

**TOWN OF MARATHON:
BUSINESS AND RESIDENTIAL SECTOR
INVESTMENT ATTRACTION STRATEGY**

COMPLETED BY
BLAIS & ASSOCIATES
ECONOMIC DEVELOPMENT CONSULTING



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TABLE OF CONTENTS

1.0 Executive Summary	3
2.0 Investment Attraction Strategy	4
2.1 Method of Completion	4
2.2 The Role of the Economic Development Strategy	5
2.3 Why Undertake an Investment Attraction Strategy?	5
3.0 Economic Development Services in Marathon	7
3.1 Providing Top-Notch Service	7
3.2 Where Does Lead Generation and Prospecting Fit In?	8
3.3 Role of Other Business Organizations	9
3.4 Town Promotional Tool Inventory & Research Data	11
4.0 Current Situation: Trends & Issues	14
4.1 Strengths/Weaknesses and Competitive (Dis)Advantages	14
5.0 Investment Attraction Sector Selection	16
5.1 Health Care Services	18
5.1.1 Sector Overview	18
5.1.2 Competitive Advantages & Disadvantages	20
5.1.3 Investment Opportunities	20
5.2 Bioproducts	21
5.2.1 Sector Overview	21
5.2.2 Competitive Advantages & Disadvantages	23
5.2.3 Investment Opportunities	24
5.3 Mining & Dimension Stone	24
5.3.1 Sector Overview	24
5.3.2 Competitive Advantages & Disadvantages	26
5.3.3 Investment Opportunities	27
5.4 Residential Development	27
5.4.1 Sector Overview	27
5.4.2 Competitive Advantages & Disadvantages	31
5.4.3 Investment Opportunities	31

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TABLE OF CONTENTS (continued)

6.0	2007-2010 Investment Attraction Strategy: Key Messages.....	32
6.1	Key Message: “Quality” and “Value” More Than “Price”	32
6.2	Vision, Mission and Marketing Position Statements: Why?	33
6.3	Vision Statement.....	33
6.4	Mission Statement	34
6.5	Marketing Position Statement.....	34
6.6	Healthy Community Branding.....	35
7.0	2007-2010 Investment Attraction Strategy: Strategic Objectives	36
7.1	Improve The Multi-Sector Fundamentals.....	38
7.2	Health Care Services.....	41
7.3	Bioproducts	43
7.4	Mining & Dimension Stone	44
7.5	Residential Investment.....	45
8.0	Implementing the Strategy: 2007 Marketing Action Plan.....	46
8.1	Subsidizing the Financial Requirements.....	49
9.0	Conclusion	49
	Appendix A: List of Interviewees & Focus Group Participants	50

1.0 Executive Summary

Blais & Associates Economic Development Consulting was engaged by the Town of Marathon to conduct a public consultation process and community analysis with an objective of making recommendations on the priorities for future economic development projects. An outcome of this work is a clear indication that Marathon has competitive strengths that distinguish the Town and make it the envy of many communities: the economy has been built around two major resources (as opposed to one for most Northern Ontario towns), it has a very progressive health care services sector, a range of recreational amenities only typically found in much larger communities and a willingness to succeed.

The Town's economic development staff and committee, Council and people in the community want to see the Town more proactive and more focused on achieving specific deliverables. Because the economic development office has done some great work in the past, there is a lot of enthusiasm about making progressive change in order for it to do even better. The following document provides the Town of Marathon with a structure for that change. Identified within are a number of recommendations that will bring focus to activities.

Key findings include:

- Vision, Mission and Marketing Position Statements that build off of the pride that exudes when citizens boast about local health care and recreational services. Marathon's position as a "healthy community" will support all of its investment attraction efforts.
- There are a great number of opportunities for growth within the health care services sector that will further diversify the economy as well as generate tremendous wealth.
- The future of the forestry sector is dependant on the Town's ability to move away from a traditional look at the industry and focus on bioproducts. To be successful, the Town must participate in regional efforts.
- An understanding that growth in the mining sector will have the most impact of any realistic development, however, the future of that industry is largely out of the Town's control. The much discussed dimension stone industry has very limited potential for Marathon.
- An initiative to attract active retirees to Marathon will bring new wealth to the community, but this is only a medium-term goal. In the short-term, the Town must improve the breadth of housing options.

With attention to these initiatives, Marathon will strengthen its economy and continue to remain healthy into the next decade.

The Town of Marathon would like to thank the Ontario Ministry of Northern Development and Mines, specifically the GO North Northern Communities Investment Program, for support which made this program possible.

2.0 Investment Attraction Strategy

2.1 Method of Completion

The Town of Marathon's aim in initiating this process was to develop an Investment Attraction Strategy with a goal of identifying strategic opportunities in specific industry sectors. This four-year Strategy will become the basis for future marketing action plans.

Blais & Associates Economic Development Consulting worked closely with Town staff to develop an approach that would result in action-oriented and clear direction.

The following steps were taken to gain community input into the formation of ideas for the Strategy.

- Advance Key Interviews – In advance of the fieldwork portion of the assignment, the consulting team conducted 30-60 minute telephone interviews with eight leaders of the business community. These interviews focused on historic direction and future opportunities.
- One Group Focus Session with local business community, Town staff and municipal leaders – held during the morning of June 19, 2006, this session was an opportunity to discuss strengths and weaknesses, discuss a common vision, integrate current planning and activities going on in the Town and set some short and long-term goals.
- Internal Stakeholder Interviews – Paul Blais was in Marathon June 19-22 to meet with local business and community leaders. A total of 16 people were interviewed and asked about their opinions on the Town's ideal future direction, partnership opportunities and competitive advantages and disadvantages and economic direction.
- External Stakeholder Interviews – Over the remaining length of the project, the consulting team held a large number of interviews with government and industry representatives to test the recommendations by ensuring they could be implemented and there was some possibility of success.

A full list of those involved in consultations can be found in Appendix A.

There was also an extensive literature review completed as part of the project. Documents that were reviewed but are not included in footnotes within the text include:

- *Forging the Future: Working together towards a dynamic future.* Marathon Community Development Commission, January 2006
- *Town of Marathon: Community Profile 2006.* Town of Marathon.
- *The Investment Readiness Test: A Self-Assessment Tool for Northern Communities.* Town of Marathon, November 2005.
- *Town of Marathon: Retail Gap Analysis.* Town of Marathon, January 2006.
- *Marathon Business Retention + Expansion Project: Final Report and Strategy.* Marathon BR+E Leadership Task Force, October 2005.
- *Business and Operational Plan.* Marathon Family Health Team, 2006.
- *Long-Term Sustainability in Marathon, Ontario.* EDAC Peer Review Team, July, 2005.

- *Ontario's Value-Added Wood Sector*. Ontario Ministry of Northern Development and Mines, 2006.
- *Northern Ontario's Bio Products Industry*. Ontario Ministry of Northern Development and Mines, 2006.
- *Mining Equipment and Services*. Ontario Ministry of Northern Development and Mines, 2006.
- *Ontario's North*. Ontario Ministry of Northern Development and Mines, 2005.
- *Public Forests, Public Returns: A Way Forward for Ontario*. Canadian Centre for Policy Alternatives, June 2006.

2.2 The Role of the Economic Development Strategy

It is not possible, with a single definition, to capture all the facets of economic development. It is usually described either in terms of objectives such as employment creation, wealth generation and quality of life, or as a process which tries to shape and encourage growth, competitiveness, sustainability and the overall economic well being of a community.

What is most common amongst all definitions is the implied and, in some cases, explicitly recognized, role of government, as it is responsible for creating the environment in which economic development occurs. Economic development is fundamentally about enhancing the factors of productive capacity – land, labour, capital and technology – of a national, provincial or local economy. By using its resources and powers to reduce the risks and costs that could prohibit investment, the public sector often has been responsible for setting the stage for employment-generating investment by the private sector.

Importantly because a consensus definition for economic development does not exist, there is no single strategy, policy or program direction for achieving success. The unique mix of geographic, political, economic and social attributes of a community will present a distinctive set of challenges, and requires different solutions, for economic development to be successful.

2.3 Why Undertake an Investment Attraction Strategy?

The Investment Attraction Strategy describes a roadmap for the Town and its partners (private, non-profit, public sector) illustrating how they can work together to enhance employment, investment and quality of life opportunities that will benefit the entire community. The strategy is based on the premise that the community can develop local visions and goals of what it wants to become, determine the sectors in which it has the best chance of being successful and apply resources to achieve them. If done systematically and over the long-term, Marathon can enhance its economic base while maintaining its core values.

For the Town of Marathon, there are a number of motivating factors for this Investment Attraction Strategy. They include:

- Making recommendation on the activities of the Town's Economic Development Office;

- Desire to become a proactive community that embraces partnerships with local and regional economic and business development organizations;
- Using these partnerships to leverage spending with external funding programs and enhance the likelihood of positive outcomes;
- Recognizing that as senior governments continue to offload programs and responsibilities to the local level, municipalities will be under more pressure to ensure local economies are able to support municipal financial needs; and
- Acknowledging that, today, communities must compete for investment, human resources and infrastructure.

In reality, the Town is continuously making decisions that affect economic development. The most obvious ways in which economic development is influenced by local government are through decisions on land use and property taxation, but there are many other ways in which economic development can also be either positively or negatively affected. Examples include the working relationship between local government and the business community, the cost and time required to move through municipal review and approval processes and the effort made to understand and respond to the needs of business.

Economic development is about more than attracting companies and investments to a community. These opportunities are part of stimulating growth, but they should not be pursued at the expense of overlooking the needs of the community and existing businesses. In fact, research from numerous sources shows that existing businesses create 60%-90% of all new economic growth in a community¹. Rural communities, of which Marathon is one, tend to sit in the higher part of the above range because of they are more challenged than urban centres in attracting inward investment.

In marketing you often need to reach out to a lot of people, since at some level it's a game of numbers, but also must save your best energy and sufficient time to talk to the clients and prospects most likely to give you business. This is where a Target Sector Strategy really helps.

There will be a component within the following strategy that includes efforts to foster growth within the existing business community – something that the Town's Economic Development Office already does. Having said that, there is a role for investment attraction in Marathon's strategy and the next section looks at this in much more detail.

¹ Examples of this research include The Ohio State University (2002); North Dakota Department of Commerce (2001); University of Illinois (2004).

3.0 Economic Development Services in Marathon

The Town's Tourism and Economic Development Office currently has a full-time Manager as well as administrative assistance with a modest budget to carry out economic development and tourism services. This position has been created in the last few years. Its activities affect many different parts of the community. The office's initiatives are not strictly confined to business attraction, but also involve other community-based projects such as skills development and training, business retention and expansion, streetscape beautification and physician recruitment.

The Tourism and Economic Development Office have active advisory committees. These members of the community come from a wide range of business interests.

3.1 Providing Top-Notch Service

Economic development is a service business and investment prospects require a high-degree of attention. To effectively determine the client's needs and identify possible solutions takes strong selling skills and a broad knowledge of the local and regional economy, certain industrial sectors, building/land development and the local business community.

Interaction with the client may begin with a single staff person, but as the project develops it is normal for many different Town departments and outside organizations to be involved. There needs to be a standard operating procedure and single point of contact, but this person must have the ability and capability of accessing information from many sources. To be consistently successful in attracting new business, the Town and other organizations in the community must be recognized as one team who are working towards the common goal of doing whatever it can to attract desirable investments.

The Town is currently fairly well-equipped to handle basic development inquiries. However, the Town is clearly not well-equipped to consistently meet the "Gold Standard" of acceptable response times. The following table shows how the Gold Standard has changed over the last ten years.

Table 1: Evolution of Economic Development Services

Year	The Gold Standard Response Time	The Gold Standard of Economic Development Service
1996	48 hours	At the end of the call with the investment prospect the EDO says: “To help you better understand our community and the opportunities we have for you, I will put together a package that contains our Community Profile, Available Properties Guide and Lure Brochure. I will use Post-It Notes to highlight the pages that will be of most interest so you can quickly find the relevant information. I will courier that out to you tomorrow and you should have it in 48 hours.”
2001	Same day	At the end of the call with the investment prospect the EDO says “To help you better understand our community and the opportunities we have for you, I will send you an email before the end of the day that has several attachments including key excerpts from our Community Profile as well as hyperlinks to online listings of available property that closely meets your criteria.”
2006	While on the phone	<u>During</u> the call with the investment prospect, the EDO says “Do you have access to the Internet right now?” [YES] “Great, why don’t we go online and I’ll take you through our website so that you can download the relevant files. We’ll also go through our available properties directory and look at maps, photos and details of available properties which meet the criteria you’ve described to me.”

Source: Blais & Associates Economic Development Consulting (2006)

Marathon has an opportunity to utilize the latest technology to provide top-notch client service. If the Town’s competitors are, then without it, it will be that much more difficult for Marathon to be successful. If the Town’s competitors are not, then Marathon has a leg up in the first 10 minutes of the selling process.

3.2 Where Does Lead Generation and Prospecting Fit In?

Meeting the “Gold Standard” is great, but if the phone is ringing only once a month, then the Town is not effectively leveraging its investment in technology. Without a proactive effort of lead generation and prospecting this is exactly what will happen – the Town will be waiting for people to call rather than generating interest in the product (the Town) so that people will call.

The selection of target industry sectors that follows in this report is an important component of being able to promote/sell effectively. Once there is an understanding and consensus on where Marathon has the best chances of being successful, human and financial resources can be focused.

“Selling” is an important part of any economic development professional’s skill set. It should become an integral part of weekly activities. With target sector selected, the Town can become much more confident in being proactive to reach out to potential investors and “influencers”.

Influencers are individuals who look at a broad range of communities to help business investors stay anonymous, collect the most relevant data and conduct the proper analysis. It is rare for all, but the smallest companies, to conduct their search without the use of these professionals because most firms are not in the process of expansion/consolidation/relocation very often and do not have the necessary skills in their existing management team. Site selection is an intensive and also usually very lengthy process which means key management staff cannot afford to have their time eaten up by such a sub-project. Examples of influencers include:

- Investment consultants working for the provincial government in Ministries such as Economic Development & Trade, Northern Development & Mines and Agriculture, Food and Rural Affairs;
- Investment consultants working for the federal government in Departments such as Investment Partnerships Canada, Industry Canada and FEDNOR;
- Industry-specific lenders, venture capitalists, consulting firms and analysts;
- Real estate agents who specialize in industrial and commercial property (e.g. J.J. Barnicke, Cushman & Wakefield LePage, Colliers International); and
- Site selection consultants who work for independent firms (e.g. The Austin Company, KPMG, Wadley-Donovan Group) or “Corporate Services” divisions of real estate agencies as mentioned above.

It is very important for Marathon to put these people into their promotion and sales efforts. More specific recommendations are part of the Attraction Strategy that follows in Section 8.

3.3 Role of Other Business Organizations

Critical to identifying appropriate strategic objectives and marketing directions is gaining an understanding of how ready the municipality is to deliver an economic development program. However, it is also clearly recognized that municipalities, regardless of size, need to look to supporting business organizations and its municipal neighbours to fully capitalize on mutually beneficial opportunities. This situation is exacerbated when looking at a municipality with a population of 4,500 and an annual tax levy of ~\$5,000,000.

The following table describes the activities by economic development and business development groups who are currently active in Marathon:

- Town of Marathon
- Marathon Family Practice & Wilson Memorial Hospital
- Superior North Community Futures Development Corporation (CFDC)
- Ontario Ministry of Northern Development and Mines (OMNDM); and
- Marathon and District Chamber of Commerce

**Table 2:
Summary of Economic Development Service Providers Impacting Marathon**

Example of Economic Development Initiative	Organization Involved	Extent of Current Role	
		Largely Lead Role	Largely Support Role
Research & Supporting Data Collection	Town of Marathon Ministry of Northern Development & Mines	**	**
Private Sector Investment Retention and Expansion	Town of Marathon Superior North CFDC Marathon & District Chamber of Commerce OMNDM	** **	** **
Private Sector Investment Promotion	Town of Marathon OMNDM	**	**
Medical Services Investment Promotion	Marathon Family Practice/Wilson Mem. Hosp. Ontario Ministry of Health & Long-Term Care Town of Marathon	**	** **
Infrastructure Investment	Town of Marathon Provincial/Federal Government	**	**
Small Business Assistance	Superior North CFDC (FEDNOR) Marathon & District Chamber of Commerce Town of Marathon	**	** **

Source: Blais & Associates Economic Development Consulting (2006)

The following conclusions can be made from this chart:

- The Town of Marathon is intimately involved in all aspects of economic development, either as a leader or supporter of a number of initiatives. Projects it has recently led include the Business Retention & Expansion Survey and Wind Energy Attraction Initiative. One way in which it plays an important supporting role is in driving small business prospects to the Superior North CFDC.
- There are few services that are not being represented.
- Provincial and federal bodies such as OMNDM and Industry Canada/FEDNOR are available to support the community's economic development efforts. They do this through providing expertise on community adjustment and specific industry sectors as well as funding programs such as GO North and Northern Ontario Heritage Fund.
- Marathon Family Practice and Wilson Memorial Hospital play a lead role in physician recruitment and medical services.

3.4 Town Promotional Tool Inventory & Research Data

The following table summarizes the Town of Marathon’s current inventory of marketing materials.

Table 3: Marathon’s Current Inventory of Marketing Material

Collateral	Technical Specifications	Primary Message	Comments
Brochure	Full colour, 9” X 24”, 6 panel, 2/3 images including map and 1/3 copy	Introduction to the Town, lots of recreation, short business message	Contact information is current, includes website address
Community Profile	Word document, 44 pages in length	Mostly business oriented. Socio-economic data, economic activity, growth forecasts, etc.	Tables and graphs are well displayed, print on-demand philosophy, some data could be updated using latest statistics
DVD	Full size DVD with full-size case, full colour cover, ~6 minutes in length, photography and video, audio voice over, cameos by community and business leaders	“A Unique Paradise” focuses on business advantages without an identification of specific opportunities	Contact information is current, no link to website, medium quality video shot only during the winter season
Flyer	Full colour 8.5” X 11” two-sided, balance of text and images	Four themes: history, business and commerce, quality of life and tourism/recreation	Contact information is current, includes website address
Website	Town site that covers all departments and services	Focuses on messages to citizens and overview of Town services. Economic development is highlight through an independent section as well as many references throughout.	As the Town’s main ‘first impression’ the site is in need of many improvements, links do not work (e.g. GIS), outdated references (e.g. ‘proposed’ 2004 projects), lack of recent information (e.g. last Council minutes are from 2005). Content management is difficult with ‘first generation’ site.

Throughout all of the pieces there is a consistent use of the Town’s logo as well as the proper use of contact information and identification of the website on printed pieces.

Unfortunately there has been inconsistent use of key phrasing (slogan). For example, the DVD is entitled “A Unique Paradise” and the website has “A great place to Live, Work & Play”, none of which themselves portray anything unique about Marathon. The current slogan “Built on Paper ... Laced With Gold” does portray a uniqueness about Marathon, but does not convey any business benefit. As a result, the current slogan does not meet the needs of Marathon’s current marketing program. A recommendation on a new positioning statement is made in Section 7.

The Town currently does a nice job of balancing the business vs. quality of life messaging that goes into each of its marketing materials. This is important because although quality of life is an important decision-making factor for some sectors of business (e.g. physicians), it is not a very important factor for other sectors.

It is true that business decision-makers do examine quality of life issues in making a choice of location, but it is normally very far down the list. Each business sector has different priorities, but these are more important than quality of life:

- availability of skilled labour force;
- access to transportation and utility networks;
- nearness to customers/suppliers;
- taxation;
- cost of development (land/construction);
- enthusiasm of local officials; and
- trade market area (this is the primary one for retail businesses).

In fact, the availability of a skilled labour force is a requirement that tops the list for nearly every service and manufacturing business. For this and other reasons the report recommends a focus on this characteristics in the Town's investment positioning.

Understanding the Site Selection Process

Before making recommendations on what promotional/research pieces are missing from the Town's inventory, in Section 8, it is critical to first understand the mindset of the prospective investor.

- Step 1 – Elimination – Unless it's a very specialized business, the investor and/or its agent has many locations to choose from. As such, they will begin to narrow the choices by looking for reasons not to select a location. There are dozens of reasons to exclude a location, but common reasons include: information not being available or very difficult to find and pre-determined personal perceptions regarding the community. An Economic Development Office (EDO) is rarely involved at this point, but its resources and networks are often being used (e.g. website, real estate broker, site selection consultant).
- Step 2 – Research on Long List – The investor and/or its agent will then research a long list of locations that appear to meet very basic criteria. Questions to be answered at this point get more specific to the business-type, but often are related to: availability of appropriate property, nearness to customers/suppliers and highways/railways/airports, and quality/specialties of universities and colleges in the area. An EDO is often involved at this point, but its resources and networks are almost always involved (e.g. website, real estate broker, site selection consultant).
- Step 3 – Detailed Research on Short List – The investor and/or its agent will look to answer detailed questions about the community. An EDO and its network are almost always involved at this point. Questions become very business specific and may include topics such as: capacity of water and waste water systems, zoning by-law specifications, availability of specific labour skill sets, availability of suppliers for specific work (e.g. specialized fabricating), future improvements to the transportation network and property tax rates.

- Step 4 – Field Work on Short List – The investor and its agent (note that this may be the first time the investor is introduced and sometimes will require anonymity) will visit the communities that are still meeting the qualifications. The purpose is to verify information that has been gathered, tour development sites and meet government/education/business representatives.

Graphically, this process appears as a funnel. Lots of inquiries at the top, some of whom turn into leads and of the leads only a few turn into qualified prospects. Even fewer prospects turn into investments.

In terms of servicing the sales funnel, the Town first needs to resource a research function so that as many inquiries are turning into leads. Effectively, this means that information must be immediately available through its website, primarily.

To be effective, this research can not be done in isolation. There are many points of contact and Marathon needs to be seen in the eyes of the development and site selection community as a premiere location.

As leads become prospects become investments, the focus is on client-specific requests for information. At this point, it is very difficult to gauge the types of questions which will be asked so it is more important for the EDO to have a responsive network of resource people to answer questions than to try and have all of the information pre-collected and on-hand.

4.0 Current Situation: Trends & Issues

4.1 Strengths/Weaknesses and Competitive (Dis)Advantages

The focus group and the personal interviews were excellent means to collect information on the strengths and weaknesses of Marathon’s economic and community development needs.

**Table 4:
 Outline of Strengths and Weaknesses**

Strengths	Weaknesses
<ul style="list-style-type: none"> • right off Highway 17 and at the same time, not on it • safe community and great for raising children • Lake Superior – provides lots of opportunities for tourism, recreation, industrial, cottage lots • recreation – Town provides broad range of services at competitive rates and there’s a popular interest amongst citizens to stay active • transportation – close to transportation avenues (lake, airport, road, rail) • health services – one of the best family medical practices in Ontario, upgraded hospital, many family physicians, Town offers a model for community health teams, specialists visit many days during the week • affordable cost of living vs. larger centres • the largest town on the north shore – an automatic place for people to look • proven wind resources • many government funds available to leverage local funding • not in a debt situation as a town • not a “one resource town” ... pulp mill and gold mine provide some diversity • quality of education – when graduates leave high school they can compete ... clear pathways for all students no matter what their destination is which allow students to upgrade • college campus in Town • High speed telecommunications throughout community • High per capita incomes 	<ul style="list-style-type: none"> • overriding attitude of negativity ... there is resistance to change and no common vision ... not enough “champions” has resulted in volunteer burnout • aging utility and road infrastructure • reliance on two industries and uncertainty surrounding them – forestry is always on the edge and although mining prospects are good there is no certainty for long-term development • lack of medical facilities for aging population • geographically isolated and distance from markets • recreational facilities need significant reinvestment ... they are 30 years old • ability to attract traffic from the highway (may as well be 100 miles off) • lack of land available for development – Town is bounded by water and Crown Land • out migration of educated/skilled youth – not coming back after post-secondary school • landfill location • businesses are not working together on the hospitality sector to attract visitors • Mixed planning uses everywhere which has made it difficult to coordinate development and given Town a ‘poor’ look • Lack of proper servicing in industrial park • Small population base

With the assistance of the focus group participants and interviewees, all strengths and weaknesses were prioritized and identified for their uniqueness to Marathon. This uniqueness is important in identifying competitive advantages and disadvantages are different than strengths and weaknesses.

- Strengths and weaknesses may be common to Marathon as well as several of its competitors.
- Competitive advantages and disadvantages will differentiate Marathon from its competitors.

Understanding the competitive advantages is fundamental to creating Marathon's positioning statement – who the community is and what it has the best chance of becoming. The community has a far better chance of being successful if it targets activities on economic opportunities that need its competitive advantages but is not concerned about the existing competitive disadvantages. These form the very basis for a practical and effective strategy

Assessing the best opportunities requires an honest assessment of the strengths and weaknesses of the jurisdiction. Where weaknesses can be improved then well and good; where not, this must be accepted and those sectors that would find this to be a disadvantage removed from the focus.

Where there are clear advantages, the majority of the effort and resources are so focused since the probability of success is greater. Where the advantages are not so clear, a more alert, rather than active, approach is recommended, ready to expend greater effort should the opportunity arise.

Within the discussion on each selected target sector, the report will outline competitive advantages that can be capitalized upon and competitive disadvantages that must be improved in order to improve Marathon's likelihood of success.

5.0 Investment Attraction Sector Selection

The selection of investment attraction sectors is based on the philosophy that a key to overall economic growth is increasing the total wealth within a community. There are two main ways to do this:

- Export Development – any initiative that brings new money into the community:
 - starting or attracting a new business that sells products outside the community;
 - attracting visitors who then buy local products and services; and
 - encouraging existing businesses to sell their products and services outside of the community.
- Import Substitution – any initiative that keeps money in the community:
 - encourage people and businesses to buy their goods and services locally rather than importing them from another community; and
 - starting or attracting new businesses that recognize the leakage and provide a product or service to stop it.

Based on the analysis of Marathon's economy and trends in the macro-economy, the four recommended sectors for investment attraction, in priority order, are:

- Health Care Services;
- Bioproducts;
- Mining and Dimension Stone; and
- Residential Investment.

The first three sectors focus on the community's current core strengths, albeit the health care services sector is not a traditionalist's view of how Marathon can grow. However, through the remainder of this report, it will be shown that the health care sector is a critical component to the economic diversity and survival of the community.

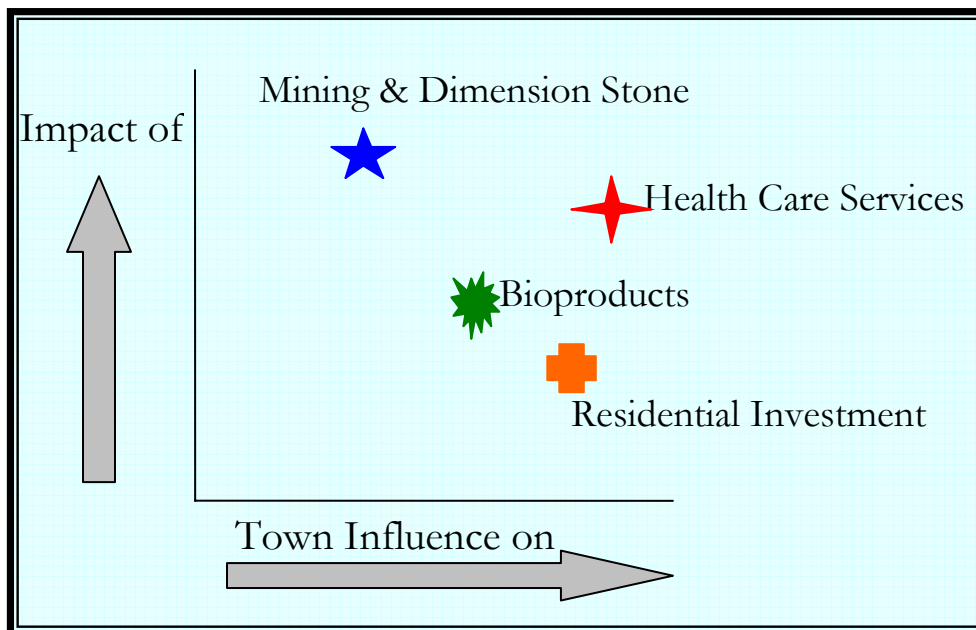
Mining and Dimension Stone is an area where Marathon should continue to examine possibilities for value added and support the efforts of existing mining and exploration efforts.

The Bioproducts sector is most likely to be the future of the wood products industry in Marathon. There is a continuous and obvious strain on the current mill and its future is again in question. Making the most of the ubiquitous forestry resources that surround Marathon is possible but must be carried forth in a different way.

At first glance, the selection of Residential Investment may not appear to fit in with the export development philosophy. However, not only will attracting new people to the community, especially active retirees, bring in wealth that was generated in other areas (and continue to bring it in through RRSP investments, Canada Pension Plan, etc.) it fits with larger demographic trends of an aging society (i.e. there is a demand) and helps to further diversify the economy.

The priority of these objectives was determined by charting them on a graph with two criteria: the economic impact of successfully developing the sector and the influence that the Town can have on the development of the sector.

**Figure 1:
 Relative Long-Term “Impact of” and “Town Influence on”
 Investment Attraction Sectors**



This figure shows:

- Health Care Services is ranked first because not only can the Town have significant influence in supporting the initiative, but it will result in very significant economic impact.
- Bioproducts is ranked second because the potential impact is less than the above and the Town’s ability to influence is only marginal.
- Mining and Dimension Stone is ranked third because the impact of future activity in this sector is extremely high, but the very nature of development in this sector is secretive and dependent on factors out of the Town’s control.
- Residential Investment is ranked fourth because the return on investment is the lowest. Success will require considerable amounts of time and money and the economic impact of these developments will be less than successfully accomplishing any of the above three.

5.1 Health Care Services

5.1.1 Sector Overview

“Marathon has gone from medical rags to riches in just over a year. Once chronically underserved by physician services, Marathon went from a single overworked doctor to a group practice of 7 physicians².” Since that 1998 reference to Marathon’s success, the situation has become even better.

Not only has the community been able to attract a core group of physicians who have established roots in Marathon, but in the last couple of years there has been an \$8 million renovation of Wilson Memorial General Hospital and a recent influential report has called for the province to designate the hospital as a District Hospital and greatly increase the number of delivered services³

If there is consensus around one advantage amongst all interviewees and focus group participants it is that Marathon has unmatched health care services for a community of its size. There is no question that this is the case versus other communities in Northern Ontario and perhaps even when looked at province-wide as a high-priced battle to recruit family physicians is waged by municipalities across the province.

A critical threat that needs to be addressed in any strategy regarding this sector is the need to continuously challenge health care professionals so that they want to remain in Marathon. The main reasons they are coming to Marathon are for professional/lifestyle flexibility and, as life-long learners, they want to also expand their knowledge and capabilities.

It takes a non-traditional way of thinking to support this sector as one of the keys to Marathon’s future success. This is especially true in a community where the historical income and sense of accomplishment has come from handling commodities such wood and minerals.

**“Marathon has gone from medical
rags to riches...”**

However, the health services sector in Marathon is, without question, a source of pride. It is a crisis from a decade ago that has been successfully averted and something that touches the life of everyone in the community. As such, it has, and can continue to be, a rallying point for future growth. Marathon needs to continue the development of this sector. There are ways in which the Town’s Economic Development Office can add value to the cause.

² Michael O’Reilly (1998). “A Marathon session: A town’s MDs develop a philosophy to call their own”, *Canadian Medical Association Journal*, June 2. pp 1156-1517.

³ Tom Closson (2005). *Integrated Service Plan for Northwestern Ontario*.

Although there is no quantitative evidence to support the following claim, it would be natural to build a link between the success of Marathon's health care sector and the level of health care coverage provided by the Town's largest employers. The mill and mine employ a large percentage of the population and offer employees, and their families, excellent access to extended health care services including dentistry, optometry, massage therapy, physiotherapy, chiroprody and chiropractic therapy.

Associated to this, most people also considered the wide variety of recreational amenities to be one of the Town's strongest advantages. This includes Town facilities such as the golf course, indoor pool, arena and cross-country ski trails; private facilities such as the curling club and the vastness of the great outdoors that is supplemented by nearby National and Provincial Parks.

In a recent presentation to Marathon Town Council, Dr. Sarah Newbery quantified many of the benefits of the health care services sector on the community.

- A rural family doctor creates a minimum of \$365,000 per year in economic spin offs which means Marathon's nine family physicians are, conservatively, creating \$2.5 to \$3 million in economic spin off per year.
- The clinic creates 22 full-time jobs and the hospital has approximately 85 full and part-time staff.

Not only is this sector already a major employer in the community, it does its part to minimize the leakage of dollars outside of the community. In short, the more health care services that are provided in Marathon, the less reason Marathoners have to go to major centres like Thunder Bay, which inevitably leads to other spending. More services also means more reasons for residents of surrounding communities to visit Marathon for one or more days, which inevitably leads to spending on dining, groceries, personal services, clothing, accommodations, etc.

Interestingly, as it relates to this project, Dr. Newbery also drew the connection between industry attraction and the availability of health care services. In a summary of research done on rural health care services researchers from the Southern Rural Development Centre at Mississippi State University, researchers found that industries take health care considerations into account when making investment decisions.⁴

- Industry is looking for a very productive labour force. A productive labour force must be healthy. Thus, investments in health care are expected to yield dividends in the form of increased labour productivity. Studies suggest that health care can play an important role in labour productivity.
- A quality health care sector can be very important in helping communities attract and retain job-creating businesses and industries. Employees and participating management may offer strong resistance if they are asked to move into a community with substandard services.

This connection to health care and industry attraction forms a key part of the community's vision as outlined in Section 7.

⁴ Gerald Doeksen, Tom Johnson and Chuck Willoughby (1997). *Measuring Economic Impact Importance of the Health Care Sector on a Local Economy: A Brief Literature Review and Procedures to Measure Local Impacts*. Southern Rural Development Centre, Mississippi State University.

5.1.2 Competitive Advantages & Disadvantages

**Table 5:
 Health Care Services: Competitive Advantages & Disadvantages**

Competitive Advantages	Competitive Disadvantages
<ul style="list-style-type: none"> • Motivated partner agencies with modern facilities: Wilson Memorial General Hospital and Marathon Family Practice • tremendous internal support within the community for the strengthening of these services • “health conscious perspective” is very strong amongst a prevailing section of the community • there has been an acceptance of telemedicine techniques – isolation means that residents are exposed more frequently to the benefits of Internet technology • the town is a regional centre which means it is naturally the location for visiting specialists and other health care providers to deliver part-time services • there are many government funds available to leverage local funding • most employers provide significant medical health plans that allow easy access to extended health care services • Marathon is geographically suited for health care because it serves a number of isolated communities that are within one hour and is too far from Thunder Bay and Sault Ste. Marie for people to travel for certain other procedures 	<ul style="list-style-type: none"> • health concerns – there is a over-representation of certain health conditions such as substance abuse, smoking, diabetes, hypertension and cardiac disease • most new programs require matching funding from community partners – difficult in a town of less than 5,000 people • out migration of educated/skilled youth means that future employees must almost always be recruited

5.1.3 Investment Opportunities

New Health Care Services – District Hospital Designation

- The designation as a District Hospital would mean that a facility would provide up to 15 more acute care beds, advanced diagnostic technologies (e.g., CT scanners), emergency care, general inpatient medicine, specialty outpatient medicine services, some inpatient general surgery, selected subspecialty surgery by visiting surgeons, low risk birthing by general practitioners, visiting pediatricians and visiting psychiatrists. The Closson Report suggests that hospitals in Kenora, Dryden, Sioux Lookout, Fort Frances and Marathon should be designated as District Hospitals. This would require an estimated \$5 million capital investment in local facilities along with an unidentified annual operating cost increase due to jobs and overhead.⁵

⁵ Tom Closson (2005). *Integrated Service Plan for Northwestern Ontario*.

New Medical Care Services – Assisted Living

- There's no assisted living services which places a burden on the hospital which currently keeps chronic care patients
- There is no residential care facility despite an aging population

Research

- The Northern Ontario School of Medicine (NOSM) is Marathon's link to health care research on rural community practices and potential connections between health care research and bioproducts. Marathon needs to have representation on the NOSM's Board of Directors and determine where it may play a strong role. See www.normed.ca/events_publications/media_room/Nov15_2005/background_en.htm for more information.
- Marathon can host small research start-up firms because the hospital is an officially designated research site. "Virtual" is the future of surgery – what are the advancements that Marathon can capitalize upon? Again, NOSM is a direct connection to these opportunities.

Preventative Medicine

- Become a leader in preventative medical practices for rural and Northern communities. This is a growing aspect of the Government of Ontario's health care strategy and Marathon's family team is growing into interdisciplinary practices such as dietician, Registered Nurses, etc.

Teaching

- Capitalize on teaching opportunities that come with having new facilities.

5.2 Bioproducts

5.2.1 Sector Overview

The term bioproducts is used to describe a commercial or industrial product (other than food and feed) that is generated from biomass. These products include biopower (heat and electricity), biofuels (ethanol and biodiesel), industrial biochemicals and a broad range of other bioproducts like agri-fibre panels, textiles made from flax and hemp, and bio-plastics made from corn starch.

Many of these bio-based products are substitutes for similar products derived from non-renewable petrochemical feedstock which are known to cause significant health and environmental damage.

Like the petroleum industry, which produces a wide array of byproducts with value greater than gas or oil, biomass may serve as a source of value-added chemicals and polymers that far exceeds the base value of energy. The forest resource provides a diversity of product options using the plant resource. Forest-based companies and communities are being encouraged to explore value-added opportunities with wood, biomass and non-timber forest products to help stimulate local economies. Biomass-based products are particularly intriguing. Products derived from biomass are known as bio-products. Bioproducts are classified into 3 broad types, fuels/energy, specialty

chemicals and biomaterials or polymers. Figure 3 depicts the types of products that can be derived from forest biomass.

Canada has abundant biomass resources. For instance, just the residues from Canada's annual agricultural and forestry harvests are equivalent to 27 percent of our annual use of fossil fuels. Canada is also home to bio-energy companies, research on industrial bioproducts and bio-energy, to highly efficient resource-processing industries and to one of the most supportive regimes in the world for research and development. Awareness of industrial bioproducts opportunities is growing rapidly in Canada, driven by a growing community of interest that spans industry, the research community, different levels of government and non-government organizations interested in sustainable development. Given the strong science base for industrial bioproducts and bioenergy in Canada, the trend to increasing utilization of renewable resources is expected to accelerate in Canada over the coming decades. This will influence and redefine existing industry sectors and create new opportunities for more sustainable economic growth and development.

Much of the investments are early stage, research and product development in nature and linked to academic/research organizations.

Key success attributes include regional outreach, region-to-region linkages, business/research relationships, local early stage adopters/champions. The best opportunities are those that position bioproducts initiative for downstream benefits including testing, raw material inputs, mass productions and processing.

The following is a recent example of investment in bio-fuels that can be inspiration for Marathon. Ensyn Technologies Inc. is a private company with a commercial focus on Biomass Refining, producing natural chemicals and renewable energy from carbon-based Agricultural and Forest residues (including waste from a neighbouring furniture manufacturer), using its proprietary RTP™ technology. Ensyn is a strong model to follow: home-grown, export-oriented, close to raw material supply, cost competitive, global industry leader.

Regional Participation Required

In order to adequately determine the possibilities in this sector and capitalize on them, it will be much more effective for Marathon to become a small part of a larger opportunity than to create one on its own.

There are many regional activities that are underway. Marathon is encouraged to understand the prospects for themselves and get involved. For example:

- MNDM is investigating the use of the Northern Ontario Heritage Fund to develop a strategy document on where they want to go with respect to bioproducts.
- The Northern Ontario Commercialization Network in Sault Ste. Marie is a new organization that, for one, has identified biofuel refining as a strong prospect.
- There is a Pan-Northern Economic Development Group in the formative stages of identifying investment attraction sectors.

In the case of Marathon, it would be best if the Town “spotted” one or two niche opportunities and ran with them, creating its own links to other research institutes nearby - in bordering states, for

instance. The Province has sponsored a Bioproducts network to serve as a special body looking at specific opportunities. Critical to spotting a niche is the presence of a local champion – someone or company that has a particular interest in bioproducts who can work with the local EDO.

Marathon should give strong consideration towards how the bioproducts industry overlaps with the future of the health care services industry. There is a growing movement towards the use of nutraceuticals. In Canada alone there are up to 800 species of plants that have the potential to be commercialized for medicinal use, from ground hemlock to birch bark to fiddleheads.

Pulp Mill and Value Added

It would be short-sighted to complete this section without making reference to the opportunities of value-added wood products. This has been investigated over and over by Town and industry officials and there does not seem to be a positive answer.

In order for the mill, which is very small by modern standards, to increase value-added production into products like tissue or paper there would have to be a huge investment in building and capital. That may still not be enough as Marathon is too far from the major markets to compete against plants that are already located in those markets.

What if the mill were to close up tomorrow? Would this be a blow to the community? Yes, without question. Does it open up opportunities for a new technology such as has been highlighted above? Potentially, and the EDO needs to understand the competitive advantage that may exist. Possibilities include reuse as a biofuel refinery which may make use of underutilized species. These could be obtained from subpermitting of the mill’s existing forestry license.

5.2.2 Competitive Advantages & Disadvantages

**Table 6:
 Bioproducts: Competitive Advantages & Disadvantages**

Competitive Advantages	Competitive Disadvantages
<ul style="list-style-type: none"> • Huge volumes of biomass located within the region and some is already being shipped to Marathon for use in pulp mill • A priority focus for Provincial Government through MNDM and MEDT • Active regional organizations with strong funding support (e.g. Northwest Forestry Council, Northern Ontario Commercialization Network) • Fits with the Town’s positioning as a “Healthy Community” 	<ul style="list-style-type: none"> • Lack of experienced and skilled labour force in the community • For the most part, linkages to the regional organization do not exist • There is no local ‘champion’ company or researcher that is immediately evident

5.2.3 Investment Opportunities

At this point specific investment opportunities are not defined as they are in the health care services sector above. In this sector's case, the object is not foreign direct investment so often the issues around competitiveness are not as onerous.

The first task is to assess the over all efforts being made in the region, where Marathon may have an advantage and working with local interests to cut out a niche while participating in the regional/provincial efforts. As was suggested earlier, a local champion, properly supported by others in the community, will be key to finding a opportunity. It is also important, in this early stage, to express the community's desire and interest in playing a role in the broader efforts.

5.3 Mining & Dimension Stone

5.3.1 Sector Overview

The discussion on this industry focuses on two different areas:

1. Existing mining and potential for suppliers and value-added from existing operations; and
2. Potential to establish a Dimension Stone industry.

Mining

Currently, commodity prices are so high that the Hemlo operations are doing very well. According to many in the community, there is likely to be increased activity at the Hemlo mines so that their life is extended beyond 2011. The mode in Marathon is currently very bright, but the sector is very vulnerable to negative shifts in the macro-economy.

As for the Town's ability to influence this sector, it is very limited. The world markets are the biggest determining factor. The Town needs to be available to company representatives to ensure smooth transitions to an even larger operation or, in the negative sense, to minimize negative impacts of any future downturn. Beyond that there is little that can be done.

When it comes down to it, mining is pretty simple business. If there is a commodity and it can be extracted for profit, it will be extracted. If there is mining activity in the area, there will be supplier opportunities. Again, the Town has little control over the situation.

Having said that, an expansion or extension of the life of the Hemlo Mines or the development of a new mine will have an economic impact on Marathon like nothing else can. The potential for growth is there so the Town should foster positive relationships wherever it can.

When it comes to exploration activities, the Town should take a receptive approach to encouraging this transient business. Again, in the secretive world of finding minerals, the EDO has little advanced warning of visits by exploration teams. The Town currently sends letters to those they are aware of and invites them to Marathon – this is a positive step.

Dimension Stone

There is plenty of frustration across Northwestern Ontario when it comes to the dimension stone industry. For more than 40 years, geologists have been touting the abundant and accessible supply of high quality granite and marble (the highest quality stone is found in the Ignace-Dryden-Kenora area)⁶. There are currently a few quarries but there is no value-added processing to speak of. The raw stone is shipped overseas for finishing and then sold across North America. This is despite many efforts including one by Kenora who developed *Investor Information Package for a Granite Finishing Plant in the Kenora Area* in 1997 and are still looking for an investor. See http://www.kenora.ca/portal/uploadedFiles/Business/Tools_And_Guides/Downloads/granite-manual.pdf#search=%22Kenora%20Ignace%20Rainy%20Water%20dimensional%20stone%22 for the full report.

Why is nothing happening?

Despite the fact that consumption is going up, prices for finished goods and raw materials has been going down. As such, there is not a lot of growth opportunity for domestic suppliers. Exacerbating this is the fact that most domestic suppliers are owner/operated companies without tremendous sources of capital.

The dimension stone industry is truly a global enterprise. Different types of dimension stone are quarried in many countries of the world and are marketed globally in rough, semi-processed or finished forms. In 2003, an estimated 81,500,000 tonnes of stone were produced worldwide. The top five producing countries were China, India, Italy, Iran and Spain. Canada contributed less than 1% of the global total stone production⁷. Some countries are known for particular stone types (e.g., marble from Italy; granite from Canada, Brazil and India; and limestone from the U.S.).

The U.S. market for dimension stone, currently at \$12 billion annually, is growing about eight percent a year and despite competition from so-called engineered stone products will continue that pace in the foreseeable future⁸.

That prospect was of particular interest to Brazil, since the country leads in exports of granite to the U.S. In 2004, Brazil supplied 596,079 metric tons of granite to the U.S., followed by India, Italy and China in that order. Brazil's total accounted for 33.7 percent of exports of granite to the U.S.

China is increasing its sales to U.S. yearly at double digit figures and taking over the monument business (as are major producers of Indian granites), and branching into the commercial market such

⁶ Bibliography supplied by the Northwestern Ontario Development Network. Amongst the research are these two documents: R.C. Beard (1996). *A Plan for the Development of an Expanded Granite Dimension Stone Industry in Northwestern Ontario* and C.C. Storey (1986). "Building and Ornamental Stone Inventory in the Districts of Kenora and Rainy River" *Ontario Geological Survey, Mineral Deposits Circular 27*.

⁷ Natural Resources Canada. www.nrcan.gc.ca

⁸ Gary Distelhorst (2006), Executive Director, Marble Institute of America in an address to the Vitoria 2006 Stone Fair, Brazil.

as hotels and restaurants, and now some into office buildings. They are especially strong in granite flooring and the Chinese market is looking to compete on all levels of production with any foreign producers to increase their percentage of this large market. It appears that in granite mostly China and India are competing heavily against each other to take orders at the lowest prices ever seen in this market, and prices have dropped by as much as 50% on Indian granites in the last decade. To give an example, 10 years ago Absolute Black granite tiles cost \$5.00 per square foot and today the price is \$2.50/SF for the same quality.

The issues around competitiveness are impacted upon by competition from larger, foreign operations (China, India, Brazil being dominant players globally and in the U.S. market). The feasibility of becoming competitive is something that senior levels of government are much better positioned to impact than the Town (incentives, tax policy, training, capital costs). There would have to be a broader push to Queen's Park and Ottawa to put together analysis and recommendations on attracting foreign direct investment into the sector. At the end of the day this has to become a priority for the provincial and federal government.

Being mature in nature, the dimension stone industry has a number of major organizations supporting it (trade shows, associations, etc), particularly outside of Canada. There is sector expertise in the Government (Natural Resources Canada, MNDM). As above, linking to the global players and government officials would be critical as part of the investment readiness activity and outreach.

5.3.2 Competitive Advantages & Disadvantages

**Table 7:
 Mining & Dimension Stone:
 Competitive Advantages & Disadvantages**

Competitive Advantages	Competitive Disadvantages
<ul style="list-style-type: none"> • One of the best gold resources in Canada • Geological studies show deposits of many other valuable minerals including the prospect of diamonds • A skilled and knowledgeable workforce • An established infrastructure of equipment suppliers, human resources training and other specialized services • Positive support within the community for this industry 	<ul style="list-style-type: none"> • Higher production costs for dimension stone than in offshore markets

5.3.3 Investment Opportunities

- Gold and other minerals/metals – Expansion of Hemlo operations, find of new economical mineral deposit
- Dimension Stone – very limited opportunities, Canada is a small player in global markets, quality of stone is not high relative to other regions, requires foreign investment

5.4 Residential Development

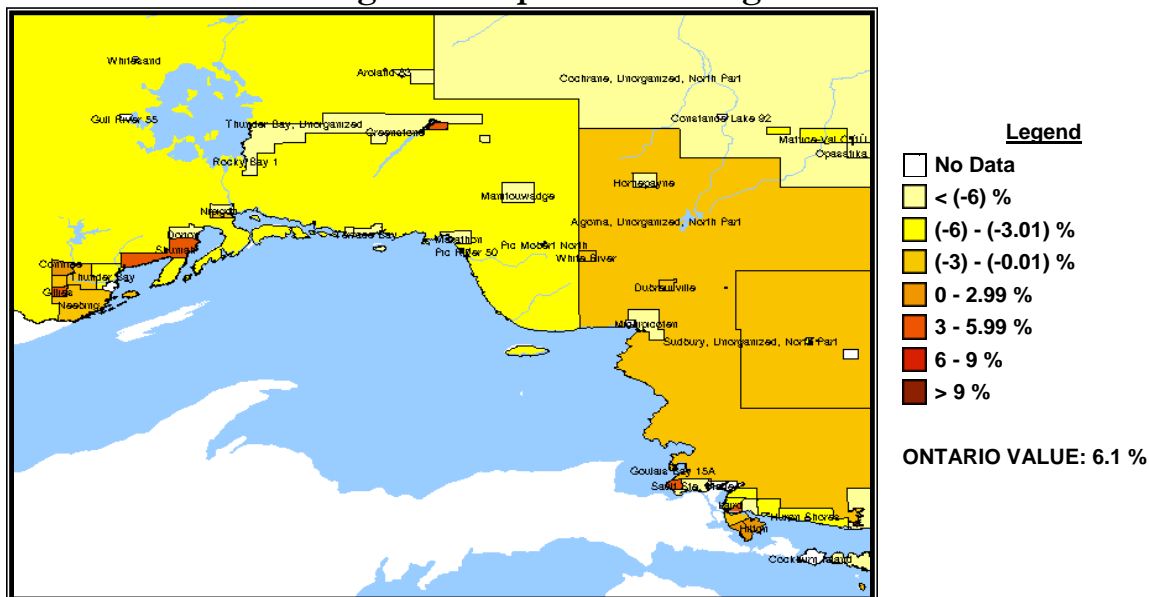
5.4.1 Sector Overview

Marathon is currently in an enviable position when it comes to other northern communities of its size – its economy is relatively well-diversified. For the last 20 years, Marathon has not been the single resource town that distinguishes almost all Northern Ontario communities. The town is not surviving on just the forestry industry and not just the mining industry – it is surviving on both.

As such, it has avoided the ‘busts’ that are also a characteristic of single industry towns. It is either after or during ‘the bust’ when some Ontario communities over the last decade have turned to residential attraction in order to save the community. Elliot Lake and Manitowadge are examples of this approach to economic development.

As is shown in Figure 2 below, Marathon experienced a greater than 6% decrease in population decrease between Census Years 1996 and 2001. It is evident from the figure that decreases were pervasive amongst municipalities in Central Northern Ontario.

Figure 2: Population Change 1996-2001



Source: Ontario Ministry of Agriculture, Food & Rural Affairs REDDI based on Statistics Canada data.

Data recently gathered for the 2006 Census is not currently available but estimates indicate that the population decline has not reversed itself. The sheer fact that a new housing unit has not been built in 15 years indicates population is definitely not on the increase.

Marathon should be concerned about the lack of population growth over the last 10 years.

- Employers wonder about their ability to find qualified staff;
- Retailers worry about their ability to retain market share and provide a good selection of merchandise at competitive prices;
- Property owners are nervous about investing in their real estate and taking on an increased share of the municipality's taxation needs while seeing property values decrease; and
- Educators become concerned about providing strong curriculums for fewer children.

There is no one specific way to reverse this problem for any community, but with successful investment attraction from the first three sectors identified above, the population of Marathon should at least stay constant.

The single "easiest" way to actually build the population base is through a residential attraction strategy that is targeted at retirees. There is an ever growing demographic of retirees – the Baby Boom Generation making its way through life. There are more than 10 million boomers in Canada. No one can question the economic impact that this shift in demographics will have.⁹ This is an opportunity for Marathon.

The lifestyle that Marathon provides is not suitable to everyone, but there is a large, and growing, segment of 50-70 year old 'active retirees' who are looking for the quality of life available in the Town. Advantages of targeting this market include:

- It fits well with the "Healthy Community" strategy recommended in this report.
- These individuals have considerable disposable incomes from healthy pension plans, inheritances and home equity swollen by exploding property values in southern Ontario.
- Many active retirees want to be involved in the community and make strong commitments to social, civic and recreational clubs.
- Some continue to operate their own part-time home-based businesses, which increases their disposable incomes.
- They will be good stewards of the environment. The quiet wilderness setting is exactly what is desired after living for years in urban areas.

It is a solid principal to want to attract families and young people to Marathon. Families will continue to move to the area, however, there are just too many significant barriers to allow success on a large scale. Examples of these barriers include:

- Today's young families are usually double income and the prospect of finding two well-paying local jobs is low; and
- Commuting to larger centres from Marathon on a daily basis is not possible.

⁹ David Foot (2002). "Boomers Aren't Dead Yet", Vancouver Sun, May 3.

Such a priority is new for both the Town and its potential partners. In order to be successful, it will take a concerted effort by all parties and a dedication of significant financial resources. This will be outlined in Sections 8 and 9.

Efforts by economic development agencies to attract active retirees are becoming increasingly common across North America, but are still not a mainstream approach. The most popular reason for this is the unproven belief that being known as a retirement destination will signify to young people that all jobs are in the services sector and signify to business investors that there is a diminishing local pool of labour. However, an effective marketing strategy can position the community for both retirees and business investors.

There are many communities who have created an effective balance of these needs including:

- Morganton, North Carolina (www.ci.morganton.nc.us);
- State of Mississippi has created a Certified Retirement Cities program that now include 21 communities (www.visitmississippi.org/retire/retirementcities.htm);
- Wellington, Florida (www.wellingtonchamber.com);
- Minto, New Brunswick (www.village.minto.nb.ca); and
- Penticton (www.penticton.ca/eds/living/accommodation/relocation_for_retirement.htm).

Who is Moving?

In *Elderly Migration to Non-Metropolitan Areas: A Study of Elliot Lake, Ontario*, Paul Michael Robinson¹⁰ surveyed people who moved to the Elliot Lake and found the following characteristics:

- primarily young and married;
- well-educated; and
- came from other places in Ontario.

Robinson also determined that the factors that pushed the migrants from their previous homes include:

- the high cost of housing;
- negative feature of urban living; and
- the desire to reduce size of their housing.

Furthermore, Robinson determined that key features that “elderly migrants” are looking for are:

- environmental amenities;
- a small town atmosphere;
- recreational opportunities;
- social opportunities; and
- appropriate housing for seniors

10 Paul Michael Robinson (2000). *Elderly Migration to Non-Metropolitan Areas: A Study of Elliot Lake, Ontario*. Queen’s University.

The main differences between satisfied and dissatisfied respondents were that satisfied respondents were more active and participated in more recreational and social activities, they developed more new friendships, and they are more satisfied with the level of services in Elliot Lake.

It appears that what Marathon offers at a lifestyle level fits very well with the needs of these migrants.

How Can Marathon Be Successful?

In its current state, Marathon cannot become the next Elliot Lake or Manitowadge. One of the key drivers behind these successful initiatives is a large supply of available and inexpensively priced housing. Marathon may have inexpensive housing (compared to most standards), but not very much is available – at least not enough to build an investment attraction strategy around.

The biggest key to success is the community must establish a “cornerstone”, whether it be man-made or natural. If the community has a valuable “cornerstone”, the buyer will be willing to move regardless of other considerations.

In Elliot Lake and Manitowadge, the housing value became their cornerstone.

Marathon’s cornerstone is its image as a Healthy Community and more specifically its natural setting, availability of medical services and breadth of recreational services.

**Marathon’s cornerstone is its image as a Healthy Community.
However, to be successful it needs housing product.**

However, Marathon is still missing housing product. Availability is scarce. Without more products Marathon should not invest a lot of time and money into trying to attract residents. For the time being, Marathon’s investment attraction strategy will be targeted at the residential community developer, not the retiree.

5.4.2 Competitive Advantages & Disadvantages

**Table 8:
 Residential Development: Competitive Advantages & Disadvantages**

Competitive Advantages	Competitive Disadvantages
<ul style="list-style-type: none"> • An established cornerstone: image of a healthy community • One of the strongest health services sectors in rural Ontario • Lifestyle galore for those who enjoy the outdoors and are active • Town has large boundaries and there is plenty of surrounding land • Town is open to private sector partnerships • Municipal system has plenty of water and sewer capacity • Town owns pockets of vacant property • Crown Land could be made available through application to Ministry of Natural Resources 	<ul style="list-style-type: none"> • Housing prices are a detractor for private sector developers • Undiversified housing product: nothing new built in 15 years; suburban living in the wilderness • No transition possibilities to assisted living • Land is expensive to service with water and waste water • There is not a lot of rental property • Power of sales do not happen often

5.4.3 Investment Opportunities

- The opportunity exists for Marathon to use its cornerstone of a “Healthy Community” to appeal to a developer to construct a housing development on property owned by the Town. In order to create an environment that retirees want to be in, a developer would require 50-100 acres.

6.0 2007-2010 Investment Attraction Strategy: Key Messages

6.1 Key Message: “Quality” and “Value” More Than “Price”

Given the competitive environment that Marathon finds itself in and the target industries that it aims to attract with this strategy, the Town needs to focus on quality and value rather than low-cost. Marathon is surrounded by communities where housing prices are cheaper and where people will work for less – fighting on price alone will be a losing proposition.

This is the exact approach physician recruiters have taken over the last decade. They have proven there is a market for doctors who are looking for more than just increasing their personal net worth despite the fight that dozens (if not a hundred) municipalities across Ontario are in by throwing financial incentive galore at physicians.

Extend this thinking to the target sectors that have been identified in this strategy.

- Housing developers will only begin building dwellings in Marathon if they can recover their costs – this does not happen in a marketplace that is pushing \$75,000 homes.
- Research and development companies are attracted by a skilled workforce or the ability to attract a skilled workforce. This will more likely happen in a Town that emphasizes quality over inexpensiveness.
- There is even a marketplace for retirees who are willing to pay for value and is not just a phenomenon found in Southern Ontario. Many communities are competing for the low-end of this marketplace. Marathon has a real opportunity to uniquely position itself in Northern Ontario as a prosperous community that provides amazing quality of life. Housing giveaways in Manitowadge and \$30,000 homes in Elliot Lake are not the competitors that Marathon should be going up against.

This market exists but to be successful, it is important for Marathon to portray itself as a sustainable community and a good quality market where investments are secure. This means getting away from reliance on mining and paper, which are inherently cyclical industries with a public perception of “here today and gone tomorrow”.

This has implications on how the Town thinks of itself in the future. There needs to be recognition that doing fewer things really well is better than doing a whole bunch of mediocre activities. This will reverberate through all aspects of the Town’s activities, from the quality of its marketing materials, to urban design, to recreational services, etc.

6.2 Vision, Mission and Marketing Position Statements: Why?

Together, Vision, Mission and Marketing Position Statements can have the following positive outcomes:

- Greatly improved business focus;
- Everyone has the same corporate / organizational image - no misunderstandings;
- Enhances the professional perception of your business;
- Fosters a team oriented environment;
- Enhances employee morale; and
- Helps attract and retain the best staff and Directors.

Because it is easy to confuse the purpose of Vision Statement, Mission Statement and Marketing Position Statement, it is important to clarify how they have been used in the context of this plan.

A vision statement is a picture of the corporation in the future. While a vision statement doesn't tell you how you're going to get there, it provides the inspiration and the framework for all strategic planning. It also has tremendous influence on decision making and the way resources are allocated.

The **mission statement** focuses on an organization's present state – its reason for being. It answers the question of why it is in existence.

The **marketing position statement** focuses the organization's public image. It speaks directly and should resonate with the target market that the organization is trying to impress. In only a few words, it conveys the organization's key competitive advantage.

6.3 Vision Statement

By 2010, the Town of Marathon will have contributed to the economic well-being of the community by:

- **Being recognized as a province-wide leader in rural health care and we will be proud of our efforts that have resulted in expanded services including a larger hospital, an assisted living centre and more specialized medical services;**
- **Understanding our capabilities and opportunities when it comes to regional bioproducts initiatives, especially those that centre on the health services industry;**
- **Acting as an important advisor, advocate and facilitator of mining expansion and exploration activity throughout the North Superior region; and**
- **Facilitating the completion of the first few houses of the Town's first new residential development in over 15 years.**

6.4 Mission Statement

The Town of Marathon is a vibrant regional centre for commerce, manufacturing, health care services, education and recreation. We are proud of our heritage as a community that was built on the paper and gold industries. Equally, we look forward to a prosperous future that depends on our ability to demonstrate a proactive and positive attitude to encouraging investment in our health care services, industrial, commercial and residential sectors.

6.5 Marketing Position Statement

The following slogan may sound familiar to those who are close to the activities of Wilson Memorial General Hospital. That is because it is the Hospital's Vision Statement. With the permission of the Hospital's Chief Executive Officer, it is offered to the Town as a marketing position statement it can use on all its materials.

Healthy People ... Our Greatest Resource

What makes this statement the right choice?

- 1) What it says to the prospective business investor: Marathon will meet my employment needs. Our citizens are productive and of sound mind and body. The community cares about its citizens and will do what it can to keep them valuable contributors to my business. This is a place I want to invest.
- 2) What it says to the prospective professional resident: The community values its citizens and invests in them. I can count on getting access to good quality health care and recreation services. This is a place I want to live.
- 3) What it says to the prospective active retiree who is looking for good value over low price: The community values its citizens and invests in them. I can count on getting access to good quality health care and recreation services. This is a place I want to live.
- 4) In five words it speaks with equal strength to the business and residential investment attraction strategies.
- 5) It conveys a strong benefit and can be used as the key message within any promotional product the Town creates.

- 6) It is believable. Although not unanimous, most interviewees felt that Marathon is a “Healthy Community”. This situation will only improve as more health care services are attracted, the education system concentrates more fully on preventing health issues before they arise and the Town invests in its recreational infrastructure.
- 7) It is a statement of how the Town and medical sector are working closely together. This will have tremendous value when completing applications for funding.
- 8) It will generate broad community support. Although the interpretation will be slightly different depending on the agency that uses it, the positioning statement has application throughout the community. As it gets more broadly applied there will come a stronger belief that this is what makes Marathon a special place.

This latter point is extremely critical. Because of the breadth of the Town’s economic development mandate, the one thing that can most easily bring it down its efforts is a lack of support within the community. This comes from having a vague, timid or unbelievable claim. The suggested positioning statement is neither – it is clear, bold and believable.

6.6 Healthy Community Branding

Taking this idea one step further, an opportunity exists for communities in Ontario to become branded as “Healthy Communities” through a provincial program established in 1992 with a mission to “strengthen (their) social, environmental and economic well-being”.¹¹ Membership may include provincial associations, local and regional healthy community coalitions and others who support the principles of the program.

The program offers training and consultation, including information on strategic planning, effective funding proposals, partnerships and collaboration, Healthy Community Vision, Community development strategies and community capacity building. Information regarding the community’s initiative may also be included in “Healthy Communities”, the Ontario Healthy Communities Coalition (OHCC) newsletter and their monthly E-bulletin.

A pilot project is currently in place that will allow communities to market themselves as a “Healthy Community”. The Pan-American Health Organization (PAHO), through its Healthy Municipalities and Communications Strategy has developed an evaluation framework for the OHCC.

An initial step to creating a “Healthy Community Initiative” is the creation of an inter-sectoral group to discuss and work on the approach. This group should contact their regional community animator as a resource for co-ordination of the project and further information gathering. The group will develop a collective vision of their project. Priority issues should be identified as well as areas for action. An action plan must be developed and formal endorsement from local government should be sought to formalize and commit local government to participate in and support the process.

In Northern Ontario, a number of initiatives are already underway. More information is available from Paul Filteau, Northwestern Ontario Community Animator for the program.

¹¹ Welcome to the OHCC, www.healthycommunities.on.ca/ohcc.htm

7.0 2007-2010 Investment Attraction Strategy: Strategic Objectives

In his paper, “Why Most Change Programs and Improvement Initiatives Fail”, author Jim Clemmer¹² identifies a core number of execution problems or failure factors that are common to all of the team, organization, and individual improvement efforts. The top five failure factors:

- **Priority Overload:** Many managers confuse motion with direction and "busywork" activity with meaningful results. They measure their effectiveness by quantity rather than whether real value is being added.
- **Partial and Piecemeal:** Many improvement efforts are too narrow and segmented, failing to address broad system-wide issues. Project teams attack the bits and pieces rather than focusing on overall processes and systems.
- **No Improvement Process or Infrastructure:** A burst of energy gets some things done but the effort sputters because there are no ongoing improvement plans, habits or approaches to sustain the initiative. The change-makers also fail to systematically review effectiveness, and learn appropriate lessons.
- **Fuzzy Focus:** Too many organizational improvement efforts are disconnected from the burning issues that keep senior managers awake at night. It's sufficient for such projects to simply “make things better.” The customers or external partners are ignored and the improvement effort is not framed within the greater context of team or organizational needs and purpose.
- **Leadership Lip Service:** The leaders aren't heavily involved, modeling and living the approaches they are asking others to use.

Each of these failure factors are bad enough on their own, but the more of them you combine, the deadlier they become.

Building off of Clemmer's points, consultant Virginia Daffron¹³ provides this point advice for small firms that has application to Marathon's situation of limited financial and human resources:

What you don't do is as important as what you do: Many firms engage in activities that they feel are obligatory or can't hurt, such as creating ads used only once or responding to long-shot RFP proposals, even though the effectiveness seems questionable. “For every marketing activity your firm undertakes, there's another activity you can't do. When your capacity is smaller, the importance of focusing that capacity in a productive direction becomes even more critical.

The following Strategic Investment Attraction Plan addresses each of the above points and will assist Marathon in making clear decisions on how it should be spending its time. The following table summarizes the urgency and level of participation for each of the sectors.

¹² Jim Clemmer (2006). www.clemmer.net/excerpts/pf_whyMostChange.html “Why Most Change Programs and Improvement Initiatives Fail”.

¹³ Found on www.RainToday.com.

**Table 9:
The Town's Approach to Target Sectors**

Sector	Town's Approach	Timetable for			
		Further Investigation	Partnership Development	Product Development	Promotion
Health Care Services	We're ready. Let's go out and get the investment!	None required. Opportunities are clearly defined.	Still required, but should be completed within first six months.	Mainly completed, but be aware that issues may need to be addressed.	Can begin once the partnership has formalized. Should begin within the first year.
Bio-products	Evidence tells us there is opportunity, but we need to identify it first. It's not likely to come to us.	Currently, the main emphasis of the program.	A necessity for successful identification of opportunities. Partnerships have not yet been formed. Do so within a year.	Product gaps have not been identified. Complete by mid-2008.	Cannot begin until Marathon's niche is identified and product is adequately in place. Two years away.
Mining & Dimension Stone	Ensure strong relationships with Hemlo and be ready to respond to growth opportunities. There is little evidence to support a marketing effort on dimension stone.	Stay on top of changes in the industry with a strong retention initiative. Current.	Required with surrounding municipalities and with Hemlo and industry representatives. Undertake immediately.	What's here is here, not much can be done about it. The market will tell the private sector when they should be investing.	Little required in order to stay on top of activity in the mining sector.
Residential Investment	Need to do a little more homework before reaching out to the development community. Once product is ready then its time for broader public marketing.	Turn your sites to the residential development community. Work towards getting a feasibility study completed by end of 2007.	Consult potential private sector partners in advance of the feasibility study. Be prepared for a serious look in early-2008.	Feasibility study will highlight where the gaps are. Likely some work to do here.	Will be oriented to the developer until 2009. When private partner is identified then its time to go to the buyers.

7.1 Improve The Multi-Sector Fundamentals

There are a number of fundamentals that need to be addressed in order for Marathon to take the leap into an aggressive sector attraction campaign. For the most part, these need to be taken care of in the first year. However, dealing with them does not have to happen at the expense of all of the sector-based initiatives.

Beyond this Strategic Plan, there have been a number of important research documents completed by the Town of Marathon. It is now time for the economic development office to get into the marketplace. The following recommendations will allow this to occur with the minimum necessary disruption on the sector strategies.

**Table 10:
 2007-10 Strategic Objective #1
 Improve the Multi-Sector Fundamentals**

Goal	Actions	Measurable Results
1.1 Adequate resources dedicated to research and EDO support	<ul style="list-style-type: none"> ▪ Review the economic development office’s budget for spending that is not associated with accomplishing the strategic objectives of this plan. Reallocate to the following. ▪ To allow the Manager to focus time on business development, lead generation, prospect qualification, business retention and product development activities, there is the need for another full-time person in the economic development office. ▪ There is a need for overall corporate communications function at the Town. Give consideration to incorporating this function into the efforts of the new full-time resource. 	<ul style="list-style-type: none"> ▪ An additional full-time resource dedicated to economic development research, retention and lead supporting activities
1.2 Completion of Annual Marketing Action Plans	<ul style="list-style-type: none"> ▪ The Town will complete annual Marketing Action Plans that will focus the economic development office’s human and financial resources. ▪ The plans will make an objective assessment of the previous year’s efforts, relating the outcomes to the targets that were set at the beginning of the year and how they fit with the Strategic Objectives of the 2007-2010 Investment Attraction Strategy. ▪ The focus of each year’s Plan will be to capitalize on pending opportunities. 	<ul style="list-style-type: none"> ▪ Marketing Action Plans with measurable targets completed each fiscal year, including objective review of the previous year’s activities

Goal	Actions	Measurable Results
<p>1.3 Achieve “Healthy Community” Designation and Branding</p>	<ul style="list-style-type: none"> ▪ Make formal contact with the Ontario Healthy Community Council and identify the local steps that must be taken. ▪ Establish an inter-sector group to discuss and work on the approach. ▪ Develop a collective vision of the project. Priority issues should be identified as well as areas for action. ▪ Develop an action plan and get formal endorsement from local government. ▪ Examine the potential of funding for other projects which support both the Healthy Community philosophy and lead to economic growth such as wind energy. 	<ul style="list-style-type: none"> ▪ Official designation as a Healthy Community ▪ A vibrant working group with representation from across the community ▪ A prioritized list of achievable projects that follow the philosophy
<p>1.4 Promotional pieces that demonstrate the capabilities of Marathon’s target sectors and positions the community as a preferred location for investment.</p>	<ul style="list-style-type: none"> ▪ As mentioned above, investment decision makers use the Internet as their primary tool for gathering information before making a written or verbal inquiry. They also use the Internet as a research tool during the early stages of site selection. ▪ The Town needs to ‘beef up’ its Internet presence and ensure that details on how to reach the economic development office are very clear. ▪ Unless the Economic Development Office decides to develop its separate web presence, this will require an overhaul of the Town’s entire website. ▪ Research and writing need to be completed on an economic profile, description of investment opportunities, integration of the available properties guide, etc. ▪ The longer term development of the website for economic development should tie into the effort to modify the Town’s website and have regard to the Town’s economic development strategy. ▪ Marathon’s current Community Profile is very good. It contains much of the basic data that potential investors are looking for. ▪ There must be a concerted effort made to update the data so that information is always relevant (e.g. building permit statistics, assessment data). ▪ To supplement the existing profile with other relevant data characteristics, Marathon examine a Community Profile model developed by the International Economic Development Council. The IEDC worked with top national corporate site location professionals to develop a comprehensive set of data standards for communities to present themselves to site selection consultants and potential businesses. It is available at www.iedconline.org/?p=Data_Standards. As there are 1,200 different data points to complete, Marathon should not attempt to complete the entire dataset. ▪ A listing of available industrial and commercial properties that potential investors can use to find a site. This type of local information is one of the most significant value-added pieces of information the EDO can provide. 	<ul style="list-style-type: none"> ▪ A website that is making use of the latest technology to improve the access that prospective investors have to information on Marathon ▪ A website that the EDO can use while on the phone to better understand the prospect’s needs ▪ An up-to-date Community Profile with data that is relevant to target sectors ▪ An up-to-date online Available Properties Guide containing information on vacant industrial and commercial property. All property profiles should be easily emailed ▪ Successful leveraging of funding offered through MNDM, FEDNOR and International Trade Canada

Goal	Actions	Measurable Results
<p>1.5 Achieve the Gold Standard of service delivery</p>	<ul style="list-style-type: none"> ▪ All economic development materials must be available online and readily available either as the user is browsing alone or on the phone with the EDO. ▪ Create an ability to provide immediate email responses with relevant attachments, including Community Profile, available properties, mapping and labour force information. 	<ul style="list-style-type: none"> ▪ The EDO can respond to the majority of incoming investment inquiries while on the phone with the prospect ▪ Customized responses should be delivered within 24 hours
<p>1.6 Have an ongoing business retention and expansion program</p>	<ul style="list-style-type: none"> ▪ Having an ongoing business retention and expansion program is an important factor in a successful investment attraction initiative. It allows the EDO to learn from its own business community: what barriers to growth need to be removed, what opportunities exist in the broader economy as well as per individual business, how the Town can better target its sector-based marketing and learn of specific prospect firms or funding opportunities. 	<ul style="list-style-type: none"> ▪ A business retention and expansion program is being delivered for each sector
<p>1.7 Improve the availability of commercial and industrial properties</p>	<ul style="list-style-type: none"> ▪ Given the new sector approaches take a 10-15 year look at industrial and commercial needs for the community. Future health care services, research/development and retail should be steadfastly directed to the downtown to retain that area's mix of residential and commercial uses. Industrial uses should be directed to the outskirts (and off of Peninsula Road). ▪ To attract development an industrial park should be serviced with ample municipal water and sanitary sewer as well as high-speed telecommunications and ample electricity. The Town should complete a feasibility study of extending these services to the existing park or all the way to Highway #17. ▪ Staff should examine the pros and cons to establishing Community Improvement Planning Areas (CIPs) in certain locations such as the 'old downtown' (for new health services and commercial uses) and the introductory section of Peninsula Road. These CIPs will allow the Town to provide incentives for developers who want to improve buildings in this area. 	<ul style="list-style-type: none"> ▪ Clearly defined areas within the Town where sectors will cluster ▪ Completed feasibility studies on extension of services to industrial areas and decisions made to 'go' or 'not to go' ▪ CIPs evaluated and decision made on inclusion in Official Plan

7.2 Health Care Services

**Table 11:
 2007-10 Strategic Objective #2
 Become a Leading Centre for Rural Health Care Services and Research**

Goal	Actions	Measurable Results
2.1 An active Health Care Services Investment Team	<ul style="list-style-type: none"> ▪ Due to the advanced level of understanding required to effectively attract investment in this sector, the Town should identify a core group of people that can assist with opportunity identification and partnership. ▪ The Town will provide staff resources and financial budget to ensure the Team's success including training. ▪ Leverage this budget with funding programs through the OHCC and provincial and federal governments. 	<ul style="list-style-type: none"> ▪ Representation from a broad cross-section of the health care community and public at-large ▪ A clearly defined list of priority projects
2.2 Achieve District Hospital Designation for Wilson Memorial General	<ul style="list-style-type: none"> ▪ Working in cooperation with the Hospital's Board of Directors and senior staff, the Town should take direction on where it can provide a valuable contribution to this cause which is already underway. ▪ Have discussions with the Local Health Integration Network in advance of the release of their strategy to ensure recognition of Marathon's needs are included. 	<ul style="list-style-type: none"> ▪ District Hospital designation is achieved
2.3 Adding assisted living services to the community	<ul style="list-style-type: none"> ▪ The Town will lead and support the activities of the Health Care Services Investment Team (Goal 2.1) to establish a tactical plan that will lead to success. 	<ul style="list-style-type: none"> ▪ A new assisted living facility is established in Marathon
2.4 Become a centre of excellence for rural health care teaching and research	<ul style="list-style-type: none"> ▪ The Town will lead and support the activities of the Health Care Services Investment Team (Goal 2.1) to establish a tactical plan that will lead to success. ▪ Marathon should strive to have representation on the NOSM Board of Directors. ▪ Take advantage of Marathon's ability to host small research start-up firms as the hospital is an officially designated research site. ▪ Examine opportunities to be a pilot project for virtual surgery and preventative medical practices for rural and Northern communities. 	<ul style="list-style-type: none"> ▪ Broadening of health care research from outside the campuses of the NOSM (Thunder Bay and Sudbury) including one or two small research firms in Marathon ▪ Successful conclusion of at least one pilot project

Goal	Actions	Measurable Results
<p>2.5 Identify ways in which the health care services and bioproducts sectors overlap</p>	<ul style="list-style-type: none"> ▪ The EDO needs to act as a key link between these two sectors – identifying linkages between opportunities and the merits of implementing product development projects that could have double the impact. 	<ul style="list-style-type: none"> ▪ Effective communication between Investment Teams for both Health Care Services and Bioproducts
<p>2.6 Maintain Marathon’s family physician advantage</p>	<ul style="list-style-type: none"> ▪ Continue to assist on recruiting initiatives such as providing small incentives that are appreciated (e.g. golf or cross-country ski membership for a month with locum physicians, welcome gift bags). ▪ Push to achieve the above objectives. Professional physicians want to be intellectually challenged and want to continue to learn. ▪ Stay on top of the situation. Do not become complacent in thinking that the positive situation cannot become a negative one again. 	<ul style="list-style-type: none"> ▪ Marathon Family Practice continues to maintain a strong roster of physicians and locum physicians are drawn to Marathon

7.3 Bioproducts

**Table 12:
 2007-10 Strategic Objective #3
 Attract New Investment as an Important Part of Regional Sector Developments**

Goal	Actions	Measurable Results
3.1 Identification of a Local Investment Attraction Team and Champion	<ul style="list-style-type: none"> ▪ Due to the advanced level of understanding required to effectively attract investment in this sector, the Town should identify a core group of people that can assist with opportunity identification and partnership. It would be great if Marathon Pulp could provide a staff person here. ▪ The Town will provide staff resources and financial budget to ensure the Team's success including training. 	<ul style="list-style-type: none"> ▪ Representation from a broad cross-section of the health care community and public at-large
3.2 Opportunities are Clearly Identified and Prioritized	<ul style="list-style-type: none"> ▪ Undertake an iterative process to determine where the Town fits in. ▪ Participate in regional initiatives to better understand Marathon's niche. For example: Northern Ontario Commercialization Network. ▪ Marathon needs to put their hand up and get involved by finding a specific niche and working it. ▪ Examine the prospect of a closed mill and the opportunities that might provide for biofuel refining. ▪ Examine links to health care services. 	<ul style="list-style-type: none"> ▪ A clearly defined list of priority projects with some successes toward the end of this four year

7.4 Mining & Dimension Stone

**Table 13:
 2007-10 Strategic Objective #4
 Contribute to Developments in the Mining Sector**

Goal	Actions	Measurable Results
4.1 Growth of Hemlo's operations	<ul style="list-style-type: none"> ▪ Form a partnership with Manitouwadge and White River and take a proactive role in ensuring relationships with Hemlo are positive. Through this relationship, the Town will remain constantly aware of future concerns or opportunities that will affect the future of the site. 	<ul style="list-style-type: none"> ▪ Partnership is active and relationships with Hemlo are positive
4.2 Increased mining supply and exploration activity	<ul style="list-style-type: none"> ▪ This will not happen without high commodity prices and/or increases to the number/size of mines that are active in the area. However, in support of this ensure that people in the industry know that Marathon should be the base of their supply/exploration activity. ▪ Begin to track the exploration activity that comes through Marathon and determine through surveying whether or not there are opportunities to increase economic spin-off. 	<ul style="list-style-type: none"> ▪ 10% increase in the number of jobs and business in mining supply sector ▪ Measured trends in exploration activity over several years with a plan in place to increase economic return
4.3 Continued understanding of investment prospects in the dimension stone industry	<ul style="list-style-type: none"> ▪ Marathon's prospects in the dimension stone sector are not currently strong, but world markets change and the Town should be aware of how changes affect its prospects. Take a wait-and-see approach. ▪ Encourage the provincial and federal governments to take the lead on developing a domestic manufacturing sector. ▪ Holding an annual event in the Town, such as the current Mining Expo, is not only a great way to promote the community, but it is also an excellent way of staying in touch with the latest trends in the industry. 	<ul style="list-style-type: none"> ▪ The EDO is aware of changes in industry patterns and is ready to act should an opportunity arise

7.5 Residential Investment

**Table 14:
 2007-10 Strategic Objective #5:
 Establish Marathon as a Preferred Location for Retirement Living**

Goal	Actions	Measurable Results
<p>5.1 Complete a feasibility study to determine needs for specific development.</p>	<ul style="list-style-type: none"> ▪ The feasibility study will identify specifically what the private sector would require from the Town and vice versa and include examination of: <ul style="list-style-type: none"> • Project Vision and Timelines; • Existing Assets & Opportunities; • Development & Servicing Alternatives; • Financial Projections & Valuations; • Scenario Risk Benefit Analysis; • Financial Structure & Critical Success Factors; and • Strategic Plan & Implementation. ▪ Evaluate any existing proposals for residential development and determine whether or not they are a fit with this strategy. 	<ul style="list-style-type: none"> ▪ A feasibility study that will set the table for the completion of a formal private-public sector partnership
<p>5.2 Develop a Marketing and Communications Strategy specifically targeted at the development community.</p>	<ul style="list-style-type: none"> ▪ Thoroughly investigate the channels through which developers are getting information on opportunities. ▪ Figure out the best media and distribution channels to reach these targets. ▪ Identify the partners that need to contribute to a winning recruitment strategy. ▪ Develop a financial budget and identify funding partners to aid in the effort. 	<ul style="list-style-type: none"> ▪ The opportunity will exist in a little more than a year. ▪ Required resources will be identified as the feasibility study is completed and the project specific marketing plan is defined
<p>5.3 Implementation of a program to enhance recreational amenities that retirees will be looking for.</p>	<ul style="list-style-type: none"> ▪ The Town should pursue the enhancement of recreational amenities that are consistent with the needs of active retirees. Optimally the approach would also ensure these are what current residents are demanding. Popular requests through the public consultation include identification of walking trails, improved access to Pebble Beach and refurbishing of the swimming pool. Indoor pursuits such as fitness and relaxation centres are suitable to both young and old residents. 	<ul style="list-style-type: none"> ▪ A Council-approved plan for short, medium and long-term investments in this infrastructure

8.0 Implementing the Strategy: 2007 Marketing Action Plan

The following Marketing Action Plan provides the basis for the development of a 2007 financial budget. The emphasis is upon getting some of the fundamental cross-sector projects completed while beginning active promotions on the four key sectors. It will require reallocation of resources compared to the 2006 budget – with respect to both staff time and money. Moments of transition require flexibility on the part of staff, Committee Members and Council.

Table 15: 2007 Marketing Action Plan

Challenge	Tactics	Financial Budget Requirements
1. Promote Vision, Mission and Marketing Position Statements	<ul style="list-style-type: none"> ▪ Gain Council approval ▪ Create a visual brand ▪ Internally be proud of the new statements: put them on the website, the boardroom wall, in the entranceway and in everyone’s office. ▪ Externally be proud of the new statements: communicate them to the community, put the marketing position statements on all external materials such as brochures, signs, buildings. ▪ Working with the Hospital, encourage other organizations such as the police force, mine, mill, school board, etc. to make “Healthy people ... our strongest resource” a part of their daily goals. 	<ul style="list-style-type: none"> ▪ \$3,000 ▪ \$500

Challenge	Tactics	Financial Budget Requirements
<p>2. Cross-Sector Fundamentals</p>	<ul style="list-style-type: none"> ▪ Create a research and communications staff position to support Manager’s business development activities ▪ Complete Healthy Communities designation and establish budget lines for establishing program dollars and communicating the vision through e-newsletters, newspaper advertising, public relation, radio and television ▪ Overhaul of website to assist in meeting the gold standard of service delivery and provide a clear economic profile, description of investment opportunities and integration of the available properties guide. ▪ Update data in Community Profile and make the electronic file easily split into relevant components. Add relevant fields from IEDC template based on the sector targets. Post on the website. ▪ Confirm availability of industrial and commercial properties and get graphic designer to complete a template of a listing sheet. These should be electronic, easy to email and posted on the website. ▪ Convert all promotional publications to electronic format and post on website. ▪ Build on the success of the 2005-06 Business Retention and Expansion Program by carrying it through to other sectors such as health care services. ▪ Examine the pros and cons to establishing Community Improvement Planning Areas (CIPs) in certain locations such as the ‘old downtown’ (for new health services and commercial uses) and the introductory section of Peninsula Road. Budget for some external assistance. 	<p>\$35,000</p> <p>\$10,000</p> <p>\$25,000 (includes allocation for other departments)</p> <p>\$0</p> <p>\$200</p> <p>\$0</p> <p>\$3,000</p> <p>\$0</p>

Challenge	Tactics	Financial Budget Requirements
3. Health Care Services	<ul style="list-style-type: none"> ▪ Establish a Health Care Services Investment Attraction Team and provide staff resources plus financial resources for training ▪ With Team input, create a working list of short, medium and long-term priorities ▪ Using high-quality photography and clear copy, develop brief promotional sheets for the priority targets ▪ Using industry writers, create a monthly e-newsletter that is distributed to all industry contacts. The purpose of the communication will be to provide an update on happenings in Marathon. It will help to reinforce Marathon's brand image. ▪ With the assistance of a professional public relations firm develop a communications plan that will get Marathon in the local, regional and national news on a regular basis, again to reinforce Marathon's brand image. ▪ Marathon should strive to have representation on the NOSM Board of Directors ▪ Complete a business plan for pilot project funding for virtual surgery, preventative medical practices for rural and Northern communities or other needs as identified by the Team ▪ Continue to assist on recruiting initiatives such as providing small incentives 	<ul style="list-style-type: none"> \$5,000 \$0 \$5,000 \$8,000 \$4,000 \$0 \$6,000 \$1,000
4. Bioproducts	<ul style="list-style-type: none"> ▪ Establish a Bioproducts Investment Attraction Team and provide supporting staff resources plus financial resources for training ▪ Budget for travel and time to participate in regional initiatives to better understand Marathon's niche. Initially, these meetings will be frequent and gradually the Town will be able to determine which offer the most potential. Team members can share the responsibility and should be compensated for travel. ▪ Examine links to health care services. External professional assistance may be a requirement based on specialized knowledge 	<ul style="list-style-type: none"> \$5,000 \$4,000 \$7,000
5. Mining and Dimension Stone	<ul style="list-style-type: none"> ▪ Develop a partnership with leaders in Manitouwadge and White River to maintain strong linkages with Hemlo ▪ Create a method of tracking exploration activity that goes through Marathon and which companies are participating ▪ Continue with annual Mining Expo 	<ul style="list-style-type: none"> \$0 \$0 \$4,000
6. Residential Investment	<ul style="list-style-type: none"> ▪ Write a feasibility study that will set the table for the completion of a formal private-public sector partnership. ▪ Develop a financial budget and identify funding partners to aid in the effort. ▪ Complete a working list of capital improvements the Town should undertake 	<ul style="list-style-type: none"> \$30,000 \$0 \$0

8.1 Subsidizing the Financial Requirements

There are a number of programs which Marathon can access in order to subsidize this enhanced economic development effort. These include:

- Community Investment Support Program (International Trade Canada);
- Northern Community Investment Readiness (Ontario Ministry of Northern Development and Mines);
- Northern Ontario Heritage Fund (Ontario Ministry of Northern Development and Mines);
- Superior North Community Futures Development Corporation (FedNor);
- Ontario Healthy Communities Council (Ontario Trillium Foundation, Ontario Ministry of Health and Long-Term Care, Public Health Agency of Canada);
- Ontario Trillium Foundation (Ontario Ministry of Culture);
- Community Adjustment Advisory Program (Ontario Ministry of Training, Colleges and Universities);
- GO North (Ontario Ministry of Northern Development and Mines); and
- Commodities Program (Ontario Ministry of Northern Development and Mines).

9.0 Conclusion

The above analysis and recommendations provide the Town of Marathon with clear direction that, properly resourced, can help the community to achieve:

- economic diversification;
- attraction of new jobs and investment;
- retention and expansion of existing enterprises;
- attraction of new residents; and
- agreement on the economic future.

As mentioned above, what is required now is adequate resources both financial and human. Given proper funding allows senior staff to concentrate on high value-added business development services.

Appendix A: List of Interviewees & Focus Group Participants

Name	Position	Organization
Sue Ashbourne	Branch Manager	TD Canada Trust
Andrew Bauman	Superintendent	David Bell Mine, Hemlo
David Bell	Mayor	Town of Marathon
Joanne Berube	Clinic Administrator	Marathon Family Practice
Harry Brar	General Manager	Travelodge
Dr. David Buckton	Optometrist	Private Practice
Bryon Cassie	Manager	Superior Credit Union
Kent Cook	Participant	Town of Marathon Business Retention and Expansion Project
Jeff Dicaire	Northern Development Officer, Thunder Bay & Area	Ministry of Northern Development and Mines
Mike Dunlop	GO North Advisor	Ministry of Northern Development and Mines
Sharon Hacio	Chief Administrative Officer	Town of Marathon
Bob Hancherow	Community Development Manager / President	Superior North Community Futures Development Corporation / Marathon and District Chamber of Commerce
Al Hitzroth	Plant Manager	Marathon Pulp Inc., Kruger Organization
Rick Kerster	Emergency Services, Buildings and Property Manager	Town of Marathon
Jason Koivisto	Northern Development Adviser	Ontario Ministry of Northern Development and Mines
Dr. George Macey	Dentist / Chair	Private Practice / Town of Marathon Economic Development Committee
Lori Martineau	Owner	A&W, Bushwhacked Clothing Company, The Source by Circuit City
Paulette Miller	Owner	Classic Coffee
Doug Moser	Manager	Canadian Tire
Dr. Sarah Newbery	Chief of Staff	Wilson Memorial General Hospital
Carmelo Notarbartolo	Financial Services	Town of Marathon
Paul Paradis	Chief Executive Officer	Wilson Memorial General Hospital
Leslie Ransom	Principal	Marathon High School
Bruce Rousseau	Business Superintendent	Superior Greenstone District School Board
Irene Simpson-Bench	Branch Manager	Scotiabank
Daryl Skworchinski	Tourism and Economic Development Manager	Town of Marathon
Roger Souckey	Councillor	Town of Marathon
Ken Stevens	Manager	Confederation College Marathon Campus
Iris Sullivan	Councillor	Town of Marathon
Brian Tocheri	Community Services Manager	Town of Marathon
Valerie Tymryk	Owner	Valerie's Extended Wear
Terry Walker	Adjustment Advisor	Ministry of Training, Colleges & Universities
Dr. Michelle White	Optometrist	Private Practice