Situation Analysis

- Iowa has made substantial economic progress over the last decade, resulting in positive trends:

  **FROM 2007 to 2013, IOWA’S ECONOMIC OUTPUT HAS OUTPACED THE NATIONAL GROWTH (INFLATION-ADJUSTED)**

  - +5.9% (Iowa)
  - +4.7% (National)

  **FROM 2007 to 2013, IOWA’S NONFARM PERSONAL INCOME HAS GROWN 20%**
Industry Cluster Performance

- Iowa’s industry clusters are driving the state’s economy and are robust, diverse and have statewide impact.
Job Growth and Workforce

- **Strengths**
  - Middle- and high-skilled occupations growing faster than the national average
  - Producing more STEM graduates than ever before

FROM 2004 TO 2013 IOWA OUTPERFORMED THE NATION IN GROWTH OF MIDDLE AND HIGH-SKILLED JOBS

FROM 2009 TO 2012, IOWA HAD AN INCREASE IN STEM-RELATED POST-SECONDARY DEGREES
Innovation and Entrepreneurship

- **Strengths**
  - Increase in industrial and university R & D outpacing national growth
  - Growth of activities to spur entrepreneurship showing positive results

IOWA’S INCREASE IN INDUSTRIAL R&D

**SUBSTANTIALLY OUTPACED THE NATIONAL GROWTH**

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<th>IA</th>
<th>U.S.</th>
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<tr>
<td>Increase</td>
<td>+52%</td>
<td>+31%</td>
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Iowa’s areas of weakness

Using projected national growth rates, Iowa’s industry clusters would only add 42,281 jobs over the next decade.

Iowa remains behind the U.S. average in overall level of high skilled jobs.
46% of Iowa’s major roads are in poor or mediocre condition.

21% of bridges were found deficient.

31% or 13,000 businesses surveyed want, but cannot get, higher broadband speeds.

Iowa ranks 40th in business tax climate.
A Higher Standard of Living for Iowa

Major Industry Clusters

- Building & Construction Products
- Biosciences
- Agriculture & Food
- Renewable Energy
- Information Services
- Insurance & Financial Services
- Heavy Machinery
- Automation & Industrial Machinery
- Avionics & Electronics
- Health Services
- Transportation & Distribution
- Primary Metals
- Building & Construction Products
- Information Services
- Agriculture & Food
- Renewable Energy
- Insurance & Financial Services
- Heavy Machinery
- Automation & Industrial Machinery
- Avionics & Electronics
- Health Services
- Transportation & Distribution
- Primary Metals

Economic Development Activities

Attraction

- Workforce

Innovation

- Physical Infrastructure

Retention

- Business Climate

Economic Foundations

- Entrepreneurial Culture
Priorities for Growth

- Build on the competitiveness of Iowa’s industry clusters
- Generate and attract skilled workforce
- Accelerate Iowa’s emerging entrepreneurial ecosystem
- Advance Iowa’s physical infrastructure and regional development capacities
- Expand collaborative initiatives between IEDA and Regent universities
Recommended Tactics

- Significantly increase the Strategic Infrastructure Fund
- Create a K-20 industry/education career development partnership
- Address the tax environment
- Provide incentives for recent graduates, veterans and high-skilled workers
- Advance livable communities with assistance from all three public universities
- Improve Angel investor seed-stage funding incentives
Recommended Tactics

- Strengthen efforts to commercialize university technology
- Better utilize the Small business Innovation Research (SBIR)
- Engage serial entrepreneurs to work collaboratively with Iowa’s universities and Iowa Innovation Corporation
- Support emerging entrepreneurs – Venture School, JPEC, technology transfer, research parks
- Expand the state’s economic gardening program – Advance Iowa