Selling Utah: The Evolution of EDCUtah

By Gaylen Webb

In early 2015, the U.S. Chamber of Commerce Foundation's "Enterprising States" described Utah as an "example for great statewide cooperation and coalition building with its C2+E2 framework."

C2+E2 is an economic success formula built on Utah's well-known environment for collaboration, cooperation (C2), efficiency and effectiveness (E2). What many people don't know is how this C2+E2 framework evolved from an environment of chaos. To look back several decades is to see a mixture of turf wars, distrust, jealousies, fragmentation, disparagements and a duplication of effort across Utah's economic development community. How the state arrived at the C2+E2 framework is the story of "Selling Utah: The Evolution of the Economic Development Corporation of Utah."

Semi-serious attempts at economic development in Utah began with the formation of groups like "Rampton's Raiders," volunteer businessmen who traveled the United States during Gov. Calvin' Rampton's administration drumming up economic and tourist interest in Utah. Over the years, other groups followed, such as Pro-Utah, the Utah Industrial Promotion Division, the Utah Industrial Development Executive's Association, Salt Lake Valley Alliance, Metro Utah and the Utah Valley Economic Development Association. Meanwhile, cities and counties across the state were also making individual attempts at business recruitment through their own economic development organizations.

Despite all of these early efforts, the fact that Utahns enjoyed world-class recreational amenities, a phenomenal quality of life and the friendliest of business environments was a story that couldn't be told with any single-minded, unified effectiveness. City and county economic developers were largely engulfed in turf wars and rivalries, sometimes even disparaging each other as a means to compete for businesses. What's more, they all needed money to fund their efforts and their primary resources were the state's utility companies and major banks. For those benefactors, supporting economic development was a conundrum. They couldn't give money to every county or community economic development organization in the state, and when they did provide financial support the money was often used by communities to compete against each other.

Gary Birdsall was director of market development for Mountain Fuel Supply Company (now Questar Gas Company) in the 80s and knew the environment well. "It was like Jell-O," he says. "You couldn't keep any of the economic development organizations together in a solid block."

Mountain Fuel was a predominant benefactor of economic development and D. N. "Nick" Rose, who served as Mountain Fuel's president and CEO, reflects that, "As a state, we looked kind of silly. We were basically killing ourselves. We probably had 100 different directors of economic development asking for money and each organization was trying to do its own thing."

The first real effort to knit economic development together in one organized block and end the free-for-all came in 1984 when the Salt Lake Chamber of Commerce, under the direction of the late Fred Ball, organized what it called the "Committee of 100," borrowing the name from an economic development organization in Florida. Of the name, Birdsall laughs and says, "Imitation is the highest form of flattery."

The idea behind the committee was to unite 100 companies and their financial resources in an economic development front that would eliminate the duplication of effort, stop the rivalries and fund an aggressive, unified message about Utah. Ideally, if each member contributed $2,500 the Committee of 100 would have a quarter of a million dollars to put toward a proactive, out of state outreach and marketing effort. Birdsall became the organization's first chairman. In its first year, the Committee of 100 attracted approximately 64 public and private sector members, which was sufficient

enough to create the most unified marketing message the state had produced to date. It promoted Utah as an attractive and profitable place to do business. With the new organization engaged, Chamber Board Chairman Robert Garff pledged that the resources of the Chamber would be prioritized "to make the private sector aspects of economic development strong, viable and productive."

One of the committee's early successes was a recruiting trip to New York City, where the Utah delegation promoted the Salt Lake area and State of Utah to New York City business leaders and national site selectors. "It was a huge trip for us," remembers Alan Rindlisbacher, who had been economic development director for the chamber and, at the request of Ball, assumed the same role for the Committee of 100. The organization also created three profiles of the Salt Lake Metropolitan area, including its business environment, office and retail space, and conducted a direct mail campaign targeting 525 manufacturing firms and office users with information about the Salt Lake area and Utah's economic advantages.

Steve Barrett, and Bill D'Evelyn, two commercial real estate executives who were behind-the scenes leaders in the Utah economic development culture, say the Committee of 100 did provide some cohesion, but not the unified voice Utah needed to attract large national companies to the state. The committee still appeared to be a Salt Lake County-centric organization and its efforts to involve other counties and communities came up short – due mostly to the unabated rivalries, jealousies and competition. What's more, says Barrett, Salt Lake County received the lion's share of business leads and interest from out-of-state companies, so other areas of the state felt "picked on."

Dr. Thayne Robson, a beloved and respected University of Utah professor in the David Eccles School of Business and the executive director of the Bureau of Economic and Business Research, followed Birdsall as chairman of the Committee of 100, while Roger Boyer was chairman of the board of governors for the Salt Lake Chamber and Rose was chairman-elect.

In mid-1987, Rose, Boyer and Robson met to discuss a new vision for economic development in Utah. Robson could see the current environment wasn't working and it was time to pull all of the economic development entities together, says Rose. What's more, for all of the good it was doing, the Committee of 100 wasn't matching the money being generated by economic development organizations in other states.

In Robson's mind there was a bigger picture. Economic development that only focused on specific areas, like Salt Lake City, West Valley City or Davis County wasn't sufficient. "We are falling all over ourselves trying to do economic development. We have to get businesses to look at Utah first," he advised. Utah was essentially recruiting against itself because so many people from so many different organizations across the state were going to the same conferences and trade shows, stepping on each other's toes, getting in each other's way and wasting money by duplicating marketing efforts.

What Utah needed was one economic development voice – one public-private organization that could encapsulate the Committee of 100 and all of the city and county economic development organizations, plus all of the private groups, like Metro Utah, the Salt Lake Valley Alliance, the Utah Industrial Development Executive's Association and other organizations in the north and south of the state, to "sell Utah first." Robson's idea was simple: Promote the state and let the businesses decide where they wanted to locate.

Adhering to this vision, the trio of Rose, Robson and Boyer began to lay the foundation for a larger, statewide economic development organization. They first focused on Salt Lake County. "We thought, if we can't get the leaders in Salt Lake County to come together there is no way we'll get the rest of the state to join in," Rose explains. They also met with Dave Adams, who was director of economic development for Gov. Bangerter. Adams told them if they could get the whole state involved then his office was also interested in being part of this new economic development organization.

A significant first step was to convince the utilities and major banks that they needed to support this unified economic development effort. "We wanted to get the private sector on board early because that was where a lot of the economic development funding was coming from," Rose continues. "We knew that connecting the financial resources was the best

way to influence other organizations to come onboard." Hence, the trio called a meeting with the heads of Utah Power & Light (now Rocky Mountain Power), U.S. West Communications (now CenturyLink), Mountain Fuel and the major banks. "This group was largely the financial backbone behind the Committee of 100, all of the local economic development offices, numerous chambers of commerce and all of the private economic development organizations.

At the meeting they explained the vision of creating one economic development organization. Rose says the message was simple: "We have got to pull this economic development effort together and stop competing against ourselves." The leaders readily accepted the idea. They could see that it was going to be financially better for them in the long term because their monetary investments wouldn't be competing against each other.

The next task was to convince the Salt Lake County Commission and all of the mayors in Salt Lake County to join in. Rose says Commissioners Bob Barker, Michael Stewart and Tom Shimizu were immediately responsive. "They could see the value of what we were trying to do and said if we could get the mayors in the county to join in, the commission would be on board," he reflects. Ultimately, not one mayor held out, as Rose recalls, even though some of the mayors had territorial concerns, fearing that the new economic development organization might dictate where the recruited businesses would locate in the state. "We told the mayors, 'Your task is to see that your city is attractive and has a business-friendly environment. The businesses will choose where they want to be located,'" he continues.

Rose, who replaced Boyer as chairman of the Salt Lake Chamber Board of Governors, had a similar view for the local chambers of commerce, believing their money and resources could be better utilized to create attractive communities and environments where organic businesses could grow and outside businesses would want to locate. Hence, while working with the mayors and Salt Lake County commission to merge their economic development programs into what would soon be called the "Utah Economic Development Corporation," Rose, Robson and Boyer also convinced the Salt Lake Chamber Board of Governors that the Committee of 100 needed to be folded into this new organization. Pulling the Committee of 100 out from under the Salt Lake Chamber's wing wasn't meant to be a *coup d'etat*, but it had to be done to achieve the vision of a unified voice, says Rose, recalling that it was "still a little difficult for Fred at first."

With the utilities, the chamber, the Salt Lake County Commission and local mayors on board, Rose had Mountain Fuel Supply's lawyers draft bylaws and articles of incorporation for the new nonprofit economic development organization. Its board of directors would consist of the three Salt Lake County commissioners, all of the mayors in Salt Lake County and the heads of the seven major banks and the three utility companies. "We also included three other leaders from private sector," says Rose. They were Roger Boyer, of Boyer Development; Rhoda Ramsey, of The Ramsey Group; and Chase Peterson, who was president of the University of Utah.

The first board meeting took place in August of 1987 at the Little America Hotel, as Rose recalls. Sitting together around a U-shaped table, the board members decided they needed to lend some credibility, respectability and notoriety to the UEDC and the easiest way to do that was to leverage the strength of the Salt Lake Chamber. In essence, the same person that chaired the Salt Lake Chamber Board of Governors would also chair the new economic development organization. Thus, Rose became the UEDC's founding chairman.

After the first board meeting, the new organization held a press conference to announce the formation of the UEDC and introduce the concept of one organization going forward as a single voice to represent the state in economic development. Gov. Norman H. Bangerter offered a brief statement pledging the state's full cooperation with the new organization and noting, as the Deseret News reported, "The competition is too fierce for Utahns to waste their time and resources competing with each other instead of competing with other states and nations."

"With that we were off and running," says Rose. Of course, the UEDC needed an office, a staff and a CEO. Finding an office and a staff happened fairly quickly, but to land a qualified CEO would take a while. The UEDC initially rented office space from the Salt Lake Chamber. One Friday evening in October 1987, Rindlisbacher closed his office door as economic development director for the Committee of 100. The following Monday, when he opened that same door he was the new economic development director for the UEDC. Rindlisbacher was one of the four original staff members at UEDC.

The others were Sherm Wilkinson, Cheryl Smith and Jennifer Rogers. Such was the 1987 team that began what would later become the Economic Development Corporation of Utah (EDCUtah).

Rindlisbacher and Wilkinson ran the day-to-day affairs of the UEDC while Rose took on the role of CEO, while also running Mountain Fuel Supply and serving as chairman of the Salt Lake Chamber Board of Governors. Despite this load of responsibility, Rose set out to make the UEDC a statewide organization by calling on public and private economic development organizations in Utah, Weber, Cache and other counties. One of his first meetings outside of the Salt Lake Valley was with Gary Herbert, who was a Utah County Commissioner at the time (now governor).

"Gary was very receptive of the idea and turned out to be one of the greatest champions of the idea we had outside of Salt Lake County," Rose recalls. In Ogden, he met with John Lindquist and John Hinckley, two of Weber County's most powerful business leaders. But the concept of one economic development voice didn't catch on immediately outside of Salt Lake County. "I think people wanted to see what the organization could do. They wanted to see if we could really bring businesses to areas outside of Salt Lake County," he says.

Meanwhile, the UEDC board started a national search for the first CEO. The board wanted a leader that had a name in the national economic development community – one who could give some credibility to the new organization, had connections with site selectors and could bring the UEDC some recognition nationally. The search led to Rick Thrasher, a tough, former hockey player from Canada. Thrasher was the head of economic development in Kansas City and had a national stature. The UEDC board successfully recruited Thrasher to Utah and got the national recognition that it craved.