Appendix A: Cluster and Sub-Cluster Definitions

Report/Website	Traded Clusters											Local Clusters[2]		
	Advanced Manufacturing	Biosciences	Technology	Transportation, Distribution and Logistics	Clean Energy	Motorsports	Sports Business	Defense and Aerospace	Fashion	Sports	Business and Financial Services	Local Business-to-Business (B2B)	Healthcare	Food
Battelle	X	X	X					X[1]						
Indy Partnership Competitive Assessment	X	X	X	X	X									
Indy Partnership Website	X	X	X	X	X	X	X							
Develop Indy Website	X	X	X	X	X	X		X	X	X				X
Indiana Cluster Study (Marion County Strengths)				X							X	X[4]		
Hire Up Indy	X[3]	X	X	X	X								X	

Notes: [1]Included as part of Advanced Manufacturing; [2]Local Clusters have been included here given that they can provide significant job and wealth creation opportunities; however, they are typically not included in cluster studies, which are usually focused on traded clusters. Note that the food cluster can be both local (e.g., food retail) and traded (e.g., food manufacturing) in nature; [3]Note that the Hire Up report also includes Manufacturing (in addition to Advanced Manufacturing); [4]Business and Financial Services is one component of Local B2B.

Full NAICS cluster and sub-cluster definitions are available by contacting the Indianapolis office of the Local Initiatives Support Corporation

Appendix A: Cluster and Sub-Cluster Definitions

Cluster	Sub-Clusters	Source
Advanced Manufacturing	Defense and Aerospace; Construction and related machinery; Electric lighting and wiring equipment; Electrical components and accessories; Electrical industrial equipment; Household and office equipment; Industrial Chemicals; Measuring and controlling devices; Metalworking machinery; Miscellaneous industrial machinery; Motor vehicles and equipment; Plastics materials and synthetics; Soaps, cleaners, and other chemical products *Note: Defense and Aerospace has also been analyzed separately.*	Battelle Report (2000) - Updated from SIC to NAICS codes
Biosciences	Agricultural Feedstock and Chemicals; Bioscience-Related Distribution; Drugs and Pharmaceuticals; Medical Devices and Equipment; Research, Testing, and Medical Laboratories	BioCrossroads
Clean Energy	Agriculture and Forestry; Engineering, Legal, Research and Consulting; Equipment Dealers and Wholesalers; Government Administration; Green Manufacturing; Renewable Power Generation *Note: Analysis captures some non-Clean Energy employment. Further research would be required to estimate the percentage of employment that is specifically related to Clean Energy.*	Delta Institute www.delta-institute.org/sites/default/files/NAICS_Codes_for_Green_Industries.pdf
Technology	Communications and media equipment; Communications services; Communications wholesale and repair; Computer and office equipment; Electric lighting and wiring equipment; Electrical components and accessories; Software and data processing	Battelle Report (2000) - Informatics cluster, updated from SIC to NAICS codes
Local B2B	Facilities Management; HR Services; Local Transportation and Logistics; Local Trucking; Other Business Services; Professional Services; Real Estate; Rental and Leasing; Repair and Servicing; Warehousing and Storage; Waste; Wholesale (Auto, Construction, Consumer and Business, Energy/Chemical, Food, Healthcare, Other Industrial, and Support)	Mass Economics Definition
Motorsports	Team / Testing	Charlotte Motorsports Report (2006) - Industrial component http://charlotteusa.com/images/uploads/CharlotteUSA_Motorsports_Report_2006.pdf
TDL - Distribution and Electronic Commerce	Distribution of Transportation Equipment and Supplies; Electronic and Catalog Shopping; Rental and Leasing; Warehousing and Storage; Wholesaling (Agricultural and Construction Machinery, Wholesaling of Apparel and Accessories, Wholesaling of Farm Material and Supplies, Wholesaling of Food Products, and Wholesaling of Other Merchandise)	Institute for Strategy and Competitiveness http://clustermapping.us
TDL - Transportation and Logistics	Air Transportation; Ground Transportation Support Activities; Specialty Air Transportation	Institute for Strategy and Competitiveness http://clustermapping.us
Food Manufacturing and Distribution	Manufacturing-Food, Manufacturing-Drink, Manufacturing-Other (e.g., food packaging), Distribution-Food, Distribution-Other	Mass Economics Definition

Note: Full NAICS cluster and sub-cluster definitions are available by contacting the Indianapolis office of the Local Initiatives Support Corporation

<u>Appendix B: Interview Themes</u>

- <u>Highway Access</u>: Access to highways was a key factor for nearly all of the firms with which we spoke. However, much of the city is within close proximity to highways, so there are still several options in terms of districts/areas with good highway access. Some, such as Park 100 on the NW side, are better for tractor-trailers given the wide access roads. Others, such as the Washington Corridor, are better for certain firms that need access to downtown customers (see the point below regarding centrality).

- <u>Central Location</u>: Some firms hired locally but quite a few had a significant number (if not all) of employees who live outside of the city, often spread out in all directions. In these cases, the city is a good location for its centrality. For those firms whose workers live in the city, access is still important because nearly all people drive to work. There is a bus system but it does not seem efficient – we heard more than once that people who do take the bus require 1-2 hours to get to work. In addition, for a couple of local B2B firms, certain types of B2B services (e.g., HVAC/electrical, printing) may be particularly suited to centrally located/neighborhood-adjacent industrial corridors because (a) their primary suppliers are still centrally located (gave examples of suppliers in all core categories) and (b) they can use compact sites/buildings because (i) most business is conducted off-site (they go TO the customers, not vice versa) and (ii) their businesses are increasingly virtual, enabled by IT communications (dispatcher works at home, call center out-sourced, technicians work in the field with GPS-enabled vans, etc.).

- <u>Environmental Issues</u>: Not surprisingly, there are clearly significant environmental issues with many of the buildings. One message that kept coming up is that they city needs to take the lead in dealing with this challenge. They also can do more work with firms where there may be opportunities to share in the cost/effort. One idea that came up was to look into a program in Ohio called the Urban Property Designation, which gives current owners complete immunity to former environmental contamination liabilities. Indiana does have something similar in place ("comfort letter") but it may not fully protect the current owner. There also appears to be an awareness issue – according to legal firm with a focus in environmental law (Plews), there have been some successful cases in which environmental issues were overcome, but people do not know about the various options. They are discussing doing workshops for business owners to overcome these challenges.

- <u>Wide Range in Size Needs</u>: Both clusters have a wide range of size needs depending on the specific business. We will need to keep this in mind as we do the quantitative analysis and the location profiles.

- <u>Inability to Move</u>: Many firms (and some of those that have expanded within the neighborhoods) cannot even consider moving given the cost it would take to do so. In a couple of these cases, it seems that the city could do more to help the firms plan/expand in a way that makes sense for all parties involved.

- <u>Issues with Unoccupied Buildings</u>: There seemed to be some frustration around the fact that some owners are sitting on unoccupied buildings (both banks as well as regular property owners who may be waiting for higher prices or just don't want to sell for some reason). In a couple of cases, firms were interested in purchasing and using a specific building, but they were unable to buy it for various reasons, and the buildings remain unoccupied. In one instance, the building of interest ended up being vandalized and burnt down.

- Openness to Shared Spaces: There seems to be an openness to using shared spaces, but it will require some organizing entity to drive it. Also, there have been some efforts around shared spaces in the past (Keystone) and some discussions of more (supplier park at 16 Tech, IU Health considering a co-location space for suppliers, etc.). However, the sense from interviewees is that these efforts have not been well-managed in the past.

- Safety Issues: Most interviewees/roundtable attendees mentioned concerns re: safety in some of the urban industrial corridors – with regard to both their employees and the security of their firms' buildings/equipment (theft, vandalism).

- Vacancy/Lack of Upkeep: A few interviewees mentioned that the general vacancy, lack of upkeep, and poor aesthetics of the urban industrial corridors were a deterrent to locating there. That is, they took pride in the appearance of their own facilities as a reflection of their corporate brand and do not want to be surrounded by poorly maintained/vacant properties. This is particularly important if they have customers that come to their site.

- Other Factors: Indianapolis is facing many of the same challenges as other cities, including workforce challenges (mainly in finding skilled labor), issues dealing with the city (red tape, time required for zoning, etc.), and crime and security issues. Also, interviewees indicated that incentives offered by the city were not very effective and not applicable to small businesses (and there seems to be an awareness issue). Zoning also came up fairly often although the city is in the process of reviewing and revamping its zoning. The city has had discussions but no real action yet around an anchor/local B2B strategy; interviewees were enthusiastic about the idea, though. Interviewees also indicated that the city (in terms of economic development) does more for large employers and not enough for smaller employers, and that not much is done to support M/WBEs. In the same vein, there seems to be a need for more technical assistance and capital resources. There are some private individuals who appear to be filling the gap (e.g., Slane Capital). Finally, it was said that the city can do better job at aligning economic and infrastructure improvements.

- Recent Momentum around Food: There has been a recent emergence of some artisanal food companies (Goose Meats, Sun King Brewery, etc.), local food production and distribution (Tyner Pond Farms, Bright Farms is in planning stages, Green Bean Delivery), the establishment of an incubator, the establishment of Indy Food Council Grants, and the new BioCrossroads' new Food and Agriculture Innovation Initiative. We also heard a few times how far the food sector has come over the past ten years (there was some comments about how most of the top 10 restaurants in the city were chains). However, there was a sense that the cluster needed to take the next step by developing the next level of support (for example, providing more services to help firms scale, developing another incubator space to accommodate firms that have outgrown the existing one). Support is also needed for smaller food firms with things like refrigerated space, processing facilities, distribution, etc. These seem to be gaps. Finally, there are clearly differences in need between large food distribution/manufacturing firms and small/artisanal food manufactures, and this will impact the locations as well as the location profiles. Large distributers and manufacturers are likely to be more interested in Park 100, farther out on Mass Ave (Keystone Enterprise Park), or out by Kroger, while the artisanal firms will likely be interested in Washington (closer to the city, for foot traffic) and Mass Ave.

- Messages Emerging Around Certain Districts: Park 100 is a strong industrial area (good for things like food distribution); however, the effort is city-driven and LISC may not be able to have as much impact here. The area is also filling up. It seems like LISC is honing in on the Mass Ave and E. Washington Street areas, for which there would be opportunities for both food and local B2B. Near

West is another area and has a good amount of B2B (it is also near anchors). All are fairly close to the highways (some areas closer than others, depending on the exact location, although access roads also vary).

Appendix C: Interviewees

Name	Company	Type
Bob Shaver	Food Consultant	Artisan Food & Beverage Industry Roundtable
Chris Eley	Goose	Artisan Food & Beverage Industry Roundtable
Brian Blackford	Indiana Artisan	Artisan Food & Beverage Industry Roundtable
Deb Trocha	Indiana Coop	Artisan Food & Beverage Industry Roundtable
Geff Hays	Slane Capital	Artisan Food & Beverage Industry Roundtable
Gerry Hays	Slane Capital	Artisan Food & Beverage Industry Roundtable
Clay Robinson	Sun King	Artisan Food & Beverage Industry Roundtable
Craig Sanders	Traders Point Creamery	Artisan Food & Beverage Industry Roundtable
Patrick Ball	City of Indy	Economic Development Practitioners Roundtable
Paul Smith	City of Indy	Economic Development Practitioners Roundtable
Rick May	City of Indy	Economic Development Practitioners Roundtable
Steven Meyer	City of Indy	Economic Development Practitioners Roundtable
Tara Seely	Consultant	Economic Development Practitioners Roundtable
Matt Kirby	Develop Indy/Indy Chamber	Economic Development Practitioners Roundtable
Todd Cook	Develop Indy/Indy Chamber	Economic Development Practitioners Roundtable
Sherry Seiwert	IDI	Economic Development Practitioners Roundtable
Lee Lewellen	IEDA	Economic Development Practitioners Roundtable
Marty Vangas	Indy Partnership	Economic Development Practitioners Roundtable
Doug Boehme	ISBDC	Economic Development Practitioners Roundtable
Brian Stemme	BioCrossroads	Individual Interviews
Matthew Caito	Caito Foods	Individual Interviews
Betsy McCaw	Central Indiana Corporate Partnership	Individual Interviews
Ryan Metzing	Conexus Indiana	Individual Interviews
Brian Crandall	Corporate Real Estate Mgr at Rolls Royce	Individual Interviews
Ken Meter	Crossroads Resource Center	Individual Interviews
Sean Smith	Efficient Systems	Individual Interviews
Rosemily Geyer	Geyer Fire Protection Services	Individual Interviews
Armando Perez	Hoosier Security	Individual Interviews
Alan Horner	Horner Electric	Individual Interviews
Tom Berkopes	Horner Electric	Individual Interviews
Emmett Oneal	Kroger Bakery	Individual Interviews
Michael Redick	Kroger Bakery	Individual Interviews
Cathy Langham	Langham Logistics / Indy Chamber Board	Individual Interviews
Stephen Weyreter	Major Tool	Individual Interviews
Len McFarling	McFarling Foods	Individual Interviews
Chuck Moeller	Moeller Printing	Individual Interviews
Phil Terry	Monarch Beverage	Individual Interviews
Scott Lutocka	Piazza Produce	Individual Interviews
Curt Devoe	Plews Shadley Racher & Braun, Attorneys At Law	Individual Interviews
Mike Wells	REI Investments	Individual Interviews
Scott Meyers	Storage and Indianapolis Enterprise Center	Individual Interviews
Asif Bade	Ambrose Property Group	Real Estate Brokers/Developers/Investor Roundtable
Mark Susemichel	Browning	Real Estate Brokers/Developers/Investor Roundtable
Kelly Werner	BWI	Real Estate Brokers/Developers/Investor Roundtable
Michael Cox	Core Redevelopment	Real Estate Brokers/Developers/Investor Roundtable
Charlie Poddell	Duke	Real Estate Brokers/Developers/Investor Roundtable
Gus Miller	Olympian	Real Estate Brokers/Developers/Investor Roundtable
David Horth	Quest Real Estate	Real Estate Brokers/Developers/Investor Roundtable
Emily Mack	Quest Real Estate	Real Estate Brokers/Developers/Investor Roundtable
Dennis Dye	TWG Development	Real Estate Brokers/Developers/Investor Roundtable
Brad Hurt	Urban Initiatives	Real Estate Brokers/Developers/Investor Roundtable
Fritz Kaufmann	Cassidy Turley	Site Selectors Roundtable
Tim Cook	Katz Sapper Miller	Site Selectors Roundtable
Abbe Hohmann	Site Strategies	Site Selectors Roundtable