It is MEDA’s privilege to submit this report for the current contract to the Governor’s Office of Economic Development, Montana Department of Commerce, Montana Department of Labor and Industry and Montana BEAR Team participants regarding Business Expansion and Retention (BEAR) Program activity in the state. The following is a summary of MEDA BEAR activities as provided for in the Scope of Work under Amended Contract MT-MEDA-ED-12-01 for the month of July 2013.

ACTIVITY REPORT FOR JULY 2013

OUTREACH SPECIALISTS ASKED TO CONDUCT THREE MORE CLICKS

As you can see from the screen shot below, there are a lot of zeros. BEAR Outreach Specialists are being asked to do the following after each business visit:

1. Click Add
2. Click Metrics Survey
3. Click a company

And enter the time you spent with the company, jobs information, private or public dollars accessed, etc. Thank you for taking the time to add even more value to our program data!

OUTREACH VISITS IN JULY

There were 18 business visits held in July. Visits in each county: Big Horn – 1, Flathead – 7, Gallatin – 1, Lake – 1, Missoula – 2, Yellowstone – 2, and Stillwater – 4.

Outreach Specialists in July and number of business visits:

<table>
<thead>
<tr>
<th>Specialist</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marie Mahugh</td>
<td>1</td>
</tr>
<tr>
<td>Warren Vaughan</td>
<td>1</td>
</tr>
<tr>
<td>DeAnn Thomas</td>
<td>1</td>
</tr>
<tr>
<td>Bill Nicholson</td>
<td>1</td>
</tr>
<tr>
<td>Mike Jackson</td>
<td>5</td>
</tr>
<tr>
<td>Chad Moore</td>
<td>4</td>
</tr>
<tr>
<td>JR Strand</td>
<td>1</td>
</tr>
<tr>
<td>Jeremy Wolf</td>
<td>1</td>
</tr>
<tr>
<td>Marissa Hauge</td>
<td>3</td>
</tr>
<tr>
<td>Allen Kawasaki</td>
<td>1</td>
</tr>
<tr>
<td>Angie McDonald</td>
<td>2</td>
</tr>
<tr>
<td>Lynn Lagerquist</td>
<td>1</td>
</tr>
<tr>
<td>John Moberly</td>
<td>3</td>
</tr>
</tbody>
</table>
REPORTED GENERATED FOR MONTANA MAIN STREET PROJECT
A report was generated and sent to the Governor’s Office to share what 698 businesses had to say about doing business in Montana. This data will supplement the Main Street Montana roundtable data collected.

SPECIAL REPORT FOR
GOVERNOR BULLOCK’S MAIN STREET MONTANA ROUNDTABLE PROJECT

The MEDA/Business Expansion and Retention (BEAR) program is a collaborative partnership with the Governor’s Office of Economic Development, Montana Department of Commerce, Montana Department of Labor and Industry and Montana BEAR Team participants across the state.

As Governor Bullock is holding listening sessions in key locations across Montana to learn of business needs, activities and issues, I felt the data collected in ExecutivePulse as a result of BEAR Team visits would be of interest. ExecutivePulse is the software that the Governor’s Office of Economic Development provides so that our Montana BEAR Teams can collect key data from all of the businesses that are visited. Much more information is available that what you see below. Please do not hesitate to contact me if you would like additional information. The data below is collected from January 2011 through June 30, 2013.

Thank you for your support of the BEAR Program and our Montana BEAR Teams.

Results of 698 Employers interviewed January 2011 – June 2013

Montana Business Challenges:

<table>
<thead>
<tr>
<th>Business Challenge</th>
<th>Number of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition</td>
<td>200 (11%)</td>
</tr>
<tr>
<td>Cost Containment</td>
<td>130 (7%)</td>
</tr>
<tr>
<td>Cost of alternative/green energy</td>
<td>6 (0%)</td>
</tr>
<tr>
<td>Cost of electricity</td>
<td>19 (1%)</td>
</tr>
<tr>
<td>Cost of fuel</td>
<td>64 (3%)</td>
</tr>
<tr>
<td>Cost of Health Care</td>
<td>81 (4%)</td>
</tr>
<tr>
<td>Cost of natural gas</td>
<td>7 (0%)</td>
</tr>
<tr>
<td>Economy</td>
<td>297 (16%)</td>
</tr>
<tr>
<td>Environmental regulations</td>
<td>13 (1%)</td>
</tr>
<tr>
<td>Facility issues</td>
<td>66 (4%)</td>
</tr>
<tr>
<td>Globalization</td>
<td>3 (0%)</td>
</tr>
<tr>
<td>Managing Growth</td>
<td>156 (8%)</td>
</tr>
<tr>
<td>Marketing</td>
<td>281 (1%)</td>
</tr>
<tr>
<td>Roads</td>
<td>2 (0%)</td>
</tr>
<tr>
<td>Sales</td>
<td>180 (10%)</td>
</tr>
<tr>
<td>Taxes</td>
<td>159 (8%)</td>
</tr>
<tr>
<td>Utilities</td>
<td>160 (9%)</td>
</tr>
<tr>
<td>Workforce</td>
<td>159 (8%)</td>
</tr>
<tr>
<td>Working Capital</td>
<td>6 (0%)</td>
</tr>
<tr>
<td>None</td>
<td></td>
</tr>
</tbody>
</table>

Number of Companies
Montana Business Advantages:

Advantage of operating in Montana (Select all that apply)

- Access to raw materials: 27 (3%)
- Cost of doing business: 92 (9%)
- Location: 388 (39%)
- Proximity to Markets: 110 (11%)
- Workforce/Work ethic: 133 (13%)
- Other: 203 (20%)
- No opinion: 27 (3%)
- None: 24 (2%)

Disadvantages for Montana

Disadvantages of doing business in Montana (Select all that apply)

- Access to skilled labor: 83 (10%)
- Competition: 58 (6%)
- Environmental regulations: 14 (1%)
- Taxes: 65 (7%)
- Worker compensation rates: 125 (13%)
- Transportation of Product: 106 (11%)
- Lack of Airline Availability: 57 (6%)
- Other: 231 (25%)
- No opinion: 45 (5%)
- None: 146 (16%)
Employee recruitment issues (select all that apply)

- Availability of trained workers: 166 (8%)
- Business reputation: 44 (2%)
- Location: 72 (4%)
- Management: 48 (2%)
- Qualifications: 110 (6%)
- Salary treatments: 112 (6%)
- Shifts: 814 (42%)
- Skill levels: 115 (6%)
- Work environment: 65 (3%)
- Other: 144 (7%)
- No problems: 265 (14%)

Number of Companies

Regarding Sales:

Historical profitability at this facility

- No response: 36 (2%)
- Declining: 272 (18%)
- Staying the same: 452 (30%)
- Increasing: 755 (50%)

Number of Companies
Regarding Marketing:

**Marketing/Sales Growth Needs (Select all that apply)**

- Market Research: 202 (8%)
- Marketing Plan: 362 (14%)
- New Customers/New Markets: 46 (18%)
- New Product Idea Generation: 224 (9%)
- New Products/Services: 246 (10%)
- New Technology/Technology Development: 256 (10%)
- Mergers/Acquisitions: 24 (1%)
- Sales Support: 232 (9%)
- Strategic Business Planning: 314 (13%)
- Other: 163 (7%)
- None: 33 (1%)

Number of Companies

Regarding Operations:

**Current Operational Needs (Select all that apply)**

- Computer/Information Systems Hardware/Software: 272 (17%)
- Design/Engineering: 79 (5%)
- Energy Utilization/Sustainability: 67 (4%)
- Financing: 251 (15%)
- Human Resources/Professional Development: 341 (21%)
- Machinery & Equipment: 195 (12%)
- Production Issues: 75 (5%)
- Shop Floor/Inventory Control: 63 (4%)
- Safety Vendor/Supplier Assistance: 44 (3%)
- Other: 172 (10%)
- None: 89 (5%)

Number of Companies
Regarding Public Infrastructure:

Issues with public infrastructure (including utilities) (Select all that apply)

- Airport facilities: 177 (6%)
- Energy: 362 (13%)
- Zoning/Land Use: 318 (11%)
- Telecommunications: 102 (4%)
- Public Sewer: 63 (2%)
- Public Transportation: 404 (15%)
- Public Water: 215 (8%)
- Rail Service: 10 (0%)
- Road Systems: 653 (23%)
- Wireless and/or Broadband: 69 (2%)
- None: 411 (15%)

And finally, two questions that are often asked by our BEAR Teams:
1. Will you apply for an Incumbent Worker Training Grant? Yes = 603 No = 90
2. Do you have a business plan? Yes = 288 No = 410.

Please do not hesitate to contact our office if you would like to delve deeper into the data ExecutivePulse provides. We have only touched the highlights of the data that has been collected statewide since 2006.

Annual reports are available: [http://www.medamembers.org/groups/bear/](http://www.medamembers.org/groups/bear/) Thank you for your efforts in growing and supporting Montana businesses.

For MEDA,

Mike and Gloria O’Rourke
BEAR Program Coordinators