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# INDUSTRIAL DEVELOPMENT TRAINING

## course summary



CANADA  
DEPARTMENT  
OF REGIONAL  
ECONOMIC  
EXPANSION

## INDUSTRIAL DEVELOPMENT - THE STATE OF THE ART

In Canada, before this Industrial Development Training Course was developed, the profession or art of industrial development had to be learned through long years of trial and error experience.

Thirty years ago in both Canada and the U.S.A. the professional practice of industrial development was in its infancy and the sophisticated techniques used today were being pioneered by a relatively small group of men at the municipal, provincial and state levels. There was little thought about regional development. Most practitioners were fiercely competitive and held a very narrow municipal or county concept of development. Industrial development was strictly a laissez-faire business.

Much of the impetus toward upgrading of the industrial development field in both Canada and the U.S.A. has come from the large scale entry of a variety of federal, provincial and regional development departments and agencies.

Ten years ago federal industrial development services, primarily of an advisory nature, were provided by a nucleus professional unit within the Canadian Department of Trade and Commerce. Loans were made available for manufacturing facilities through the Industrial Development Bank.

Today there are several federal departments, as well as major development agencies such as the Atlantic Development Board, devoting their efforts solely to economic development programs. In addition, a variety of divisions and agencies within other federal departments are involved in various development oriented activities, and the Department of Manpower is backing up the development efforts by providing expanded manpower training and re-training facilities.

In short, the aggressive development efforts of a few provinces and a few of the wealthier municipalities of ten years ago have now been joined by most provinces and many of the larger towns and cities throughout the country.

Today all provinces in Canada have provincial departments responsible for economic and industrial development. Most of these departments are highly sophisticated organizations offering a broad range of professional industrial development services, including economic studies; research facilities; site location guidance and surveys; gathering and dissemination of municipal data; in some cases, provision of financing programs; and co-ordination of other development agencies' efforts on behalf of clients.

In addition to these government departments, there is a variety of other provincially-sponsored development organizations which usually operate as largely autonomous corporations. They offer, in addition to the normal information and advisory services, special financing and incentive programs designed to attract industries to slow-growth areas.

Within several of the provinces, Regional Development Councils or Associations provide overall economic development advice and services relating to their particular regions and to the individual communities within these regions. Valuable regional economic surveys and resource studies are developed by these organizations and are available on request.

As in the United States, there are almost as many industrial committees and commissions as there are cities, towns and villages in Canada. Some are among the most knowledgeable and sophisticated on the North American continent. Many are well organized and capable of providing a completely professional service at the municipal level. Others leave much to be desired. But it is hoped that this course will help to train and organize the communities which require such assistance.

In the private sector, the Canadian branch banking system provides a unique network of business and industrial development contacts throughout Canada and in the major urban areas of the U.S.A.

As in the U.S.A., most of the power and gas utility companies are actively engaged in the industrial development business and have business development officers located in the major centres which they serve. Canada's two major railways have major business development departments in Toronto and Montreal as well as regional offices across the country and representation officers in various centres of the U.S.A.

As a result of the continually increasing industrial development activity in both the public and private sectors in Canada, and the millions of dollars of private and public funds being made available for industrial development programs at all levels, more and more qualified people are required to fill the new job opportunities created. This growing demand for effective professional industrial development people can only be met through a concerted program to train young men and women in the professional techniques of industrial development and promotion.

The Industrial Development Training Course is designed to assist community leaders to develop the full potential of their communities by recognizing and using the resources of the area in the establishing of new industry or the expanding of old.

## ORIENTATION OF THE COURSE

The ultimate aim of Industrial Development training is to establish a minimum standard of competence and improve the development decisions of local leaders. This can be accomplished by making it possible for others to share the knowledge and experience that has been acquired by means of self-taught trial-and-error methods over a period of years.

Although most development people could probably benefit from taking the course, it is oriented to the part-time or volunteer Industrial Development representative at the community level and to the new full-time people entering the field. It should also assist municipal leaders, engineers, managers and planners in developing a better understanding of the role of the Industrial Development representative.

## THE PROGRAM

- Unit 1 - Economic Background for Industrial Development in Canada .
- Unit 2 - Role of the Community in Industrial Development.  
Methods of Analyzing a Community.
- Unit 3 - Organization for Industrial Development
- Unit 4 - Land, Buildings and Industrial Parks
- Unit 5 - Identifying Types of Industry
- Unit 6 - Financing Industrial Development
- Unit 7 - Internal Promotion
- Unit 8 - Finding and Developing Prospects. Developing Existing Industry.

## OBJECTIVES

*Unit 1 - Economic Background for Industrial Development in Canada*

- \* To establish some of the external factors affecting industrial development;
- \* To gain some understanding of the effects of industrial change on communities;
- \* To look at some important trends in major industries;
- \* To identify some implications of the new techniques for Canadian industry;
- \* To learn the need to look ahead in our communities.

*Units 2 and 3*

These two Units show how the community is, and should be, related to any program of industrial development. A variety of methods of analyzing any community with the purpose of understanding the complexities of attitudes, expectations, interest, and participation, are presented and discussed.

*Unit 2 - The Role of the Community in Industrial Development*

- \* To establish an awareness of the need for active community participation in industrial development;
- \* To provide an understanding of factors involved in the participation of the community in industrial development;
- \* To establish the importance of understanding the specific dynamics of community structure and its role in industrial development (the *social* content of industrial development);
- \* To identify and elaborate sources of information about the community;
- \* To learn how to interpret and use sources of information for industrial development.

*Unit 3 - Organization for Industrial Development*

- \* To explore ways of creating an organized form of industrial development;
- \* To examine in detail various existing patterns, their advantages and disadvantages;
- \* To discuss the desirable functions of such an organization with a view to application to different communities;
- \* To commence an understanding of how a program is developed.

*Unit 4 - Land, Buildings and Industrial Parks*

- \* To understand the importance of the planned availability of land and buildings for industrial development;
- \* To explore the methods and procedures for acquiring and developing land for industry;
- \* To learn the characteristics of industrial buildings;
- \* To examine what is involved in the planning, building and operating of an Industrial Park.

*Unit 5 - Identifying Types of Industry*

- \* To help the participant recognize and identify types of industries;
- \* To introduce the functions of an industrial classification system;
- \* To help systematize thinking about industry;
- \* To examine cost factors in industry;
- \* To identify suitable types of industry for an area;
- \* To establish an understanding of the long-term nature of industrial development.

*Unit 6 - Financing Industrial Development*

- \* To understand the need for financing;
- \* To identify sources of funds;
- \* To gain an understanding of finance problems through case studies;
- \* To examine some special institutions involved in financing.

*Units 7 and 8*

These two Units deal with the techniques and materials used in the carrying out of a program of industrial development both within the community and outside it. They outline the actual steps to be taken in attracting new industry and promoting the expansion of existing industry.

*Unit 7 - Internal Promotion*

- \* To understand the value and importance of a continuous promotion program;
- \* To identify materials and processes for promotion;
- \* To prepare a promotional kit.

*Unit 8 - Finding and Developing Prospects. Developing Existing Industry*

- \* To identify likely and desirable industrial prospects;
- \* To examine procedures for recruiting prospects;
- \* To learn something of the prospect-generating agencies;
- \* To understand how to develop prospects once found;
- \* To understand step-by-step procedure for developing awareness of local industries and ways of assisting them to develop.

## GENERAL COMMENT

The co-ordinator should draw attention to three points at the outset of the course:

1. The need for planning. Planning techniques and procedures are not discussed in detail in the course, but all the activities described - projects, programs, investigations - will depend for their success on good planning. This includes defining objectives clearly, determining priorities, assigning work, and budgeting.

2. Most communities, large or small, fall within the jurisdiction or influence of higher levels of government for various planning purposes such as urban renewal, river basin planning, resource development, transportation facilities, public parks and other projects. In some cases massive schemes embracing large areas, industrial development, major housing programs, social adjustment and many other aspects of regional life are involved. Programs launched under the Fund for Rural Economic Development (FRED) legislation are of this type.

It is imperative that local organization be familiar with the rationale and operations of these government activities, and also with the personnel responsible for them, to ensure that grass-roots activities and government activities mesh as far as possible and, at least, are not in obvious conflict.

3. While the course will not, in itself, produce industrial development officers, it should provide the participants with a clear picture of the many requirements of good industrial development practice. Also, it should enable persons working in related fields to acquire a fuller understanding and appreciation of the complexities and skills involved in industrial development.

If any single quality is required on the part of those engaged in industrial development it is development mindedness. Without this quality, no amount of training will produce the capability to participate fully in industrial development activity.

These three points should be stressed again at the end of the course.

## PLANNING THE PROGRAM

The success or failure of a training program will be determined by the care which has been given to its planning. Many details must be settled before a program can be conducted and these may often seem to be minor or inconsequential. This section of the handbook will discuss some of the details that must be given attention. The proper management of these planning details is the responsibility of the course leader.

### Planning Committee

As course leader you may find it helpful to have a committee working with you. You could assemble this informally from among interested people in the community - perhaps no more than three or four additional persons.

The principal function of a planning committee is to gather information and to make decisions about the program. Thus, as a group, the committee will work through the items concerning program planning discussed below and take such action on each as may be indicated. Although this committee shares the responsibility of the course leader, it is the leader who is finally the responsible person.

### Participants

At the outset you will need to identify the people who would benefit most from the study of Industrial Development. Among those whom you might consider are:

- Industrial Development personnel
- Municipal leaders (councilmen, etc.)
- Engineers
- Planners
- Real estate interests
- Chamber of Commerce personnel
- Industry managers
- Citizens interested in Industrial Development.

As you identify the specific individuals whom you will invite to attend, you can also identify the aspects of the course that will be of particular interest and help to each. After you have made your list of potential participants, you can then consider how to contact them.



Personal contacts by the course leader and planning committee members will be the most fruitful way of informing potential participants about the course. Letters are useful, but do not permit a discussion of the course and its interest to the participant. News announcements are far too impersonal and abstract to be much help in persuading people to attend.

After you have settled all the details of the course you should write each participant a letter reminding him of the program. In this letter, tell him where and when the course will meet, how to get to the meeting place, information about what he will need to bring with him, details about meals or accommodation, and so forth. The more specific the information you provide, the more favourable will be the response to the idea of attending.

#### PLAN AND FORMAT

This course could be conducted in several different ways. The choice will rest with the course leader and his committee, who will know what time is available to the group of prospective participants. In some cases, it may be desirable to conduct the course as a single intensive program; in others it may be preferable to extend it over several weeks on a part-time basis. In an effort to accommodate all kinds of variations, the course has been designed in eight Units. These Units can be grouped (as suggested later in this section) and each of these groupings thought of as a one-day program for an intensive full-time workshop type of learning experience. On the other hand, each Unit could serve as an evening's program, if the course were to be offered one night a week for nine weeks.

A particular group may not need or want to work through the entire course. In such an event, the Units can be used separately for a single day of study, for a two-day weekend, or for a single evening session. The various ways suggested for conducting the course are discussed next.

#### Full-Time Study in a Week-Long Workshop

The very best kind of learning experience would be a week-long residential workshop. If you plan to offer the course for people in several communities of a region, this would be the simplest way. In doing so you should select a convenient motel that can offer suitable meeting space as well as accommodation for the participants. The more isolated the facility, the fewer external distractions there will be and the more seriously you can concentrate on the course.

This plan has many advantages. It will permit much more time for discussion, and participants can concentrate on the work of the course, free from every-day work responsibilities. The workshop setting is conducive to reading and studying. It encourages participants to discuss the content at greater length and to share their experience in a leisurely way not possible in any other setting.

### Week-end Workshops

Many busy people will be unable to devote an entire week to the course, but they might be willing and able to spend a week-end in study. Saturday and Sunday would provide two full days for concentrated full-time study.

The best arrangement here would be two week-ends close together. Units 1 and 2 would be covered the first day, followed by Units 3 and 4 the second day, Units 5 and 6 the third day, and Units 7 and 8 the fourth. This will not allow as much time for discussion and group participation as would be available in a week-long workshop, but is adequate for intensive study of the content.

The course could be covered in one week-end, but only as an orientation to Industrial Development rather than a careful study. In such a case, Units 1,2,3 and 4 would constitute the first day and Units 5,6,7, and 8 the second day. This plan is not recommended. There is too much material in the course to be covered in so short a time.

If your community is at the stage of development where it is only interested in getting started on an Industrial Development plan, you may want a week-end devoted solely to Units 1,2,3, and 5. On the other hand, your community may be under way but need advanced assistance on promotion and financing, for example. In this situation, you would spend a week-end studying Units 6,7 and 8.

### Single Day Institutes

Another alternative for full-time study would be to schedule a series of three separate one-day institutes at weekly intervals. This plan has many of the advantages of the *week-long* and avoids some of the disadvantages of a *week-end* program. Under this plan, you might arrange the same daily schedule as that suggested for the week-long workshop. You can also select only the sections of particular interest to your group.

### Part-Time Study: Evening Meetings

Although full-time concentrated study is a better learning experience, this course can be used for part-time study as well. Such part-time study would be completed through a series of regular evening meetings - probably at weekly intervals - with about three hours in each evening. This could be done in eight meetings, using the numbered Units in sequence, with one evening devoted to each Unit. It might be better to devote more than one evening to some Units, depending on the interests and needs of the participants. In this case, the course could be planned for as many as 20 meetings during successive weeks.

# UNIT 1

## THE ECONOMIC BACKGROUND FOR INDUSTRIAL DEVELOPMENT

### Introductory Note

Unit 1 presents some difficulties since it introduces a great deal of theoretical and general material. Yet it is essential that this background be introduced and become familiar to the participants at this stage.

### Contents

The Unit consists of four sections:

- Section 1 - A brief overall view of the impact of economic trends on communities.
- Section 2 - A much more detailed examination of economic trends
  - a) in general
  - b) specifically related to various classifications of industries.
- Section 3 - A review of the implications of these developments in community terms, and ways of analyzing the problem.
- Section 4 - Some implications for Canadian industry of new industrial techniques.

### Goals

- \* To encourage some general understanding of the basic economic trends that affect local communities, with or without industrial development plans;
- \* To provide some aids in the form of categories and sources so that a development officer may stay abreast of these trends;
- \* To stimulate the participant's interest sufficiently so that he will explore the relationship between these global, international, national and regional events, and what is happening in his own community.



## UNIT 2

### THE ROLE OF THE COMMUNITY IN INDUSTRIAL DEVELOPMENT

#### Introductory Note

Units 2 and 3 deal with ways in which the whole community takes part, directly or indirectly, in industrial development. Unit 2 deals with the broad generalized approach to how communities function and what industrial development officers need to know about those functions - and why. Unit 3 deals with the more detailed aspects of creating an organization within the community as a base for effective industrial development.

#### Goals

- \* To develop an understanding of the way in which the entire community is involved;
- \* To present the concept of continuous interaction between the industrial development office or group and the rest of the community;
- \* To suggest that in the long run the community must take part in decisions regarding industrial growth and that it is the officer's job to encourage that participation and the achievement of sensible solutions. The officer must be prepared for his community to decide against a particular line of development that he may have uncovered;
- \* To provide skill in using some specific concepts or categories as a means of continuously analysing the community for himself and for others;
- \* To provide skill in finding and using sources of information that will provide the basic data for the concepts;
- \* To begin a regular long-term process of gathering and classifying information about the relevant community by introducing the Community Profile.



## UNIT 3

### COMMUNITY ORGANIZATION FOR INDUSTRIAL DEVELOPMENT

#### Introductory Note:

Unit 3 is a distinctly practical Unit. It represents an application of the general theoretical material in Unit 2. The Unit describes the various forms that organization for industrial development can take and lists their advantages and disadvantages. However, the essence of the Unit lies in that material devoted to the functions of an Industrial Committee or Commission. Once the functions are grasped, the nature of the organization can grow from the need to perform those functions in a particular setting.

#### Goals

- \* To introduce the idea of consistent, effective organization for industrial development;
- \* To develop an understanding of the function of such organization;
- \* To provide examples of various kinds of organization to encourage a flexible approach;
- \* To establish the idea of regional organization.

#### Content

- \* An introductory section on the growth of organized industrial development, the characteristics of a good Industrial Committee and its functions;
- \* A section on various types of organizational structure with advantages and disadvantages;
- \* A section on the advantages, disadvantages and specific characteristics of a regional organization for industrial development.





## UNIT 4

### LAND AND BUILDINGS

#### Instructory Note

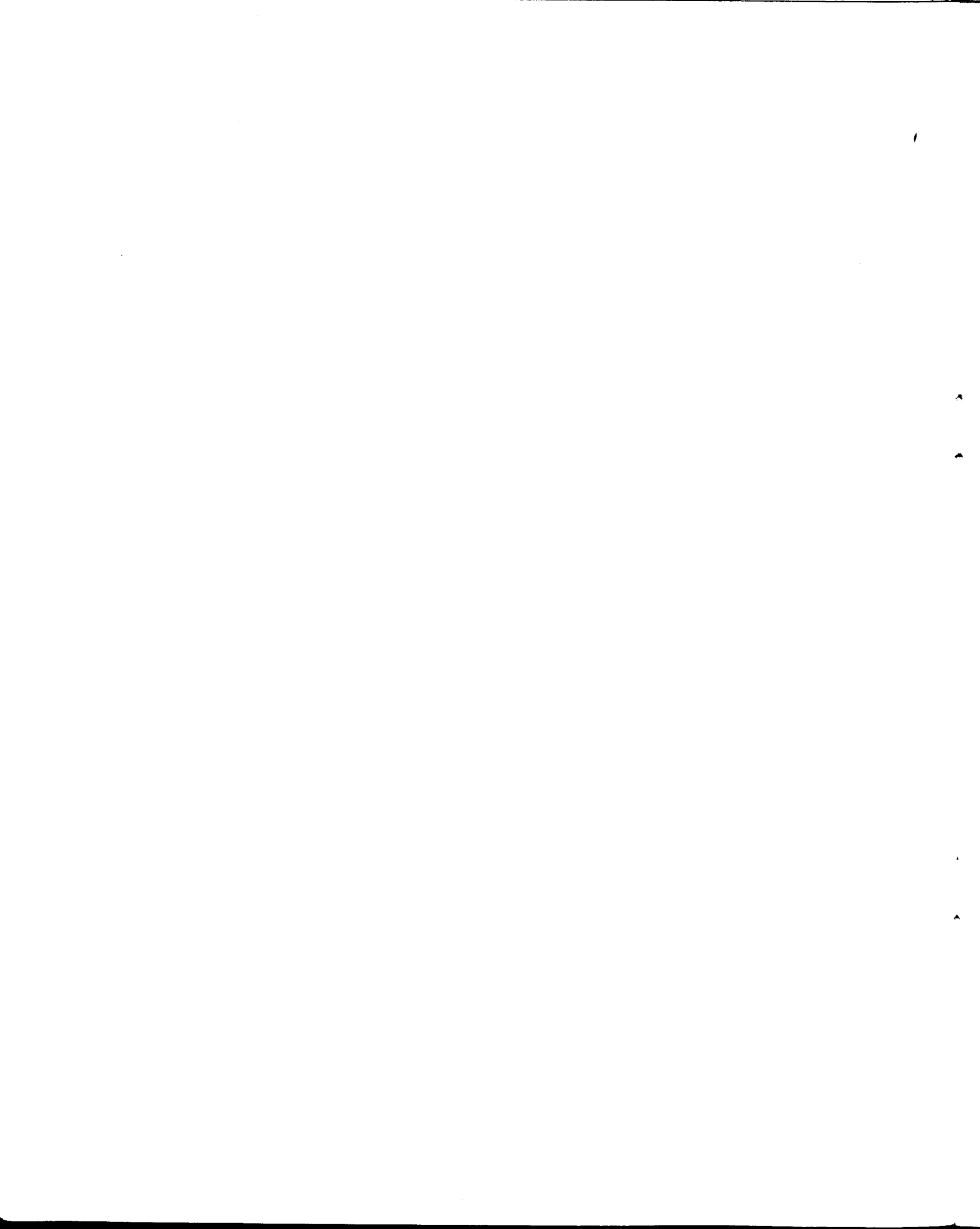
This Unit deals with the very practical aspects of Industrial Development: Land and Buildings. The material is very detailed, suggesting the maximum use of discussion and case work, rather than presentation.

#### Content

The Unit can really be divided into four parts. First, the sort of assessment of available land that any Industrial Development Officer should undertake. Second, the procedure that should be followed if the Officer finds insufficient land available, with suggestions for the selection and acquisition of industrial land. Third, industrial building characteristics and some guides for a speculative building program. Fourth, a lengthy section on industrial parks.

#### Goals

- \* To develop an appreciation of what sort of problems are involved in providing for adequate land resources for industrial development;
- \* To suggest what specific steps are appropriate with respect to these problems;
- \* To indicate possible sources of information and other sources of assistance in developing a proper policy for land;
- \* To indicate some aspects of speculative industrial building;
- \* To introduce key factors in development of industrial parks.



## UNIT 5

### IDENTIFYING TYPES OF INDUSTRY

#### Introductory Note

Unit 5 presents another area where it is necessary to learn a new vocabulary as well as methodical ways of approaching a great deal of information. The key to the Unit is the first section: Why Categorize Industry? Once this matter is clearly understood participants will readily devote themselves to the technical problems of categorization. The bulk of the material is really an elaboration of the material contained in that opening section. However, there is plenty of opportunity for discussion and for judgement in matching industries with categories. It will be to the advantage of the instructor to encourage those opportunities.

#### Content

The material is quite straightforward: a statement of reasons for analyzing industry into types or categories; description of the major categories along two main lines; how categories are related to management in decisions regarding location; and a brief introduction to feasibility studies.

#### Goals

- \* To establish firmly the reason for analyzing and categorizing industry
- \* To provide recognition of at least two major means of doing so
- \* To provide the opportunity for practice in using these classifications
- \* To develop some understanding of how management uses such categories
- \* To introduce the idea of a feasibility study.



## UNIT 6

### FINANCING INDUSTRIAL DEVELOPMENT

#### Introductory Note

This Unit deals with a major aspect of Industrial Development - finance. Financial problems are a principal concern in Industrial Development. The cost of money, and availability of funds, which are often the most difficult to procure when the cost is high, are fundamental to an entrepreneur's decision to proceed with a facility. "Moving", or "costs", or "finance", tend to be the matters around which communication about community issues usually takes place. Important factors such as the growth and development of a community, the quality of life to be found there, aspects relating to recreation, education, culture, standards of living, tend to be discussed as problems of costs, salaries, income, assessment and taxes. Financial problems and their solutions are human and social concerns like any others. But there is a special language involved and a group of special institutions related to them.

#### Content

The content of this Unit is devoted largely to the language in which financial matters are discussed or expressed, and to descriptions of the specialized institutions involved in financing. There is a good deal of material describing the methods and organizations with which the industrial development officer must become familiar. He must know where to look for assistance - one of the points made in the material is that there is a good deal of assistance available - and he must know how to approach each of these resources. Because there is much detail to be grasped, five Case Studies are presented, each of which deals with a single area of the subject. The Case Studies are intended to stimulate interest in the informational material.

#### *Special Note:*

This is the first major use of Case Studies, so a special note is appropriate. A Case Study is a specially created replica of a possible situation. It is usually designed to make a few specific points, and to stimulate participants to employ the information and experience they already possess, as well as to hunt for new information.

Essentially, its purpose is to make abstract-seeming information relevant to the existing interest and information of the learner.

It is important to remember the following:

- \* The instructor should review the points very carefully at the end of each study;
- \* Case Studies should be introduced carefully and clearly so that everyone understands;
- \* They are best applied to discussion, with groups small enough so that everyone can contribute;
- \* They should be used for a limited time;
- \* There may be no "correct" solution - any number may be possible, or none.

The Case Studies are deliberately designed to stimulate the participants to use the material in the Unit.

### Goals

The goals of this session are those stated in the introduction to the course, but might be re-stated as:

- \* To develop an awareness in the Development Officer of the attitudes of investors;
- \* To develop some skill in using the language of finance and its relevant institutions;
- \* To develop an understanding of the needs of companies and investors for both finance and information;
- \* To develop an awareness of the needs of the financial institutions and how to meet them;
- \* To develop some reasonable caution in dealing with matters in this area;
- \* To develop a knowledge of the manner and form that should be used when approaching various financial institutions for assistance.

## UNIT 7

### INTERNAL PROMOTION

#### Introductory Note

This Unit deals with the activities that will make up a great deal of the work of the Industrial Development Officer. Having looked at ways of analyzing the industrial prospects of the community in the light of many general factors, we are now turning to the methods by which all these are combined in an on-going program. This Unit and the next deal explicitly with the technical aspects of such a program. It is most important to understand how all these factors can and must work together if the Officer is truly doing his job.

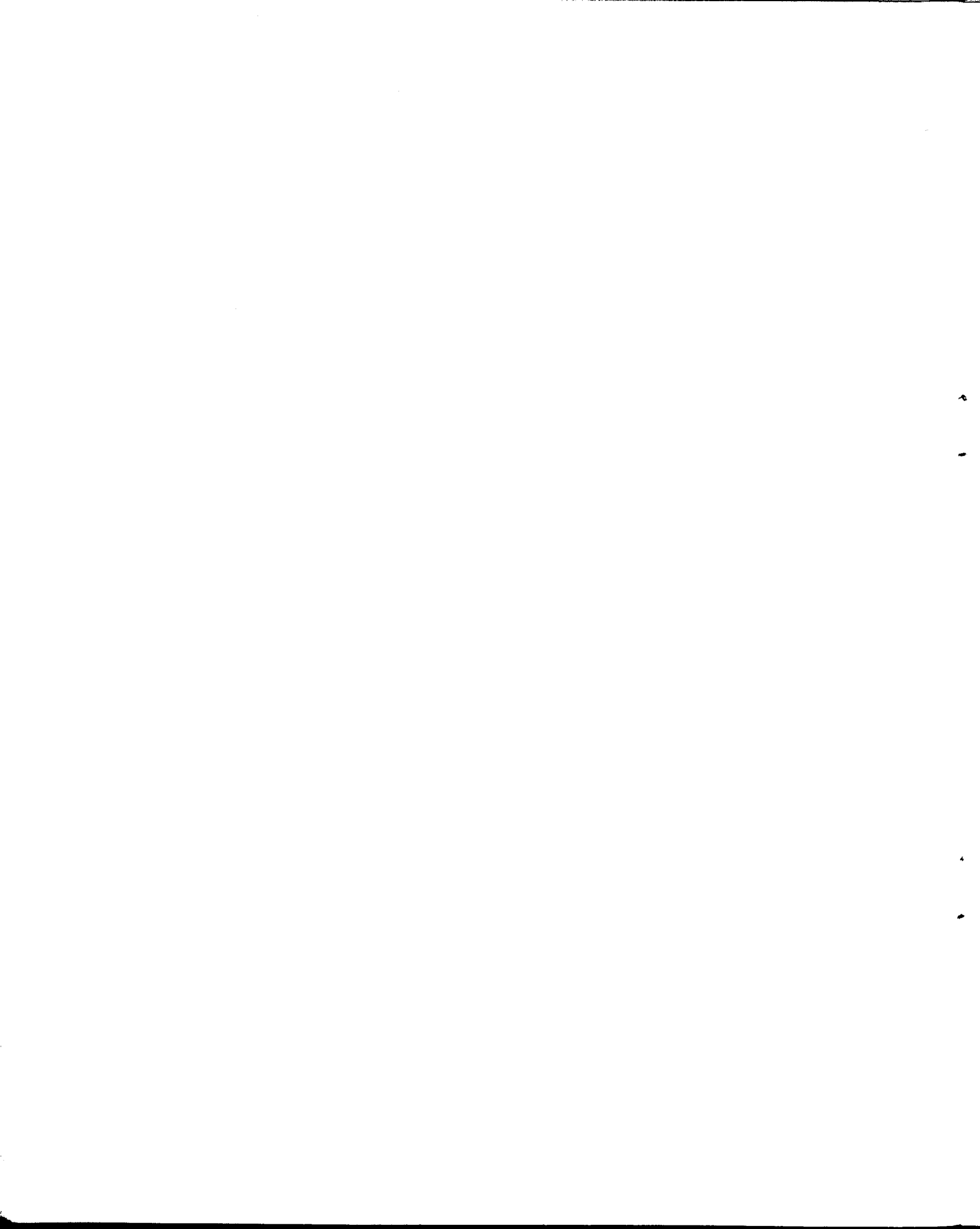
#### Content

- \* A description of the main problems to be met, and of specific ways of meeting them;
- \* A model of a town with a series of suggestions about how to approach the situation;
- \* A collection of basic instructions for use in promotion with particular media.

#### Goals

- \* To obtain a general impression of what a sensible publicity and public relations program is and what its problems and opportunities are;
- \* To re-inforce the notion that the insight gained in analyzing the community can be used on behalf of the community and in constant contact with it;
- \* To provide concrete examples and practice in dealing with particular techniques of handling information, dealing with the media and the like.





## UNIT 8

### FINDING AND DEVELOPING PROSPECTS

#### Introductory Note

This is the final Unit and should be the culmination of the course. It deals with the area in which your participants have had the most practical experience. Some of the material will have already been discussed in previous sessions, arising from other Units, so that you may find that little of it is really new, and that all you need is a fairly brisk review of the contents as a sort of check list for the participants. This instructor's guide is provided as though a thorough teaching job is necessary. If it is not, simply review the material and devote the period to discussion of the course as a whole and to other aspects of follow-up. The course participants may have come to enjoy working together and want to plan for future meetings to compare results and explore new developments. Encourage them to do so, if you can, even to suggesting that they establish some executive group to maintain a continuing leadership. Above all, try not to allow them to leave feeling that the course is now over and that they are going to be forgotten.

You will note some emphasis in this Unit on non-industrial prospects. You may want to pay special attention to this since the weight in other Units has been so heavily on industrial prospects.

#### Content

The text is divided into two main parts. Part 1 deals with finding new prospects for location in the community; Part 2 deals with encouragement that must be provided for existing industry to grow itself as well as to participate in attracting new industries. Both of these approaches are important and they are obviously linked together. Part 1 is further divided into three: the identification of major prospects; the steps to follow once a prospect has been identified; and a brief account of what procedures companies follow in making decisions to locate. Part 2 contains an opening statement; a variety of suggestions of how to help existing industry; and a list of possible supports.

#### Goals

- \* To identify suspects, prospects and the sequence of steps leading from one to the other;
- \* To provide an awareness of the variety of factors involved in some company or another becoming a prospect, in particular the procedures followed by the company in searching for a location as well as vice versa;

- \* To provide in detail the basic steps to be followed by a community and its industrial developer, from finding a possible company to ensuring its location;
- \* To suggest the available possibilities among non-industrial agencies;
- \* To reinforce the importance of concentrating on existing industry and the benefits to be gained from doing so;
- \* To suggest a variety of ways of supporting the development of existing industry and in turn of gaining its participation in industrial development.

### Materials

1. Text - Part 1 and Part 2
2. Tape - Part 2
3. Slides -
  1. Finding Industrial Prospects
  2. Practical Research
  3. Practical Research (cont'd)
  4. Practical Research (cont'd)
  5. Research Tools
  6. Research Results
  7. Key Prospect-Generating Agencies
  8. Establishing Contacts
  9. Maintaining Contacts
  10. 12 Basic Steps
  11. Non-Industrial Prospects
  12. Industry's Procedures
  13. Learning About Existing Industry
  14. Assisting Local Industry
  15. Assisting Local Industry (cont'd)

