

TEHAMA COUNTY
RECYCLING MARKET DEVELOPMENT ZONE
(TCRMDZ)



MARKETING PLAN

Tehama County Recycling Market Development Zone
Stimulating Recycling Based Manufacturing

Background

The purpose of the Tehama County Recycling Market Development Zone (TCRMDZ) is to establish local markets for recyclables, increase waste diversion, expand existing businesses, and assist in new business and job development in Tehama County. It is a collaborative effort between the Department of Resources Recovery and Recycling and (CalRecycle), Tehama County Sanitary Landfill Agency (Agency), and Tehama Economic Development Corporation (TCEDC). The Agency Manager serves as the Zone Administrator and acts as the liaison between CalRecycle and businesses. The goals of the collaboration are to:

- promote positive local and rural economic development,
- exceed statewide waste diversion goals,
- strengthen local markets for recyclable materials, and
- spark local innovation.

TCRMDZ is the only program in Tehama County offering loans and support specifically to start-up or existing businesses manufacturing recycled raw materials, producing new recycled products, or reducing manufacturing waste.

Many Tehama County businesses have access to various lending options including federally backed loan programs at various banking institutions. This being said, most RMDZ businesses have limited direct access to such funds because they are producing products with very little or no track record. The CalRecycle Recycled Market Development Zone Revolving Loan Program is designed to promote market development for post-consumer and secondary waste materials. It provides low interest direct loans to eligible businesses and nonprofit organizations for projects at a maximum of 75% of direct costs or up to a maximum of \$2 million, whichever is less.

Funding currently may be used for the following:

- to purchase machinery and equipment,
- for working capital,
- for leasehold improvements,
- to purchase recycled raw materials and inventory,
- to finance loan closing points,
- for owner-occupied real estate property (limited to \$1,000,000), and/or
- to refinance onerous debt.

Due to there being a drawdown in the amount of funds available in the Revolving Loan Program, it is expected CalRecycle may limit what the funds can be used for in the future.

Unique Selling Properties

The TCRMDZ is the premier program for recycled product manufacturing and composting businesses who want to expand their business in Tehama County and a great entry opportunity for out-of-state businesses seeking to relocate. In particular, there is great potential for the TCRMDZ to attract composting businesses. As an ag-centric region, businesses can readily access agricultural by-product as feedstock in Tehama County.

Tehama County is strategically located along the Interstate 5 (I-5) corridor as the main north-south regional and international transportation route connecting Canada, the United States and Mexico. I-5 divides the County east and west through its geographic center allowing easy access from all points within the County. The corridor also hosts extensive freight rail.

The TCRMDZ provides unparalleled services to manufacturers who conduct or plan to conduct RMDZ business in Tehama County. Specialized services include:

- Streamlined assistance -RMDZ loan application, regulatory compliance, permitting, and siting assistance
- Free feedstock analysis at the Tehama County/Red Bluff Landfill and regionally
- Free Marketing assistance, which may include print advertisements, website development, and signage
- Enhanced recognition of TCRMDZ product(s) at local fairs and community events, and on the TCRMDZ website

The ZA provides personal one-on-one guidance to ensure the best customer service to prospective businesses. Once potential businesses contact the TCRMDZ, this unmatched service may lead businesses to site in Tehama County over other locations.

The regions rich agricultural heritage, ease of access to shipping, low cost of living, available local labor force, and TCRMDZ 'business friendly streamlined' support make Tehama County prime for RMDZ businesses.

Marketing Strategy

Consistently, organics, paper, and construction and demolition material constitute approximately 77% of household and business waste disposed of at the Tehama County/Red Bluff Landfill. These are high priority materials to divert due to the mass tonnage received. Businesses capable of redirecting problematic materials such as polystyrene and other plastics from landfill disposal to reuse and recycling will also be of target.

Successfully marketing the TCRMDZ is based on achieving four goals over a two-year term concluding June 30, 2015 as follows:

1. Increase knowledge of the program among potential businesses or stakeholders
2. Identify S.W.O.T. (Strengths, Weaknesses, Opportunities and Threats)
3. Determine and evaluate potential incentives available
4. Identify businesses that may benefit from the TCRDMZ

The overall goals, objectives and tasks are straightforward with easily measurable results and will be accomplished accordingly.

GOAL 1: Increase knowledge of program among potential businesses or stakeholders

The goal will be met by enhancing web presence, developing informational marketing material, providing targeted presentations, and identifying collaborative opportunities.

Search engine optimization is vital early on to compete on the web and to serve as an instant reference source. Currently, the TCRMDZ hosts the website greenloansupport.com to highlighting the program. Not only does the site serve as a reference for local manufacturers, but also provides program information to manufacturers and stakeholders nationwide. The site will need to rank well in major search engines to draw targeted attention.

OBJECTIVE 1.1: Improve web presence to be search engine friendly. The Agency may contract with a Search Engine Optimizer (SEO) (*\$3,600 using Zone Incentive Funds*) or submit material (see below) directly to Google to ensure the site is designed to be search engine-friendly by December 31, 2013. In either scenario, site visits will be tallied quarterly by counting 'hits' to evaluate the effectiveness of web presence over time.

If submitting directly to Google, web presence will be enhanced by accomplishing the following by December 31, 2013:

- Inform Google about all the site pages, including URLs that may not be discoverable by Google's normal process by submitting the site directly to Google via [Add URL](#)ⁱ or submitting a [Sitemap](#), and
- Identify specific keywords on the site to draw traffic and add associated meta HTML tagsⁱⁱ, and
- Tag website title, page headings and anchors as high-level headings, and
- Identify other compatible websites and make sure the program is known, and
- Provide identified sites with a link to greenloansupport.com. (This increases search relevancy and page rankⁱⁱⁱ), and
- Maintain search engine optimization on an ongoing basis by conducting the aforementioned method(s) quarterly.

OBJECTIVE 1.2: Meet with at least two local economic developers and/or institutions of higher education to identify local collaborative opportunities to advance the program by June 6, 2014. Agency staff aim to develop a working group directly with the Engineering, Business, and Agriculture Departments, and the Institute of Sustainability to foster targeted informational exchanges. The Zone Administer will conduct a meeting to discuss collaborative opportunities that may include student projects and graduate studies focused on recycled content material and/or problematic materials in northern California.

OBJECTIVE 1.3: Upon completion of the S.W.O.T analysis, develop program marketing material.

1. A half page at-a-glance full-color informational flyer will be developed for dispersal at meetings, conferences and available for correspondence needs by June 12, 2014 (*printing \$250.00 using Zone Incentive Funds*).
2. Develop a full-color tri-fold program guide by December 1, 2014. The guide will provide more in depth information than the informational flyer (*printing \$300.00 using Zone Incentive Funds*).

The flyer and guide will be based on the established website for program continuity and shall lead the reader to the website. All marketing material will be cohesive in its branding to ensure program recognition throughout publication mediums.

OBJECTIVE 1.4: Compose and send a program notification letter via post to the four prime manufacturing associations listed below, and local manufacturing businesses identified in Objective 4.1 and 4.2 by March 31, 2015. Identifying larger audiences that will likely benefit from the program is crucial. The industry associations below will also receive a phone call the following week to heighten awareness of the TCRMDZ program.

- Remanufacturing Industries Council
- The Remanufacturing Institute
- California Manufacturers and Technology Association
- National Association of Manufacturers

OBJECTIVE 1.5: Hold a booth or attend a manufacturing association conference (for target materials) in northern California after completion of the S.W.O.T analysis and identification of target businesses by December 1, 2015 (*approximate cost depending on location, including conference booth fees \$1,500-2,000 using Zone Incentive Funds*). Attendance at manufacturing conferences will increase networking opportunities and program awareness among the target audience.

GOAL 2: Identify S.W.O.T. (Strengths, Weaknesses, Opportunities and Threats)

In order to complete a S.W.O.T. Analysis Report the Agency will need to complete Objective 2.1 and 2.2.

OBJECTIVE 2.1: Conduct RMDZ comparison and prepare a report by December 31, 2013. The TCRMDZ is one of 37 RMDZs in California. It is important to determine why businesses site in a particular zone, and what other zones offer as incentives. Questionnaires will be developed and conducted over the phone with established RMDZ businesses and established RMDZ administrators.

The RMDZ Business questionnaire will be conducted over the phone with at least 4 established RMDZ businesses and may include the following:

- When and where was your business initially established?
 - Did the RMDZ play a role? If so, what were/are program pull factors?
- How were you made aware of the RMDZ program?
- Did the RMDZ program influence your initial business strategy? If so, how?
- Did you utilize any other funding incentives or loans?
- What were some obstacles to incorporating recycled content material in your processing?
- Do you produce one or more products?
 - If more than one, do they all contain a percentage of recycled content material?
 - If not, what are the barriers?
- How would you improve the RMDZ program?
- Are you aware expansion opportunities are available in Tehama County and it is also a designated RMDZ?

The RMDZ Administrator questionnaire will include an open-ended dialogue with at least four experienced ZA's to determine what are the strengths, weaknesses, opportunities, and threats to their individual zone program. The purpose of the open-ended dialogue is to gain insight and best practices from established RMDZ programs.

OBJECTIVE 2.2: To gain manufacturing and agricultural association insight, Agency staff will conduct a phone survey with at least 2 association representatives each, one of which must operate in California (preferably northern California). The purpose of the survey is to determine what would lure a manufacturing or agricultural business to the TCRMDZ, and what other lending opportunities are available. Optimizing pull factors not only generates interest, but supports compelling arguments for out-of-area manufacturers to expand their business into Tehama County. Survey data will be compiled and sorted for S.W.O.T analysis by March 31, 2014. The following are potential questions to include in the surveys:

Manufacturing & Agriculture Survey

- Overall, do you think manufacturers are aware of the cost savings associated with recovering waste produced during the manufacturing process?

- If not why? If so, share success stories
- Do you notice any trends in manufacturing processes related to recycling or waste reduction? If so, please describe
- What are the most commonly utilized loan programs among manufacturers?
- Overall, are manufacturers pleased with current loan packages available?
- What are the challenges in expanding a manufacturing business or developing a new start-up?
 - Are there ways around this? If so, please describe
- Which of the following would incentivize manufacturers the most to use post-consumer and secondary waste materials in their manufacturing processes?
 - Program loan application, regulatory compliance, permitting, and siting process assistance
 - Free regional feedstock analysis including data from the County Landfill
 - Enhanced recognition of manufacturer's recycled-content material(s); print advertising media, recognition at local fairs and community events, and on local business website
 - Free Marketing assistance, which may include print advertisements, website development, and signage.
- What would cause a manufacturer interested in optimizing post-consumer and secondary waste materials to hesitate implementation?

OBJECTIVE 2.3: Agency staff will develop a S.W.O.T Analysis Report by using information provided in Objectives 2.1, 2.2, 3.1, and 3.2 by June 30, 2014. The following TCRMDZ S.W.O.T. information is already perceived:

Strengths:

- Program supports niche market, exclusively serving reuse and recycling manufacturing
- Zone provides access to deep industry knowledge and extensive feedstock data

Weaknesses:

- Scaling up projects may prove difficult
- Lack of track record

Opportunities

- Collaboration with various community groups; Tehama County Economic Development Corporation, business associations, and local institutes of higher education
- Access to large agricultural community

Threats

- State funding

- RMDZ already established in Butte, Glenn and Siskiyou counties

GOAL 3: Determine and evaluate potential incentives not already in place

Comparing incentives offered by other RMDZ programs and comparable programs will help in developing a blueprint of the TCRMDZ competitive landscape.

OBJECTIVE 3.1: Use the survey in Objective 2.1 to compile a report of additional incentives and loans that are used most frequently by RMDZ businesses by March 31, 2014. Gathering baseline data will help develop a program to suit the needs of specific industries.

OBJECTIVE 3.2: Conduct phone survey with at least four local manufacturers, two of which produce different materials, a local economic developer, and two local financial institutions by September 13, 2013 to determine what other incentives and funding opportunities are available locally. The Zone Administer will analyze the phone survey and prepare a concise report by October 31, 2013.

GOAL 4: Identify businesses that may benefit from the TCRDMZ

The TCRMDZ will primarily target existing and prospective manufacturers in the region that currently make products out of the aforementioned priority materials and/or could potentially incorporate recycled content material in their manufacturing process. THE S.W.O.T. analysis will be used to identify potential businesses that are currently unknown.

OBJECTIVE 4.1: Identify potential manufacturers (using the S.W.O.T. analysis) in Tehama, Butte, Glenn and Shasta counties that may benefit from the program. Make direct contact with five and explain the program by December 31, 2014.

OBJECTIVE 4.2: Identify established RMDZ manufacturing businesses in CA and manufacturers in comparable communities throughout the West Coast that could potentially expand in Tehama County (using the S.W.O.T. analysis). Make direct contact with three and explain the program by March 31, 2015.

ⁱ <http://www.google.com/submityourcontent/>

ⁱⁱ <http://www.boastingbiz.com/blog/seo/3-reasons-why-tagging-your-website-is-important/>

ⁱⁱⁱ <http://support.google.com/webmasters/bin/answer.py?hl=en&answer=66356>