

# Taking Care of Business

a Business Retention  
Initiative for the  
City of Mesquite

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# Business Retention and Expansion

(BREP) at a Glance

## BREP visitations

- Two, three person teams of economic development/special events coordinator for the city, chamber of commerce CEO, chamber of commerce board chairman -- and city councilors, mayor and school district officials as schedules permit.
- Interview-style information gathering process geared toward, but not limited to, facts such as business' years in Mesquite; number of employees; contact information and Web site; and future plans.
- Visits will be chronicled and filed with follow up letters sent as a way of recap.

## Relationship building

- Visitations will be prioritized via three lists – top 15-20 property tax payers, top 15- 20 employers and top 15-20 sales tax generators.
- Visitations can be put together on short notice should a need arise (such as the recent change at the top at Town East Mall).
- Coordinate and host seminars from time to time, particularly for small business owners.
- Establish a regularly scheduled “Breakfast with the Mayor” to allow for primary employers to network with city officials and with each other.

## Communication Tools

- Establish and maintain economic development Web site – either as link to [cityofmesquite.com](http://cityofmesquite.com) or separately.
- Create and maintain a business directory of primary employers – focusing on the manufacturing, logistics and industrial sectors.
- Develop e-mail distribution database for legislative updates, community information and for points of interest.

## **Overview:**

It is an elementary principle of business.  
Numbers. Don't. Lie.

Most economic development statistical data indicates that 75-85 percent of all new jobs created in a community, as well as the new capital investment, comes by way of expansion by existing firms.

It is all well and good to recruit new industrial neighbors to the community and there are opportunities to do that in Mesquite with more than a couple of developments on the horizon – namely Falcon's Lair South and the Mesquite Metro Airport Industrial Park concept.

However, there is a great deal that can be said for taking care of our own. For that purpose, a business retention program that is consistent, active and diligent can be effective in creating a climate that could foster some of that 65-85 percent of new job creation and existing firm expansion.

It can establish lines of communication between the city economic development division and Mesquite's industrial and manufacturing sector. It will also work toward maintaining lines of communication with the retail sector as well.

## **Practical Application:**

Business retention can take on a variety of forms.

In Grand Prairie – home of the Great Southwest Industrial Park and its 1,600 corporations – business retention is an e-mail distribution list to deliver city information and address issues. It is also the development and participation in a Great Southwest Industrial Park Association – a homeowner's association of sorts involving captains of companies rather than owners of homes.

In Mansfield, it is a series of visitations and seminars conducted by the Mansfield Economic Development Council – including the development of a master business directory of every firm in the community.

In Lancaster, it is a series of visitations to primary employers and property tax payers by the Business Retention and Expansion Program.

Does it work?

According to information from the Mansfield EDC, their exhaustive business directory has been invaluable in its mission, as well serving as an important communication tool for other organizations in town ... namely the city and the chamber. Small business seminars hosted by the EDC are well attended and well received.

In Grand Prairie, there are 1,600 corporations and firms that call Grand Prairie home who have been excellent corporate citizens – names like Quaker Oats, Pepsi Cola and Weyerhaeuser.

Lancaster Economic Development Commission Director Steve Filipowicz reports, "that \$26.5 million of capital investment, 320,000 square feet of expansion and the creation of more than 300 jobs with almost a \$9 million payroll can be traced to business retention efforts."

In Duncanville, business retention is a major focus for that community as it is 90 percent built out. Business retention efforts have played a supportive role in the two expansions by Quality Cabinets – one of the city's largest primary employers outside Duncanville ISD and the city.

In Mesquite, business retention can be a combination of all four of these business retention examples.

## **Components:**

Mesquite's business retention initiative is comprised of three main components: 1) Visitations; 2) Follow up and relationship building; and 3) Communication tools.

The following is a break down of the main components.

### **■ Visitations**

The Lancaster visitation practice will be adapted for the Mesquite business retention effort. Our visitation team could consist of the economic development/special events coordinator and the chamber of commerce CEO. From time to time, depending on the meshing of schedule commitments, a representative from MISD could participate, the chamber of commerce board chairman, the mayor or any of the Mesquite City Councilors. It is generally a good idea to keep the visitation team small as to not overwhelm plant managers, company CEOs or storeowners with a delegation of people.

It also becomes important to chronicle the visit and generate a report on each one to be filed and revisited. For example, if an issue is identified during a visit to a primary employer – and a year later we are still talking about the same issue -- perhaps there is something greater under the surface that needs to be addressed.

It is also important to simply say, “Thank you” to these firms and to extend our appreciation that they are here.

Some organizations hand out a questionnaire at the start of the visitation and have the plant manager or CEO simply fill it out. The questionnaire can certainly be an effective tool, but the Mesquite business retention visits will feature an interview-style of visitation. It is a little more personal and lends itself more to fostering relationships.

Certain components of the interview will be standard fare as they will apply to the development of our visits.

1. How long has the business been in Mesquite?
2. How many people are employed?
3. Who is the main point of contact and is there a company Web site?
4. Future plans (expansions, reorganizations, additions of product lines or services, etc.).

And, in that basic line of questioning, any number of tangents can be explored ... such as of the people who are employed, where do they come from? Are they traveling from other communities for the most part, or do most of them have Mesquite addresses?

As for the historical information, questions regarding the nature of the business and the NAICS numbers can be asked.

After each visit, a follow-up letter can be sent outlining what has been discussed and what can be done to pursue resolution of issues if any are brought up.

### **■ Follow up and Relationship Building**

It is also important to set the tone that each visit can re-establish a link of communication between the city, the chamber and the school district – establishing a liaison through the economic development/special events coordinator’s position.

Business retention visits and priorities can be set through three lists: The top 15 property tax payers; the top 15 employers and the top 15 sales tax generators for the city.

Obviously, sales tax information is proprietary and must not be used for public consumption.

And, the list must be generated from the private and business sectors. For example, among the top 10 property tax payers for the city are a couple of apartment complexes and a couple of utilities (TXU and SBC).

The Mesquite ISD is the major employer for the city – significantly – and Eastfield College and the city of Mesquite are on the list as well.

If there is a particular firm that appears on more than two or all three of the lists, it stands to reason it should be one of the first ones visited.

For example, there is one company that is fourth in the top 10 property taxpayers to the city and tied for seventh on the major employers list – Pepsi Cola Bottling.

And, the top of each list should be one of the first companies visited. MISD is number one on the list of top employers in the city, but UPS is second.

Town East Mall isn’t one of the largest employers, but it is the top property tax payer and more than likely the top sales tax generator.

Relationship building might also be achieved by simply working with these companies to take a seat on various committees and task forces at work in the community.

A point of contact for these companies with the community and the outside world for that matter could be invaluable to them because – as Terry Jones, business retention specialist for the city of Grand Prairie, states – “they are in your community for a reason. And, they want to participate in community events and be good corporate citizens.”

Other relationship building activities could include:

1. Asking company CEOs or managers to accompany the BREP team on visitations from time to time.
2. Scheduling a regular “Breakfast with the Mayor” to allow for interaction between plant managers or CEOs with elected officials, and with each other.
3. Providing legislative updates on issues that might affect their businesses.
4. Sending congratulatory letters -- through the chamber and/or the city – to firms receiving awards or commendations of any kind.

## ■ **Communication tools**

Development of a business directory will benefit more than just the economic development division at city hall. The chamber of commerce, as well as the convention and visitors bureau can also use it to develop demographic information.

It might also be tool of use for non-profit organizations such as Mesquite Social Services and Historic Mesquite, Inc.

It will take some time to develop. The Mansfield EDC dedicates a full-time staff person, Elyse Wampler, to updating and developing its business directory because it is quite time consuming – particularly for a community the size of Mesquite.

Rather than develop a list of every single business in Mesquite, our directory will focus largely on primary employers on the manufacturing, logistics and transportation sectors. It can also provide a basic categorization of all businesses in Mesquite, detailing the number of businesses in each category (restaurants, entertainment, light manufacturing etc), the percentage of the total number of businesses each category composes and the number of employees in each category.

The directory will include business name, category (manufacturing, retail, service, etc.), manager's name, NAICS number or numbers, URL if applicable and a brief description of what the business is all about.

It can be downloaded if needed and accessed through the Mesquite economic development Web site, which will be developed through the business retention initiative.

Currently, the economic development component to the city's Web site is limited in its functionality. Working with Zac Lajoie and the manager for economic development, the new site will include business profiles from time to time, discussions of the regularly scheduled breakfast with the mayor (including the text of the mayor's message if possible), testimonials from other facility managers or owners, demographic information, community links, a site locator system and more.

An e-mail distribution list can also be an effective tool to get information out quickly.