

Southwestern communities band together to attract investment



■ St. Mary's

Seven mid-sized Ontario communities are showing that in unity there is economic development strength. The seven have combined to form a marketing powerhouse that is gaining recognition in targeted markets around the world but especially in Japan.

"We kept bumping into each other at the same trade shows, each with our own booth," says Brad Hammond, development officer for Woodstock. "Then we realized we could save a lot of money by combining our efforts."

Established in 1999, the Southwestern Marketing Alliance (SOMA) does more than save expenses. "Now, we're listened to abroad," says Sean Dyke, economic development officer for St. Thomas. "It's easier to get a meeting with a potential investor when we speak for seven communities than to arrange seven separate sessions."

Besides Woodstock and St. Thomas, the other SOMA members are Aymer, Ingersoll, St. Marys, Stratford and Tillsonburg. Together the municipalities have 340,000 people, but their region, some 140 kilometres west of Toronto, has a population of 800,000, including the larger centres of London and Kitchener-Waterloo.

SOMA trumpets its Ontario heartland location, a 2.5-hour or less drive to six U.S. border crossings and a one-day drive to 130 million North American consumers. The region's workforce, supported by 10 universities and six colleges, is highly sophisticated, especially in manufacturing.

Not only does SOMA tout its region, but it also boosts Ontario in general. Its marketing materials stress the tax advantages of locating in the province, including lower corporate rates than in neighbouring American states and more generous provisions for research and development.

Supporting manufacturing, particularly in automotive parts and food processing, is SOMA's key objective. It developed those targets in a regional strategic marketing study that none of the communities could have afforded on their own. Secondary targets include plastics, advanced manufacturing and green energy.

But what about competition among SOMA members for investment and jobs in these tough times? It's friendly, not cutthroat.



■ Tillsonburg

"We call it co-opetition, not competition," says Hammond. "If someone can't land an investor, at least it should be in the region." That way everyone gains, as not all jobs are filled from the municipality in which a company is located. As SOMA's slogan says, "One location, many places to grow."

Truck assembly plant [Hino Motors Canada](#) in Woodstock is a Japanese subsidiary that draws its employees from throughout the SOMA region. "There's significant talent around here," says Derek Holman, Hino's manager of human resources and plant administration.



■ Stratford

Holman adds that there is more vehicle-related manufacturing within 150 kilometres of his Hino plant than anywhere else in North America, making the area an ideal spot for automotive parts manufacturers.

One such manufacturer is another Japanese subsidiary, [Vuteq Canada](#), also in Woodstock. The company, which makes mostly interior car parts, established roots in the community before SOMA emerged, but it nevertheless turns to the organization for ongoing assistance. "They're there for a quick response to any problem," says Vuteq vice-president Ezio Andreola. "At the height of the recession, they helped us navigate the federal work-share program so that there would be no layoffs."

These days, Vuteq helps SOMA boost regional economic growth by meeting with potential investors to answer their questions and provide third-party testimonials. "We want to help support local business," Andreola says.

To attract new investors, SOMA participated in nine trade shows in 2011 alone. They ranged from a visit to Anaheim, California for a wind power exhibition, to Wolfsburg, Germany for an automotive parts show. As well, an eight-member SOMA group, including four mayors, spent two weeks in Japan drumming up new business. One SOMA investment session attracted more than 50 people. "No one would have come if just one of us had put it on alone," says Hammond.

The group also took time to visit the Japanese headquarters of regional subsidiaries, including Hino and Vuteq, to nurture ongoing relations. "SOMA has done an excellent job in showing commitment to the Japanese market," says David Anderson, executive director of the Tokyo-based Canadian Chamber of Commerce in Japan. "The group understands the importance of relationship management in doing business with the Japanese."

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Clearly, SOMA's efforts are paying off, with the Japanese and others. "Last year, SOMA accounted for 38 per cent of potential leads coming to our office," says Tillsonburg development commissioner Cephas Panschow. "That's about double the previous year. And it's growing again this year."

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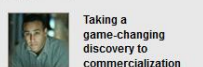
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