

## Web Surfing for great locations



### Area Development Site and Facility Planning

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Listen to what the experts have to say about using the web for your location search.

You and your team have just been assigned the duty of finding the best possible location for your company's new facility. Take a deep breath, grab your checklist of site selection needs, then read this article. We're sure you'll find many nuggets of wisdom about the "dos" and "don'ts" of online location searching from the veteran consultants we interviewed.

### IGNORE THE FLUFF

Companies new at the site selection game must understand that, first and foremost, it's "a process of elimination," explains Robert Ady, president of Ady International Company in Chicago and a veteran site selection consultant.

Anyone embarking upon an online search should "think from the top down, not the bottom up," advises the consultant. Start with a defined region, which may be "anywhere in the United States, or the Southwest, or Texas, or San Antonio [for example]. Then begin exploring state or community sites in that region. Systematically eliminate the areas with the greatest disadvantages and fewest advantages for the project. A lot of people think they will find Utopia; but it doesn't exist. There is no perfect place."

For the "first cut" process, Ady generally will review community profiles on state sites but "rarely" does he ask the states for guidance. One common problem, he notes, is that they sometimes cave in to local pressure for leads and submit a company's request to far too many communities that don't fit the location criteria. Consequently, the company may be overwhelmed by useless information and proposals. "That's a failing, and explains why state sites are often a little difficult to use," he says.

When searching state, community, or other economic development websites, he looks

for three things. The most important is content. "This is where most sites fall down," he notes. "It seems the information is assembled for internal consumption, not the outside world. Sometimes the [site owners] can't do that due to internal pressures that override their responsibility to provide good information to their target audiences."

The biggest problem is that key information - e.g., quality of life, work force, and operating costs data - is not available in one section on many sites, but instead is found via myriad links on other websites. Consultants have been complaining about this for years, he says, and the situation is improving, albeit very slowly. Another content problem is name clarity. Too many acronyms that don't mean anything to visiting companies or consultants are used liberally, as are marketing names for regions that don't tell where a location is situated in relation to other communities.

The second thing a website should offer is speed, and the third thing is ease of navigation. "I want to find the information I need immediately, without any 'dancing bubbles' getting in the way," Ady says with a laugh. Companies shouldn't allow themselves to be dazzled by beautiful photos or clever marketing language. Instead, "ignore the fluff" and drill down to the hard-core factual data - if it exists.

Of course, it's a given that a company will have a basic checklist about what economic development information to gather before surfing begins. With that in hand, Ady says a company should most definitely seek out the very important labor market data. Most communities have that data on their websites. Trouble is it's "almost impossible to get a common denominator among a few communities." Why? One labor report may be three years older than another; or one could include overtime and the other does not. "For someone who is a novice at location searches," says Ady, "I would focus on government information. There are some very good federal statistics through the Department of Labor and the EPA." Many of these sites do an excellent job of providing wage rate analysis by occupation, he notes.

#### SEEK SOUD, REFERENCED DATA

Dr. C.R. "Buzz" Canup, president of site selection services for Angelou Economics based in Austin, Texas, also says that very few consultants use community websites as primary information sources. "We rely more upon thirdparty databases, such as the U.S. Census website, for information on population, work force, and wages."

With that said, he notes that companies doing their own research can still find some good and/or accurate location stats even without tapping into the high-powered resources consultants use. In fact, "those companies depend upon those community

and regional websites to collect data." (Relatedly, Area Development's 2005 Corporate Survey revealed that about two thirds of all site selection searches are conducted by companies, not consultants.)

Canup advises communities to put out "solid, referenced data" to establish legitimacy, and potentially attract a site visit. Unfortunately, he adds, a lot of these sites combine chamber and economic development activity, "making it very difficult to differentiate the more sales-focused chamber information from the economic development information about sites and buildings." He also finds it frustrating to see a site named the "Golden Triangle" or another nondescript name used by numerous other places in the country. "The worst thing is that you get into the site and find no map reference to where the community is located relative to other communities in the state, or to other [nearby] states."

A big mistake some companies make when online searching is to find only city or county stats, and ignore regional stats. Canup says it's better to "look inside the region of draw. Political boundaries don't mean a lot; highways don't end at the county line; and the work force isn't contained just within the city limits. Get a feel for the size of the population within a wider scope. And find out about the nearby large metro areas, airports, and other vital factors," he advises.

Another important element to search for is the existing industry and business base. Skip past the information about the larger employers being hospitals, schools districts, and the like, and concentrate on "private business owners, private employment, what types of companies they are (e.g., SIC codes), and average wages." But beware: Unless this info is "referenced and sourced," Canup says you can't get an accurate picture of what it all means. To be sure, "inaccurate and out-of-date data can actually hurt you," especially when it comes to the true wages paid in an area.

Most companies begin their searches looking at existing buildings and/or sites, he notes. However, he's found too many sites use search mechanisms that are "too discriminating.. they need to be more flexible and allow visitors to look at ranges - not absolutes." For example, a search for a 100,000-square-foot building on 25 acres may not bring up anything on one site; but in another it will bring something up that will fit the bill - say, a 110,000-square-foot building on 22 acres.

To get around this problem, Canup tends to go directly to the state economic development contact and ask for current building information. "If I'm told, 'Sir, info is on our site,' I tell them thank you and then ask for a personal contact and an immediate response. You have no idea how often they update these websites, so there may be buildings available meeting your search criteria that have yet to be posted."

When and if he wants to follow up with a state's personnel, Canup likes to see a personal contact given on sites, not a general or switchboard number. Thankfully, most sites are now "smart enough to realize they can't force you to register to get information," he adds. "If I see that, I click out of it; I'm sure 90 percent of people do that."

Although the effectiveness of utility economic development programs "varies broadly," Canup does see that most try to be site-neutral within their service areas, similar to many state economic development organizations that can't afford to be biased. Like Ady, Canup is also frustrated by websites sending company's leads to communities "that don't even come close to meeting the requirements. There seems to be no accountability with screening at the state or utility level," he says.

#### "INTERACTIVE" KEY WORD FOR UTILITIES

"I think all utilities are trying to make their sites more interactive," says Michael Kearney, manager of economic development for Ameren Corp. Operating as the largest electric utility in Missouri and the second-largest in Illinois, it serves customers within a 64,000-square-mile territory. "They're trying to be dynamic, fresh, current, and are looking at more add-ons to [achieve that goal]."

Utilities are a logical first stop for information, he notes, because they tend to cover large geographical regions and are neutral. "Our interest is getting attention to the right resource for the right match... As a utility, we can affect costs; so we want our customers to have an assessment of competitive advantages," Kearney says.

Ameren's website is not only a first-stop portal for information for prospects, but also a resource showing what the utility can offer as part of partnership relationship, he says. "Businesses are on such fast product cycles, they need to go to communities to find out factual, credible, and current info. We take that role very seriously...But we don't want to just throw data on a website...We encourage people to contact us for more information."

Kearney is excited about LOIS, a community-driven, searchable database on Ameren's website providing data on buildings, sites, and communities with information provided by communities and realtors. The utility's partners in Missouri and Illinois have embraced LOIS on a statewide basis to further integrate hundreds of communities. "It's especially good for smaller communities," he says.

Sometimes communities and companies expect a website "to do it all," Kearney notes. But ultimately, with any development project, "you have to have interaction with the community; [you need] to have the business or consultant get out there and 'kick the

tires' and make a site visit."

#### Focus: FASTFACILITY

Over 80 percent of current site searches begin with finding out the availability of buildings and sites. That's why the new GIS-driven database FastFacility is such a valuable tool for companies and consultants alike. Developed by Area Development in partnership with Evince Corporation, it provides users with thousands of available, real-time, and up-to-date properties worldwide. Each week, over 30,100 building and site listings are viewed on a 24/7 basis. Custom searches for qualified companies are also conducted by FastFacility staff.

Properties matching the prospect's criteria are delivered to the prospect regardless of the building or site location, making every community, large or small, a "player" in a FastFacility search. Advanced user features include technology showing every listing with full GIS mapping (U.S. and Canada only) and daily listing updates. The exclusive Portfolio Manager, an online management tool, organizes individual searches and gives instant updates to any new listings meeting the property criteria.

FastFacility is used by a few development organizations to power their own specialized databases. One of these is the CERC SiteFinder, the most comprehensive listing service of available commercial and industrial properties, for sale or for lease, in Connecticut. CERC's Melissa Pasquale calls it a "public service" funded by utilities, some contract work, and members who pay to post listings.

SiteFinder has information on more than 2,600 listings and over 10,000 acres ready for development. "We have about 70 percent of the available buildings in the state in our database," says Pasquale. "Anybody can search it; it's public and free. We want to help companies [using the Internet for site selection]." Among SiteFinder's many advantages, she says, are the eight different demographic reports available for every listing (e.g., labor force, industry employment stats, housing costs); photos of each listing; and prices. "And the mapping capabilities allow users to see a listing relative to where it is on a street and outside our state's borders," she adds.

One success story concerns a textile company seeking to move its East Coast operation into the state. "We did an initial site search for them and sent them information on a variety of available buildings in Eastern Connecticut. They eventually ended up with one of the buildings from the site search," says Pasquale.

Visitors to the website of the Savannah Economic Development Authority (SEDA) will find "100 percent" of the available sites and buildings in Chatham County, asserts Lynn Pitts, SEDA's senior vice president. Powered by FastFacility software,

www.SEDA.org "gets a lot of traffic from consultants and companies because it's always up-to-date and has the pertinent information they need. All the brokers, developers, and land and building owners in SEDA's region send us their information. They like the fact that we're current with our data, and popular with their target market. I've been very pleased with FastFacility," comments Pitts.

All told, the web is a good place to start your site search - just remember to use it wisely.

### **[Sidebar]**

The most important thing a website can offer is content. It should also offer speed and ease of navigation, without any "dancing bubbles" getting in the way.

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