company provided a discounted fee for its services.
    - Two of the leading McKinsey team members are natives of Maine, and one has since returned to the state. He starts his job in Maine on January 19, 2016!
    - One of the McKinsey team members is chair of the Boston Chamber of Commerce and is excited to see Maine begin to connect the dots to the R&D opportunities in Boston.
  - Industrium, located on Fore Street in Portland, volunteers its services for FocusMaine’s branding and communications needs.
  - Pierce Atwood, LLP, hosts the majority of FocusMaine’s meetings at its Portland waterfront office.

**What is FocusMaine’s process for success?**

- In essence, FocusMaine’s role is to champion growth in the food (agriculture and aquaculture) and biopharmaceuticals sectors in Maine, by increasing the targeting to improve sector viability and sustainability. To achieve this goal, FocusMaine will:
  - Set and measure progress toward bold job growth of 20,000 to 30,000 direct and indirect jobs generated by the identified sectors over 10 years.
  - Coordinate and accelerate workforce development and entrepreneurial efforts in these sectors.
  - Build and fund the execution of comprehensive, 10-year sector growth implementation plans.
  - Provide professional staff to assist and drive the plans with sector coordination.

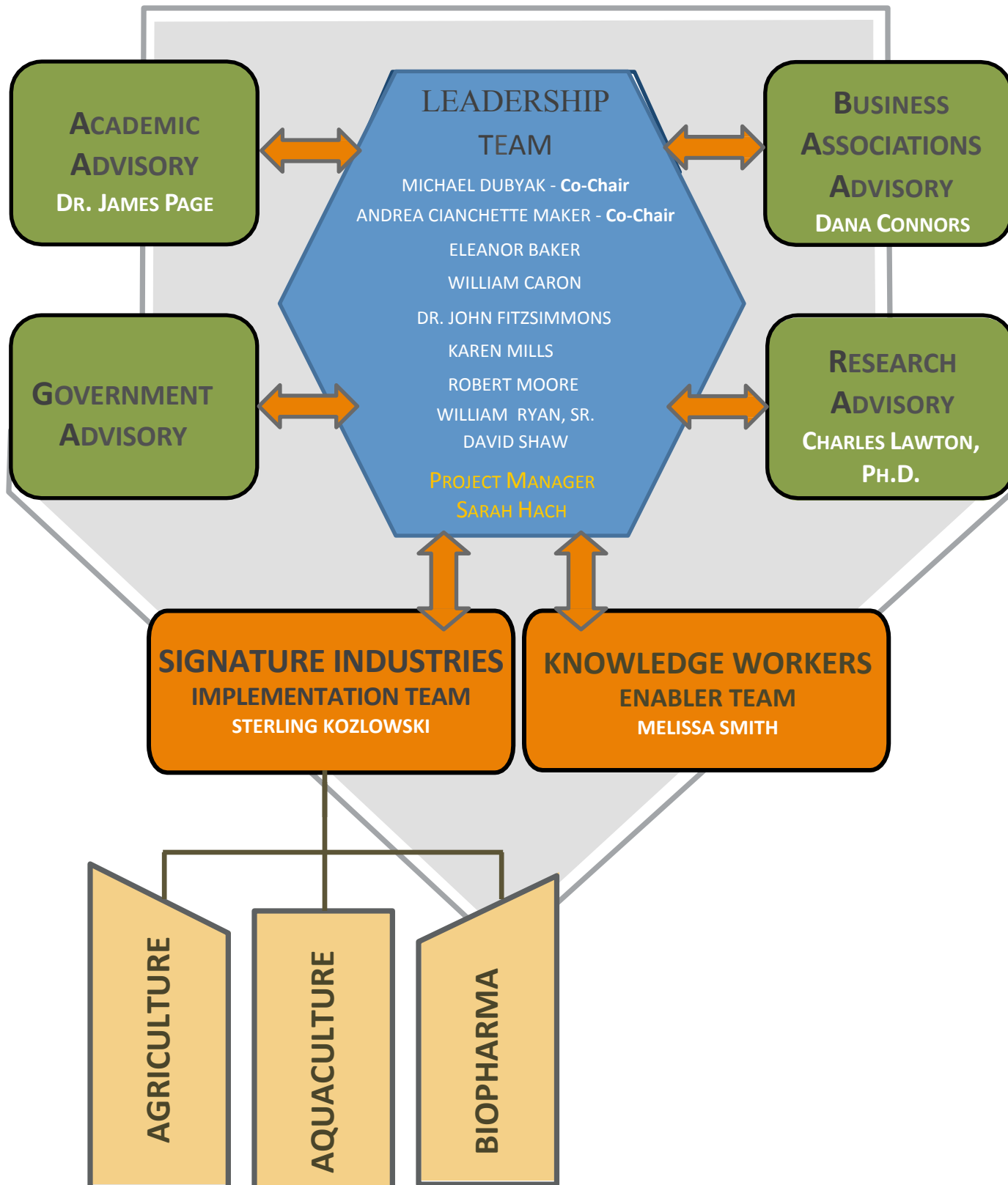
- Support public and private sector leaders who are committed to overseeing the execution of a comprehensive 10-year plan.
- Partner with stakeholders within these sectors, as well as with other state organizations with similar goals, to optimize accelerated growth for the sectors.

### What's next?

**FocusMaine is moving into a planning phase for the next six months:** Implementation Teams will develop 10-year implementation plans, complete with goals, strategies and tactics to accelerate growth and realize sector potential. This process will vary by area of focus:

- **Agriculture:** The Agriculture Implementation Team will be expanded to include growth-oriented stakeholders and thought leaders in agriculture, such as growers, food processors, distributors and others who are interested in collaborating to develop the 10-year plan. The Maine Technology Institute recently awarded a cluster planning grant, which will be matched with private and nonprofit funding, to support this collaborative effort.
- **Aquaculture:** The Maine Aquaculture Association and Gulf of Maine Research Institute have committed to partnering with FocusMaine to develop joint growth goals, strategies and coordinated implementation steps to accelerate aquaculture production in Maine. A recently secured Maine Technology Institute Cluster Initiative Program Planning Grant, matched by private and nonprofit funding, will help support this planning phase.
- **Biopharmaceuticals:** The Biopharma Implementation Team is working to develop materials and then to open exploratory dialogues with Boston-based biopharma companies. These dialogues will inform the plans for next steps in this sector.
- **Knowledge worker enabler:** The planning for this initiative has started by canvassing the array of current, similar efforts underway in Maine and convening some of Maine's most significant private-sector employers to better define this challenge and then to design next steps.

FocusMaine has a long-term vision informed by an in-depth research phase. The planning phase is expected to take about six months. The implementation phase, which will necessarily be reviewed and adapted as the years progress, is intentionally set to allow for a stable, sustained effort over a 10-year period that will produce the desired results.



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JOBS FOR THE FUTURE



## *Objectives*

FocusMaine is striving to **develop signature industries in Maine** to strengthen and **revitalize opportunity and prosperity in the state**

**1**

**Create quality jobs (i.e., good wages and skill development)**

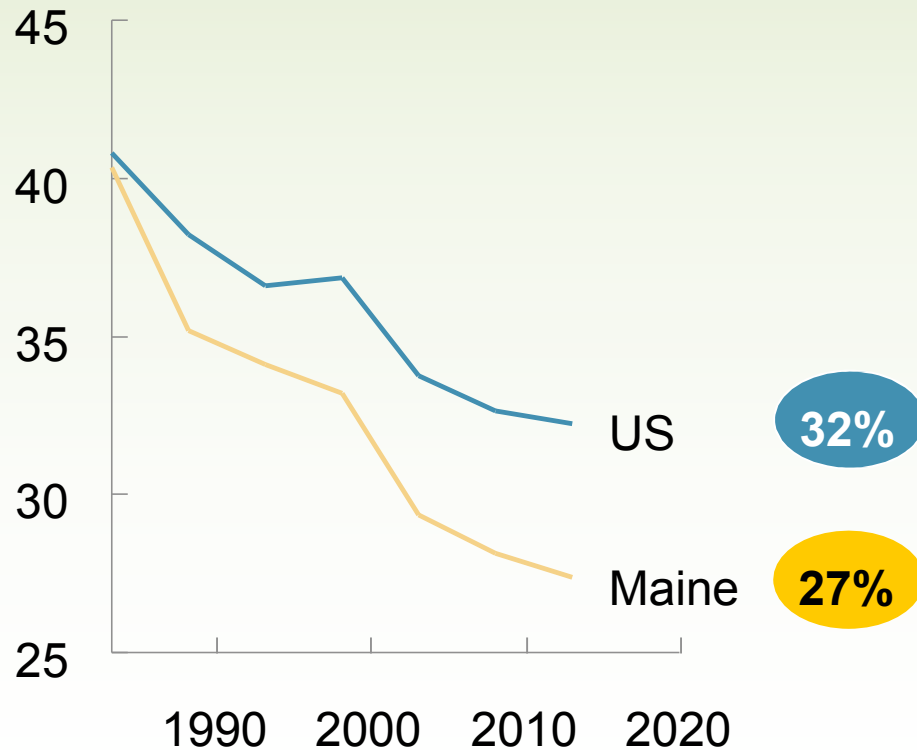
**2**

**Focus on a few traded sectors**



## Case for change

### Share of jobs in traded industries Percentage of overall jobs



- Maine has a **lower share of traded jobs** than the US and that share is **declining faster**
- These jobs have **higher wages, education levels, and full-time** employment
- Maine would need to add **35,000 traded jobs** to match the national average

SOURCE: BLS; team analysis; ECONorthwest

# Research Phase Focus

Bring global perspective to Maine leaders

Build robust understanding of Maine competitive advantages/ disadvantages

**Global  
and  
national  
growth  
vectors**

8-12  
promising  
signature  
industries for  
further  
analysis

**Maine  
strengths/  
weaknesses  
across key  
lenses**

# Agriculture

Become a renowned producer of high quality, traceable food



## Potential Impact in Maine

New jobs by 2025:

Traded jobs: 2,500-4,200

Indirect jobs: 6,000-10,080

**Total jobs: 8,500-14,280**

Additional net exports by 2025:  
\$100-200M

# Aquaculture

Become a renowned producer of high quality, traceable food



## Potential Impact in Maine

New jobs by 2025:

Traded jobs: 2,000-6,000

Indirect jobs: 3,800-11,400

**Total jobs: 5,800-17,400**

Additional net exports by 2025:  
\$230-\$800M

# Biopharmaceuticals

Build a world-class biopharmaceutical  
development and manufacturing environment



Potential Impact in Maine

New jobs by 2025:

Traded jobs: 600-1,700

Indirect jobs: 3,720-10,540

**Total jobs: 4,320-12,240**

Additional net exports by 2025:  
\$150-\$380M

## SIGNATURE INDUSTRY IMPLEMENTATION TEAMS

Sterling Kozlowski

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