



WHY BEAT 'EM

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In the southeast region of British Columbia, Canada, known as the Kootenays, not far from the State of Washington, you will find yourself surrounded by the Rocky Mountains, majestic lakes and rivers, and two quaint little cities with a lot of ambition.

Written by Stacey McCarthy



After the mayors won their respective roles, they came together with the support of local business leaders and key municipal staff, and the Cranbrook-Kimberley Development Initiative (CKDI) was formed as a not-for-profit society to present the region as one economic zone.

The mandate of the CKDI is to attract new businesses to the region, facilitate growth, produce well-paying jobs, reduce upward pressure on tax rates, and increase the populations. In other words, the CKDI wants the region to grow and thrive.

To achieve its ambitious goals, the initiative wanted to create a pool of marketing funds that was independent of the tax base and the municipality. Each city contributed \$10,000, which was quickly discovered would not be enough. The group then reached out to the business community, and forty-six businesses showed their support by investing \$5,000 each. These funds were then matched by the Columbia Basin Trust, bringing the total funds to \$500,000 to be used for targeted sales and marketing activities.

The funds are overseen by an eight-person board of local business leaders from both communities, chaired by Rick Jensen, one of the local businessmen.

"Your best salesman should be your mayor."

The board focuses on promoting the many advantages of locating a business in the two cities, as opposed to setting up a business on Vancouver's Lower Mainland or in Alberta's major cities of Calgary or Edmonton. It is only fifty miles from the U.S. border and is almost dead center between the Saskatchewan border and Vancouver.

"We're very centrally located." said Mayor Don McCormick. "Our radius encompasses the Alberta market, the Lower Mainland, and the Pacific Northwest, and we've got an excellent transportation infrastructure. It just hasn't been taken advantage of in the past. And that includes our international airport, which is a strategic priority for us as well."

Many features of living and setting up a business in the region are appealing, from an existing selection of commercial and retail space to raw-serviced land for development, an available workforce which can be trained by the regional college, internet with gigabit bandwidth and broadband service better than most places in Vancouver, and cost savings in terms of a single business license for both communities.

"The cost of doing business is at the top of the list," said McCormick. "An acre of land in the Lower Mainland is four to five million dollars, and an acre here is \$40,000 to \$60,000."

In addition, housing costs and overall costs of living are much more economical than the bigger cities, and the quality of life





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in terms of outdoor recreation is exceptional. It has over three hundred days of sunshine a year, which is amongst the highest rate in any region in Canada.

"Our airport very seldom has a cancelled flight, and our ridership is up 20 percent over last year. We've had growth every year, and we're the second-fastest growing airport in Canada to date, and we own the airport," said Mayor Lee Pratt.

With all these attractive selling features, the primary challenge is just raising awareness.



"Getting the word out – finding the target audience – is always a challenge," said McCormick. "And once you find that audience, we have to climb that hill just because we're relatively remote and a small region, that, in fact, we can do what we say."

The main marketing tool has been an online strategy that highlights the cities' advantages and was developed by Gen X Marketing. The leads that have come through are then turned over to the two mayors for follow up. "Your best salesman should be your mayor," said Pratt.

"I think it has brought the two communities closer together," said McCormick. Four thousand cars go back and forth between Cranbrook and Kimberley daily.

"Border to border we are only about 11.8 kilometres apart and about 30 kilometres from downtown to downtown, so we're really close to each other, and as a result of that, is that we're getting people living in Cranbrook and working in Kimberley and living in Kimberley and working in Cranbrook," said McCormick. "We're now thinking as one and taking advantage of all of the things we have to offer, not just from a business point of view but from an arts and culture and a social point of view as well."

"What we are finding is that more and more owners of businesses want to locate in places where they can enjoy life a little bit."



The cities are trying to attract businesses from a variety of sectors. One is clean-technology manufacturing, an example of which is Computer Numerical Control (CNC) Manufacturing. One such prospect manufactures high-precision steel parts for the oil field, aerospace, and similar industries.

"We're not looking for manufacturing companies that manufacture a million widgets," said McCormick. "Most of that's done in China or Vietnam or the Philippines – other very-low-cost labour areas. And we certainly can't compete with that. What we're looking for is engineer-to-order kind of manufacturing opportunities where the margins are very high and relocating in an area that is a little more remote than say the lower mainland is not an issue."

Other areas of focus include logistics and transportation.



In addition, the initiative is interested in bringing in more value-added wood products; things like log homes and products based in wood, as well as resort sector maintenance and support services that cater to the coal mining industry, which has five coal mines to draw from within an hour of the cities.

The City of Cranbrook purchased one hundred acres of land that was previously a sawmill site and a finger-joint plant and has leased the building to a company that makes finger-jointed studs and value-added wood products like door trims and siding. The plant will be running by January.

The initiative is also looking at a couple of other new areas, one of which is international education. International students have been coming to the area for the past twenty-five years, and

they have become so popular that there are not enough seats in the public high schools to accommodate all the students who want to come, so the initiative is supportive of investment in a private school to be able to accommodate the growth.

The other potential new growth area is bringing recreational manufacturers into the area. Instead of looking at the region as just a recreational activity area, the initiative would like these manufacturers to bring research and development facilities and plants to where the products can be easily tested.

"What we are finding is that more and more owners of businesses want to locate in places where they can enjoy life a little bit – certainly the younger entrepreneurs and millennials. The priorities that millennials have are a whole lot different than what we as boomers had, and our area caters to exactly to what that demographic is looking for," said McCormick.

Kimberly has a world-class ski hill with four others within three hours of Cranbrook and Kimberley. The area surrounding the two cities boasts eight golf courses, world-class biking trails that attract people from all over the world, plentiful lakes and rivers for fishing, and lots of great areas for hiking and camping.

"CKDI is still in very early days," said McCormick. "When you are looking at industry business attraction, it is measured in years rather than in months, so we are in the early days of doing this. We are adjusting. We're trying to be agile and adjust to feedback we are getting, and I see the relationship with our communities just getting stronger over the next few years."

One thing is certain: this Initiative is confident in what it has to offer and is not too worried about big city competition in the future. Just ask Mayor Pratt and he will tell you: "Vancouver? Never heard of it."







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