



SELLING THE CITY

BY AMY STAHL

As Kristy Olaveson talks on the phone, she gazes out her window at the late afternoon sun shining on the snow blanketing nearby mountainsides. "It's glorious," she says, describing the view from her new office in Wilderness Ranch.

Olaveson is one of three principals of POPULUS, a marketing research and consulting company that recently built a two-story "studio" on 20 acres northeast of Boise. Founded in 1985, the firm employs seven full-time workers and a handful of part-timers who use telecommunications technology to analyze data and make policy recommendations for business and government decision-makers. Just a year ago, POPULUS was firmly

rooted in Greenwich, Conn., successfully competing for a client list that has included such heavy hitters as Dun & Bradstreet, General Motors and the Reagan White House.

That is until 1989, when Olaveson and founders John Fiedler and Lesley Bahner attended a conference in Sun Valley and were impressed by the scenery and slower-paced lifestyle. Olaveson recalls, "We looked at each other and said, 'We could be in a beautiful area and still have a prosperous and successful business.'"

In April 1990, their bags were packed and POPULUS moved to Idaho. The presence of relatives in the area and other factors contributed to the decision, Olaveson says, but the clincher was a question of lifestyle. "Our work is very important to us and so is the quality of our lives," she says.

Quality of life is a phrase that comes up time and again in discussions about Boise's business climate. Pair the area's outstanding recreational opportunities, cultural offerings and a strong sense of civic pride with a low crime rate, hard-working labor force, enviable electricity rates and reasonable tax structure and you've got some pretty impressive selling points.

Thanks to a positive community profile and some strategic marketing, more and more businesses are taking notice, says Shirl Boyce, manager of the Boise Area Economic Development Council. In 1986, 225 businesses contacted the council about relocating to Boise. By the end of 1990, that figure had more than quadrupled to 953.

The pitch appears to be working. Great



GLENN OAKLEY PHOTO



Kristy Olaveson says *POPULUS* realized, "We could be in a beautiful area and still have a prosperous and successful business."

Western Casualty, a Midwest insurance company picked Boise over Salt Lake City for its new headquarters, and Sears, Roebuck and Co. hired an additional 125 workers to double its credit operation in 1989. Further, hundreds of new retail jobs were created with the completion of the Boise Towne Square Mall and other shopping centers.

Boise is getting a lot of mileage out of its strong points, but what about the city's weaknesses? It suffers from rising air transportation costs, crumbling roads and bridges, and an overcrowded, underfunded educational system. The capital city also lacks sources of venture capital and research park facilities. Some companies looked hard at Boise but went elsewhere.

- An electronics firm that would have brought 400 jobs considered relocating in Boise but moved on because of projected shortages in the pool of trained workers.

- In 1987, Boise lost a race against Colorado and 12 other states for the new \$50 million home of US West Advanced Technologies. The firm selected the Front Range because of research facilities already in place at universities in Boulder and Fort Collins.

Competition for business and industry can be fierce among intermountain cities in the West. Boyce says Boise is not in the same market niche as Portland and Seattle, cities that have seaports and extensive industrial

bases. Boise does, however, compete against cities like Colorado Springs, Spokane and Salt Lake City, which also court light manufacturing and clean high-tech industries that bring jobs but minimal environmental impacts. Officials of each city have a wish list of desirable businesses, and each is quick to reel off their city's virtues.

Colorado Springs boasts a highly productive workforce, favorable tax structure, climate and educational opportunities, says John Fowler, president of the city's Chamber of Commerce. The city has welcomed several new non-profit associations, religious and sports organizations, and incubator

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projects established at the University of Colorado at Colorado Springs. It also banks on the continued success of existing businesses. One of the area's largest employers, Shepard's/McGraw-Hill publishing house, recently added new facilities and more jobs to its local operation.

Spokane steers prospects to its low real estate and utility rates, prime airline and trucking connections, and lack of congestion. Ellie Chambers of the Spokane Economic Development Council also is quick to point out the benefits of the five four-year colleges and universities within 90 minutes of her city. A former BSU student, she tells business prospects about the Spokane Intercollegiate Research and Technology Institute (SIRTI), a consortium of local institutions that will provide valuable research services and easy access for area students.

Salt Lake City shares many of Boise's strengths in terms of quality of life but enjoys the added benefits of size and good airline connections. Fred Ball of the Salt Lake City Chamber of Commerce brags about the city's recreational opportunities, competitive tax structure, well-educated workforce, professional sports and cultural events. Businesses also are attracted to Salt Lake's high birth rate and low wage rates.

In the last 24 months alone, the Salt Lake City area has gained 8,000 new jobs from a single industry: telemarketing. Delta Air-

Western, small-town quality of life is what draws many businesses to Boise, but a small population also means a lack of resources demanded by other industries. Boise is seeking its special niche in the world market.

lines, American Express, Sears, Holiday Inn and Fidelity Investments each have opened large offices in the city. Other new firms include a cosmetics company, biomedical services tied to the University of Utah, and a genetics center linked closely to the genealogical libraries compiled by the LDS church.

Further, Salt Lake is taking the offensive on overseas marketing. It has created a foreign trade zone to entice lucrative Pacific Rim investments and operates offices in Tokyo, Taiwan and Brussels. Boise may have trouble competing in certain arenas, such as Pacific Rim trade, where Boyce says transportation costs, a small population base and simple geography work against the city.

But Boise does hold its own in other areas.

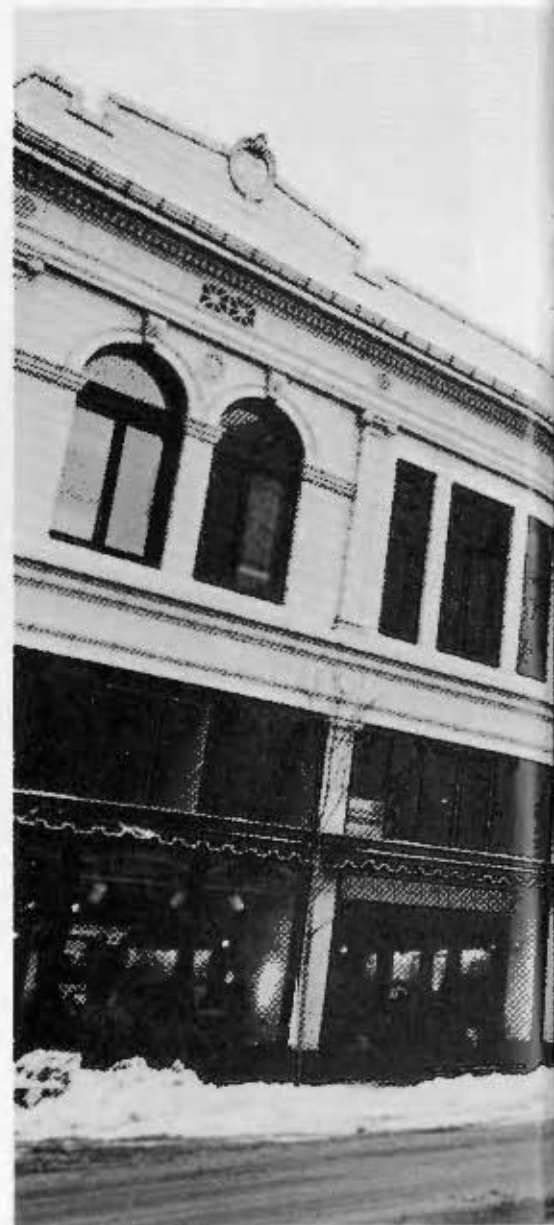
And good press doesn't hurt Boise's marketing efforts. In recent months, the city's virtues have been trumpeted in national publications, including *Sunset* magazine, the *Los Angeles Times* and *Horizon Air* magazine. The city also placed in the top 10 in *Parenting* magazine's list of best cities in which to raise children.

Glowing magazine articles draw attention to the city, but the continued growth of existing businesses is what really fuels growth in the economy, Boyce says. "If your inside isn't healthy, then you're not likely to bring business in from the outside."

Despite recession worries, firms like Morrison-Knudsen, Boise Cascade Corp., and Hewlett-Packard form a solid base for Boise's economy. In recent years, the Boise Valley's high-technology leaders have enjoyed robust growth, resulting in the further growth of spin-off firms like Extended Systems Inc. and Computrol. Another example is California-based Advanced Micro Devices Inc., an integrated circuits manufacturer that recently opened a Boise office to provide better service for H-P.

While the rest of the nation is grappling with the recession, the economy is looking pretty solid in Idaho; Ada County in particular. Department of Employment figures show an average of 54,239 workers were employed monthly at more than 3,500 business in 1975. By 1989, more than 6,100 businesses employed about 97,000 people.

"Overall I think you're going to see pretty good growth in the next 10 years," says Rod Grzadzieleski, director of the Idaho Small Business Development Center (ISBDC) at Boise State. "The key, though, is that if you're an existing business you need to stay on top of it or someone's going to take it away from you."



Shirl Boyce of the city's economic develop-

If the area is going to see sustained growth it needs to diversify with more manufacturing, urgently needed sources of venture capital and continued modernization. Existing firms, like a local foundry using 1930s machinery, must upgrade their equipment and retrain employees to keep pace in a global marketplace, he says.

At ISBDC, Grzadzieleski helps small-business owners write development plans and find their niche in the business world. The center's clients have included Valihai spices, Rose Creek vineyards, Peruna personal-care products and other emerging companies.

Grzadzieleski says BSU's commitment to the center and other services it provides are indicative of the university's ongoing efforts to be more responsive to industry. In the last year, Boise State has signed an



ment council says Boise holds its own against virtually any other city in the Intermountain West.

agreement with the University of Idaho to graduate engineers in Boise, and inaugurated a state-of-the-art manufacturing technology program.

While BSU is filling more needs, it lacks the resources of larger universities lauded for their research facilities and programs. Idaho just can't compete with big-budget states like Utah, Colorado and Washington, says BSU economics professor Chuck Skoro. "Idaho is not going to have a university like Colorado. We can't tax the people that much to have a university that big," he says.

Skoro warns that forecasts show flat growth for most of the state's products—news that isn't likely to bode well either for the state or for Boise. Despite what some Boiseans like to think, Skoro says "we're not independent from the rest of the state. There is no way Boise can skate through unscathed."

Grim predictions notwithstanding, Skoro gives Boise high marks on its civic report card. He thinks the Greenbelt, Morrison Center and downtown redevelopment are attractive symbols of a city with a vision.

He's leery, though, of what unplanned growth can do to the city. Boise's planning and zoning has swung like a pendulum on the fortunes of the economy, jeopardizing the lifestyle many companies—and their employees—treasure.

Boise needs to take a good, long look at itself and gain an understanding of where it wants to be in five, 10 and 50 years. "Somehow, we need to get a real sense of who we are and what's permissible," Skoro says. That way Boise can prosper yet retain the small-town quality that has proved so popular among businesses and their employees. □



Convention
& Visitors
Bureau

LET'S MEET IN BOISE!

Those of us fortunate to call Boise home know it is a great place to live and work. It is an outstanding meeting destination too—something reaffirmed by visiting conventioners from across the country. Boiseans that travel to meetings and conventions can sell this great city better than anyone.

After all, we know first-hand about the relaxed pace, envied amenities, one-of-a-kind attractions and activities and first-class meeting facilities. A major meetings and conventions magazine, *Association Management*, recently selected Boise as one of its pick second-tier convention cities.

Boise is an ideal convention site. For starters, visitors can enjoy a short 10-minute ride from the airport to their hotel or meeting place. Most hotels offer complimentary shuttle service and taxi rides are a fraction of the cost in major cities. On the average, lodging and meals cost considerably less. Conventioners can enjoy a safe environment and can choose from a kaleidoscope of activities, sites and attractions, including nearby rafting and skiing.

Conventions are good for the Boise economy. Conventioners spend, on the average, \$150 per day for lodging, meals, transportation and retail purchases. Each dollar turns over in the local economy several times, impacting the community in a big way.

The Boise Convention and Visitors Bureau needs clues about potential groups for Boise. So, we're calling on all Boiseans who attend meetings, conventions, conferences, training sessions, seminars and trade shows out of town to participate. You have the opportunity to bring a group to our city.

If you attend a regional or national meeting out of state, you can bring back valuable information. The Bureau will research the group and evaluate the city's ability to host their meeting. Local members are important since regional and national groups often will not consider a site without a local member.

Are you leaving town for a meeting?

Give us your



Name _____

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Boise Convention and Visitors Bureau
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