



Technology, Talent, and Tolerance:

Attracting the Best and Brightest to Memphis

A Report by the Memphis Talent Magnet Project

Contents:

The Challenge: Building a Talent-Powered Economy	1
<i>Beliefs: Old Economy vs. New Economy</i>	2
Why Talent Matters	2
The Response: Memphis Talent Magnet Project	3
Project Methodology	3
Interviews	3
Focus Groups	4
Peer Cities Research	4
What It Takes to Be a Talent Magnet	5
Technology, Tolerance, and Talent	5
Quality of Place	6
<i>Top-rated Cities</i>	7
Case Study: Austin, Texas	8
Where Memphis Stands	9
<i>Magnetic Memphis: Existing Assets</i>	10
Tolerance in Memphis	10
Research Findings	11
Perceptions about Memphis	11
<i>FedEx Job Candidates and the Web</i>	12
The Power of the Web	12
The Power of Traditional Media	12
The Power of History	12
The Power of Peak Experiences	13
The Power of Brand Identity	13
Recommendations: Making Memphis a Talent Magnet	14
Promote Technology	15
Promote Tolerance	15
Promote Talent	15
Promote Peak Experiences	16
Outdoor Recreation	16
Arts and Culture	17
Cuisine	18
Life of the Mind	18
Promote a Revitalized Brand	19
<i>Live from Memphis</i>	19
What We Can Do Together	21
<i>Recommended Reading</i>	21



Many say we now live in an ‘information’ economy or ‘knowledge’ economy. But what’s much more fundamentally true is that we now have an economy powered by human creativity. For creativity is the decisive source of competitive advantage. But it is not a commodity. Creativity comes from people [and that means] people are the critical resource of the new age.

– Richard Florida, *“The Rise of the Creative Class”*

The Challenge:

Building a Talent-Powered Economy

Cities must be talent magnets to succeed in today’s knowledge economy. To succeed, they must attract young mobile professionals who make up the knowledge workforce.

And they are indeed mobile. The U.S. Census Bureau’s 2000 Current Population Survey shows that in 1999, 34 percent of 20- to 29-year-olds and 22 percent of 30- to 34-year-olds moved, making these demographics the primary target for many cities and towns. In fact, this is one of the defining characteristics of this key demographic group, the fuel for the knowledge economy.

In addition, better educated people are more likely to move long distances. Forty-seven percent of movers with a college degree moved to a new county, compared with only 34 percent of those with less than a high school education. Because of this, these young mobile professionals become the most highly prized demographic group in modern American business.

“Access to talented and creative people is to modern business what access to coal and iron ore was to steel-making,” writes Prof. Richard Florida, Heinz Professor of Regional Economic Development at Carnegie Mellon University, in his book *The Rise of the Creative Class*. “It determines where companies will choose to locate and grow, and this in turn changes the way cities can compete.”

As a result, the interlocking questions that face cities today: Because creative people are the “critical resource of the new age,” then how can cities eager for economic development attract them? How can cities become magnets for talent? Prof. Florida has investigated this issue in depth. His research points out that highly skilled creative people gravitate to places that are centers of creativity, places that are multifunctional and diverse, full of stimulation and cultural interplay. Successful places will need to cultivate “a people climate” as well as a business climate, he writes.

In the knowledge economy, successful cities will insure that their people climate is especially appealing to young creative people, a group typically neglected by city boosters. These young people, willing to work long hours free of family constraints, play an important role in the knowledge economy. Plus, they are highly mobile, making them the best target of opportunity for cities and companies attempting to expand their creative pool.

It is clear that in the new economy, cities that opt to rely solely on homegrown talent to be competitive are gambling with their futures, and increasingly, the game of economic growth will be played out in battles to attract the brightest young, mobile professionals. The cities that succeed will in fact be talent magnets.

Why Talent Matters

In today's economy, the cities that win will be the cities that are abundant in ideas and talent, rather than those abundant in raw materials or inexpensive labor. As a result, attracting and retaining educated young people who make up the most mobile segment of the talent pool are the keys to a healthy, dynamic economy.

Memphis companies report persistent problems recruiting young knowledge workers to Memphis. The questions to be answered with the Memphis Talent Magnet Project are these:

1. Why do Memphis companies have problems recruiting young knowledge workers?
2. What can be done about it?
3. Can Memphis deliver the kind of lifestyle today's young knowledge worker wants?

In the old economy, people believed that:

Being a cheap place to do business was the key.

Attracting companies was the key.

A high-quality physical environment was a luxury stood in the way of attracting cost-conscious businesses.

Regions won because they held a fixed competitive advantage in some resource or skill.

Economic development was government-led.

Beliefs: Old Economy vs. New Economy

In the new economy, people believe that:

Being a place rich in ideas and talent is the key.

Attracting educated people is a key.

Physical and cultural amenities are key in attracting knowledge workers.

Regions prosper if organizations and individuals have the ability to learn and adapt.

Only bold partnerships among business, government, and nonprofit sector can bring about change.

Source: "Metropolitan New Economy Index," Progressive Policy Institute Technology Project, with data from Richard Shatten and Paul Gottlieb, "Aha! Knowledge Economy," Innovation for Regional Advantage, vol. 2 (2000): pp. 4-7.

2





The Response:

Memphis Talent Magnet Project

On behalf of The Chamber, The City of Memphis, and Shelby County Government, Coletta & Company, Inc., and the Williams Company, along with Prof. Florida, completed a six-month project to explore the challenge of attracting young knowledge workers to Memphis and develop recommendations based on our findings.

The objectives of the project were to:

1. Put the issue of making Memphis a talent magnet for young, mobile knowledge workers on the community agenda.
2. Identify “best practices” of cities successfully acting as talent magnets.
3. Identify the factors that motivate young, mobile knowledge workers to choose a city.
4. Assess Memphis’ current profile and ability to act as a talent magnet – its strengths and weaknesses.
5. Recommend actions to be taken by various entities to enhance Memphis' profile and ability to act as a talent magnet.

Memphis can no longer neglect the opportunity to make itself a compelling place for the demographic group that underpins today's economy. Identifying the high-leverage actions Memphis can take to pursue that goal is the purpose of the Memphis Talent Magnet Project.

Project Methodology

Coletta & Company, Inc., and the Williams Company conducted qualitative research to determine what kind of image Memphis had among young, urban knowledge workers. Researchers completed one-on-one interviews and focus groups with more than 50 people, along with research into selected peer cities.

Interviews

Interviews were conducted with the following:

- Corporate recruiters (Memphis-based)
- Institutional recruiters (Memphis-based)
- Third-party recruiters (Memphis-based and national)
- College recruiters (Memphis-based)
- Corporate recruits to Memphis
- Individual members of the target market

Focus Groups

Focus groups were conducted with the following:

- Mpact members who are recent transplants (Mpact is an organization comprised of young, urban professionals living in Memphis)
- College students being heavily recruited by corporations

The Talent Magnet Project also used a diverse group of more than 50 local citizens as a Resource Council for guidance and research. The Resource Council provided professional insights, access to interviewees, feedback on research findings, and roundtable input on Memphis' peak experiences, opportunities for memorable, world-class activities.

High Performing Cities Research

The project gained some insights into Memphis' peer cities from interviews and focus groups. Information was also compiled from analysis of available literature, Web sites, and relocation packets.

For purposes of this research, high performing cities are those whose growth has accelerated significantly in the new economy and which rank high on both the Milken Tech-Pole and Prof. Florida's Creativity Index.

- Atlanta
- Austin
- Denver
- Seattle

4





5

What it Takes to Be a Talent Magnet: Technology, Tolerance, and Talent


Prof. Florida has developed a unique predictor of which cities will perform as talent magnets attracting what he calls “high capital” individuals. His research found an important link among three factors he calls the “three T’s” – technology, talent, and tolerance.

Why this link? Because talented technology workers want to live in places with a “thick” labor market, i.e. one with many attractive employment options. Thick labor markets develop in places where talented individuals feel immediately comfortable, find other creative people in many fields, and have the opportunity to make an immediate contribution – places that welcome and value people of every kind.

In short, tolerance attracts talent; talent attracts technology-driven growth.

Prof. Florida conducted an analysis comparing measures of tolerance, diversity, and high-technology success in 50 metropolitan areas. Interestingly enough, he found that the leading indicators of a metropolitan area’s high-technology success are a large gay population and a high concentration of artists and foreign-born residents. Prof. Florida has melded these three factors – the presence of gay men and women, artists, and foreign-born individuals – into a measure of overall openness he calls the “Diversity Index.” Cities that score high on the Diversity Index attract talent.

As Prof. Florida and Gary Gates of the Urban Institute wrote in *The Brookings Institution Survey Series (Center on Urban and Metropolitan Policy, “Technology and Tolerance.” 6.01)*. “Tolerance and diversity clearly matter to high-tech concentration and growth. Having large representations of gays or bohemians or immigrants in a population does not, of course, directly cause a technology industry to spring up. Instead, people in technology businesses appear to be drawn to places characterized by inclusiveness, open-mindedness, and cultural creativity – attributes whose presence is often signaled by, and therefore strongly correlates with, a cosmopolitan and diverse local population. The point isn’t that high-tech jobs follow gays; it’s that gays and high-tech jobs both gravitate to the same kinds of places.”



Fundamental to what we have already learned is that we must stop selling our community at a discount. Instead, we must sell it for its value. In the old economy, economic development was built on tax breaks, subsidies, cheap land, and cheap labor. But no more. Today, in the new economy, a region's competitive advantage is quality – quality workers, quality of life, and quality innovation.

– Shelby County Mayor Jim Rout

6

Quality of Place

Prof. Florida's research shows that in a talent-driven economy, place actually becomes more important and cities with certain qualities tend to attract more talented, creative people.

"[Place] provides the organizational and geographic glue that matches companies – large and small – to people, and people to jobs," Prof. Florida writes in his book, *The Rise of the Creative Class*.

What attracts talented people to a place? First, they seek opportunity. Talented people look for thick labor markets and challenging work. They also seek cities that function as arenas for mobilizing resources around opportunities. And talented people are attracted by other talented people.

But there is another set of "attraction factors" Prof. Florida identifies that relate directly to lifestyle and the essence of a city.

Talented people are attracted to cities with status, amenities, creativity and creative energy, diversity, and quality of place.

How is "quality of place" defined? Prof. Florida says it's a matter of what's there, who's there, and what's going on there. A place should have a visible, vibrant center; a variety of distinctive neighborhoods; environmental quality; and interesting building stock. In terms of who's there, Prof. Florida says diversity is the big issue.

An attractive city will offer a thriving street scene, a creative culture that is visible and apparent, and "peak lifestyle experiences" – opportunities for memorable experiences, especially in the areas of arts and culture, nearby active outdoor recreation, culinary experiences, and intellectual life. Knowledge workers also want to be in "smart places," cities with great universities and learning opportunities.

Prof. Florida's conclusions are reinforced by others. The Metropolitan New Economy Index (April 2001) ranked cities according to their performance on 16 New Economy measures. Success in today's economy requires a fundamental rethinking of both the goals and the means of metropolitan economic development, according to the researchers who prepared the index. It, too, emphasizes the importance of quality of life as one of seven recommendations for improving a city's performance in the New Economy.

Top-rated Cities

Metro Area ranked by technology economy and tolerance

Metro Area	Milken Tech-Pole	Composite Diversity Index	Metro New Economy Index	Creativity Index
San Francisco	1	2	1	1
Boston	2	6	8	3
Seattle	3	5	3	5
Washington	4	3	6	8
Dallas	5	15	12	10
Los Angeles	6	1	20	12
Chicago	7	11	19	15
Atlanta	8	14	11	13
Phoenix	9	21	16	19
New York	10	4	17	9
Philadelphia	11	32	18	17
San Diego	12	7	5	3
Denver	13	17	7	14
Austin	14	8	2	2
Houston	15	18	14	7

Sources: 1. America's High-Tech Economy, Milken Institute, July 1999. 2. Prof. Richard Florida and Gary J. Gates, with data from 1990 U.S. Decennial Census Public Use Microdata Sample (5%). 3. "Metropolitan New Economy Index," Progressive Policy Institute Technology Project, with data from Richard Shatten and Paul Gottlieb. 4. The Rise of the Creative Class, Richard Florida, Basic Books, 2002

A 1998 KPMG survey of more than 1200 tech workers examined the factors associated with the attractiveness of a new job. It found that "community quality of life" was the second most important factor -- just below salary -- and more important than proximity to family and friends (3rd), benefits (4th), stock options (5th), and established company (6th).

Even Arthur Andersen's Best Cities 2000 survey of 1,433 senior executives worldwide, conducted June through November, 2000, found that a city's suitability for business is no longer about tax incentives and cheap land. Instead, local availability of professionals and entrepreneurial activity are two of the top three factors.

As one researcher put it, "Hot companies in cool places -- that's where knowledge workers want to be."

Prof. Florida has incorporated his Diversity Index into a broader measure of a city's creative environment. This measure is called the Creativity Index.

Certain cities score high on the Creativity Index, the Milken Institute's Tech-Pole, a measure of high-technology industry concentration and growth, and the Metropolitan New Economy Index. These are the same cities that have been lauded as the economic success stories over the past decade. San Francisco tops all three rankings. Austin ranks 2nd on two of the rankings, Seattle is in the top five of two rankings. Cities appearing in the top 15 of all three rankings are San Diego, Washington, D.C., Denver, Boston and Atlanta.

Three of these cities -- Austin, Seattle, and San Francisco -- are known for their music scenes, and Atlanta has become a center for rap. At least five -- Denver, Boston, Seattle, Austin, and Washington, D.C. -- have notable outdoor recreation scenes, and three -- Austin, Seattle, and Denver -- stand out for their casual cultures. Most have great research universities nearby. None of these cities would easily be mistaken for any other city. They have unique, authentic local cultures that creative people find attractive.



Case Study: Austin, Texas

Austin, Texas, offers hopeful signs of what can happen when a city actively fosters creativity and courts talent.

Austin started focusing on "clean industries" related to research at the University of Texas as early as the 1950s. IBM moved in to Austin in the '60s and blazed a trail for many more Fortune 500 branch offices.

In 1983 Microelectronics and Computer Technology Corp. (MCC), a research agency promoting U.S. technological leadership, made Austin its home. The Chamber raised \$20 million to build MCC, a building now owned by the University. According to city leaders, that was a turning point in drawing talent and national recognition to Austin. Equally important, it served as a model for future collaborations, bringing together city government, the University, and community members.

Also in the '80s, the Austin Chamber, SRI, and the business community created "Austin's 20/10," a plan to attract more technology workers, improve Austin's quality of life, capitalize on the city's entertainment industry, and build engineering and computer science infrastructure at the University. By the early '90s Austin had achieved a critical mass of workers and institutions to become a breeding ground for new companies. "Knowledge will follow knowledge and build a better quality of life," said Susan Engelkind, president of an Austin communications firm and one of the authors of the 20/10 report.

As a result of all this activity, Austin's population grew 48 percent in the '90s, almost four times the national average. But the city has worked hard not to let its population sprawl uncontrolled across the surrounding Texas Hill Country.

Kirk Watson, who was elected mayor in 1996, capitalized on the interest in downtown to limit sprawl and traffic. "Talent is going to go where the quality of life is good. It will be a place with beautiful hills, clean water, and a place where your kid can get to second base without needing a nebulizer because the air is so bad," said Watson. To save its air and water quality and its hills, Mayor Watson instituted one of the nation's most aggressive Smart Growth initiatives.

Austin has also invested heavily in its cultural lifestyle and music scene—from the clubs and bars of Sixth Street to Austin City Limits and SXSW, the South-by-Southwest festival of film, music, and digital media held each March. The city has created a business infrastructure to support its film and music industry, especially low-budget productions. The city turned an old airport into film studios and combines film recruitment with insurance, risk management, and banking services all tailored to filmmaking. Sometimes several low-budget projects will be placed into a single financing package backed by local investors.

Similarly, Austin has developed a network of government and business services to create a robust music industry. There are 120 live music venues in Austin, plus a base of lawyers, managers, recording studios, booking agents and publishers serving musicians. Government-backed loan programs and seed money are available to local artists, who can apply through the city's 25-year-old Cultural Contracts Program, a \$3.9 million annual provision financed by a hotel tax. A rental car tax and 15 percent of the hotel tax go to the arts in Austin. Austin City Limits started airing on PBS in 1976, putting the city on a national stage. Eventually, Austin successfully branded itself as the "Live Music Capital of the World."

A visit to Austin quickly confirms that, even with its success, the city has maintained its funky, laid-back, authentic self. The emphasis is decidedly on local, with even the airport playing local music and videos, displaying local photographs and memorabilia, and housing local bookstores and restaurants. It is a town full of secondhand stores, outdoor coffee bars, locally-owned shops, unique neighborhood commercial districts, a pedestrian-friendly downtown, jogging paths along its waterfront, dedicated "veloways" for bikes, and boat rentals for exploring its downtown lakes.

In Austin, one gets the impression that life isn't work. It is a city that seems not so much hip as simply fun. It is totally unpretentious. Even its roadwork signs convey a sense of humor, proclaiming "Roadwork Blues Until 2002" and "Downtown Jam: Mixing It Up for a Better Austin."

All this has been accomplished in the face of formidable obstacles to economic development. Just one-third of families who send their children to Austin public schools are English-language learners. Immigration has posed significant challenges for the education system. There have also been continuing battles between environmentalists and business.

Austin demonstrates that talent powers economic growth, and diversity and openness attract talent. Companies remain important but no longer call the shots. The location decisions of people are just as important—maybe even more so. In fact, companies increasingly will go where talented people are.



8

Where Memphis Stands

Ranking Regions in the Creative Economy: The Creativity Index

Rank	Region	Score	Rank				
			Overall Rank	Creative Class	High-Tech	Innovation	Diversity
1	San Francisco	1057	1	12	1	5	1
2	Austin	1028	2	7	13	6	23
3	Boston	1015	3	6	2	12	41
3	San Diego	1015	3	30	14	13	4
5	Seattle	1008	5	20	3	34	11
6	Raleigh Durham	996	6	5	16	8	52
7	Houston	980	7	22	19	39	16
8	Washington DC	964	9	4	5	85	18
9	New York	962	10	25	14	54	20
10	Minneapolis	960	11	14	28	11	60
10	Dallas	960	11	55	6	40	15
12	Los Angeles	942	13	46	4	79	5
13	Atlanta	942	14	32	7	87	10
14	Denver	940	14	17	65	29	25
15	Chicago	935	16	29	10	56	46
49	Memphis	530	132	184	100	141	119

Source: The Rise of the Creative Class, Richard Florida, Basic Books, 2002

Memphis ought to be in a position to capitalize on its assets to attract knowledge workers. After all, Memphis has a “cool” or “funk” mythology about it derived from its cultural and musical heritage. Memphis even has one of the all-time hottest companies, Federal Express, run by one of the all-time hottest CEOs.

But the Memphis mythology hasn’t yet translated into attracting knowledge workers the way it has in, say, Austin. It could be said that Memphis is just beginning its efforts to court talent.

Listen to discussions about Memphis’ future, and the conversation quickly turns to the question of how we can get our poor, undereducated population job-ready. That is worthy discussion, and it deserves and demands attention. But if we don’t also plan how to attract and retain knowledge workers with options – those who can choose to live anywhere – we will fall ever further behind in the competition for jobs in today’s economy.

Memphis’ position on various technology and New Economy rankings is mixed.

According to FedEx founder and chairman Fred Smith, more than one in nine jobs in the Memphis area are tech-related. Memphis also had the highest rate of high-tech startups over the last three years among the nation’s 60 largest metro areas.

That’s the good news.

But some of the news is less positive. In Prof. Florida’s Creativity Index, Memphis ranks 49th out of the 50 largest metropolitan areas. The Milken Institute’s Tech-Pole shows Memphis ranking 49th out of the 50 largest metro areas based on the output of their high tech industries and the concentration of high tech industries in the area.

In the Metropolitan New Economy Index (April, 2001), which ranked cities according to their performance on 16 New Economy measures, Memphis ranked 47th behind such cities as Nashville (#32), St. Louis (#27), and Charlotte (#30).

In fact, the Metropolitan New Economy Index notes that Memphis, like “other metros in the Southern and Southwestern states [has] lagged behind in economic innovation.”



Magnetic Memphis: Existing Assets

Memphis already has many key elements in place to become a talent magnet:

Downtown renaissance:

The planned basketball arena is only the latest development in the rebirth of downtown. Lively downtowns with plenty of activities and residential options are attractive to knowledge workers.

Visible creative community:

Artists, actors, and musicians are highly visible in Midtown, the Marshall Street area, South Main, and the emerging Soulsville area. Visible, creative people draw in more creative people.

Cultural diversity:

Memphis' traditional black-white mix is expanding to include thriving Hispanic, Indian, and Asian communities, among others. This helps attract talented workers from other cultures.

Potential for "thick" labor markets:

Knowledge workers and technology companies gravitate to places where people and ideas flow freely among many separate but related organizations. This kind of dynamic culture continually generates new jobs and business opportunities. Silicon Valley began building such a culture after World War II, using higher education and defense as starting points.

Memphis can build on similar dynamics in biotechnology and distribution. St. Jude, UT, and the new Memphis Biotech Foundation are just a few of the many centers around which a biotech sector can grow. FedEx people often create new and related symbiotic companies. In addition, FedEx funds technology programs at the University of Memphis, which in turn makes new workers and ideas available to FedEx.

Authenticity:

In an age of franchised sameness, talented and creative people seek out places with "soul." Memphis has plenty of soul – and blues and rock and rap, to name a few musical genres the city helped create. Unlike Atlanta or Charlotte, Memphis also retains a warm, intimate, friendly feel.

Why? Because many Southern and Southwestern states "have made limited investments in education and R&D. They have tended to rely on low costs rather than innovative capacity to gain advantage. But innovative capacity (derived through universities, R&D investments, scientists and engineers, and entrepreneurial drive) is increasingly what drives competitive success in the New Economy."

Richard Florida's research reaches the same conclusions, which are not surprising since Memphis also ranks low on various tolerance rankings he has developed. The city ranked 44th on Prof. Florida's composite diversity index, 40th on Prof. Florida's bohemian index, 33rd on his gay index, and 46th on his foreign-born index.

10



Research Findings

The findings made locally by the Memphis Talent Magnet Project both explain and amplify the national rankings discussed previously.

Perceptions about Memphis

In one-on-one interviews with business, third-party, and college recruiters and in focus groups with people in the target demographic who had been recruited to Memphis, the reported perceptions of Memphis before people experienced the city were profoundly consistent.

Listed here are phrases that were repeatedly used to describe Memphis by those without experience in the city:

- Old Southern town
- Laid-back
- A city with too much crime
- Sleepy
- Not progressive
- Flat, unattractive
- Agrarian
- A big small town
- Not a place for singles or “fun people”
- Provincial
- Divided by race, geography, and more
- A city without exciting companies or culture
- Slow
- Low-key with nothing to do
- A city where it’s hard to get connected
- Unprofessional
- Miles from anywhere else
- A city with no “buzz”

If their comments had to be summarized in one statement, it would be this: There’s nothing going on in Memphis. These perceptions are not surprising when one looks at the common imagery used to depict the city. Consider the city seal, which features Old South images of a riverboat and a cotton boll.

These perceptions of Memphis are the biggest challenge faced by recruiters when trying to lure talented individuals to the city.

Once people had experienced the city, however, their perceptions tended to change. Their experience showed them that Memphis is:

- Kind and friendly
- On a roll, a city with momentum
- A city with great potential
- A place where even newcomers can make a difference
- A city with a resurgent downtown
- An affordable place to live

Talent Magnet Project Resource Council members confirmed that they too had encountered these “before-and-after” sets of perceptions. Many felt that the challenge was to let knowledge workers know about the real Memphis before moving here, so their perceptions would be more accurate and favorable.

The Power of the Web

One of the most vexing discoveries in researching this project was the Memphis imagery displayed by Memphis-based business and organizations on their Web sites. These images reinforce many of the lagging perceptions of Memphis. “Memphis as mausoleum,” as Shelby County Senior Policy Advisor Tom Jones termed it, is an apt description of how the city is presented on many local Web sites. Elvis, Graceland, cotton, and slow-moving riverboats predominate.

There are few photos of average people engaged in active, contemporary lifestyles. There is little evidence on the Web of Memphis as a vibrant, diverse, and energetic city.

FedEx Job Candidates and the Web

One local example makes a dramatic point about the importance of the Web in forming perceptions of the city.

When FedEx recruits candidates, the company typically flies them to Memphis late one day, puts them up in a hotel close to one of its facilities (usually in Southeast Memphis), interviews them the following day, then flies them back home that evening to await job offers. Those candidates see little more of Memphis than the route from airport to hotel to meeting place and back.

So how do most find out about the city they may soon call home in the meantime? They search the Web. And that becomes the way in which they form their impressions of Memphis.

The Power of Traditional Media

Traditional media, such as radio, television, newspapers, magazines and films, are always important in shaping perceptions of a city. Memphis is no exception. Although it was beyond the scope of this project to do a thorough study of Memphis as portrayed through traditional media, a quick search of recent stories in national general interest magazines and on National Public Radio shows that most mentions of Memphis are in connection with the city’s musical heritage, barbeque, and civil rights. Shift the search to newspapers, and the most frequent mentions of Memphis result from NBA coverage.

The Power of History

Memphis plays a legendary role in the American story, with larger-than-life personalities and history-making events. These, too, shape perceptions of Memphis for better or worse.

There is no reason to leave our heritage behind. Traditional images of Memphis are easily updated. Elvis as the embodiment of Memphis’ music heritage can be updated to reflect one the nation’s hottest live music scenes. Riverboats as a symbol of the city’s relationship with the river can be replaced with kayakers and other active recreation on the powerful river.

The powerful symbols of the civil rights struggle have been augmented with contemporary images of the National Civil Rights Museum and its annual International Freedom Fund Awards.

12



The Power of Peak Experiences

Resource Council members suggested numerous ideas to improve knowledge workers' perceptions of Memphis. Research suggests that smart young knowledge workers are demanding consumers of experience, preferring nationally competitive or authentic "peak experiences" to a variety of average or mediocre options. When asked to identify unique Memphis experiences that could compete with cities anywhere, they responded with examples of peak experiences in four broad categories: arts and culture, active outdoor recreation, culinary and intellectual life.

A sampling of the peak experiences identified by the Resource Council included the city's live music scene, kayaking in the Mississippi River, and the growing range of ethnic dining in the city.

Peak experiences that appeal to the target market should form the basis for new messages about

The Power of Brand Identity

There is an obvious need for updated images, themes, and packaging to communicate the "real" Memphis, the authentic Memphis, to talented young knowledge workers. In many cities there is a push on to integrate a city's disparate parts into one cohesive branding approach. That's the way powerful brands are built.

But the Memphis brand is, at best, inconsistent as presented by various civic and business organizations. One could even make the case that Memphis is a brand that is "dead," if one considers how often images of the deceased are used.

A concerted effort is needed to convey a much more powerful, compelling, consistent message for our city. In particular, the ways in which we choose to communicate must resonate with young knowledge workers. That means that the message, attitude, and style must be age-appropriate.

Richard Florida makes a strong case for the importance of "audio cues," particularly music, in communicating with the target market. Seattle and Austin are high-ranking cities with distinctive audio cues based on their music. Memphis, with a musical heritage matched by few other cities in the world, should capitalize on this opportunity to use powerful audio cues as part of its communication strategy.

New focus, too, must be given to the Web as a vital communication channel. Improved communication between those entities that speak for Memphis on their Web sites should be established. Special attention should be given to substantiating and communicating the peak experiences Memphis offers.





14 Recommendations:

Making Memphis a Talent Magnet

The following recommendations are offered with the hope that they will be adopted by local governments and by all Memphis civic and business organizations as a guide – even a vision – for making Memphis a city of choice for smart young knowledge workers.

The breadth of the recommendations makes it clear that no one organization operating alone can realize this vision. Instead, it will take all of them working together to make Memphis a city where creativity and diversity are celebrated. If our organizations will embrace this vision and use these recommendations as a springboard for their own work, Memphis will be the city of choice not only for smart young people but for talented and creative people of all ages.



Promote Technology

Increase technology-related education, business, and culture.

- Champion university initiatives to develop nationally competitive programs in technology, such as the FedEx Technology Institute at the University of Memphis and the University of Tennessee Health Sciences Center.
- Support Emerge Memphis as the city's technology incubator and encourage its growth and integration with programs such as the FedEx Technology Institute.
- Support the Memphis Biotech Foundation (MBF) initiative to take advantage of Memphis biotech assets to create new high technology jobs for the city.
- Use the MBF model of grants and venture funding as a model for spawning new businesses in other promising areas of technology.
- Support organizations such as Lick the Toad and the Chamber's High Technology Council to encourage a technology culture in Memphis.
- Support organizations such as the Entrepreneurs Roundtable to encourage an entrepreneurial culture in Memphis.

Promote Tolerance

Visibly and officially embrace diversity as an economic and civic development goal that is as good for the whole community as it is for those who are labeled as "minority."

- Expand the definition of diversity as an economic and civic "good" to include all people with talent, whatever their dress, religion, musical tastes, sexual orientation, ethnicity, or country of origin.
- Use images of diverse Memphians and their lifestyles in branding and image strategies.
- Support the International Freedom Awards as an event with global recognition and stature, and use it as a means of branding Memphis internationally.
- Develop and support visible celebrations of diversity.

Promote Talent

Embrace young people and newcomers and welcome them into the city's civic life.

- Support and promote Hands on Memphis and Mpack as organizations that accomplish this objective. Encourage their outreach to and inclusion of newcomers with diverse backgrounds and lifestyles.

Seek out, nurture, honor and reward talent, including artists, entrepreneurs, technology workers and civic innovators. Foster economic, technical, and cultural contacts among talented people both within Memphis and with the rest of the world.

- Austin sponsors "Biobashes" and stages the 360 Summit to encourage artists, entrepreneurs and technology workers to get to know each other and share their work. Consider sponsoring similar mixers, events and even active recreation competitions to get talented people together.
- FedEx has excellent video conference facilities, allowing thought leaders anywhere in the world to appear in Memphis for the modest cost of the telecommunications charges. Consider a series of video conferences with "great innovators" to inspire and exchange ideas with talented Memphians.
- Young talented people in Pittsburgh, PA, created a movement they call "Ground Zero." It is "an open network of doers, makers, and creative people who collaborate on projects focused on Pittsburgh's urban environment and culture." Consider initiating a similar movement.
- Develop online opportunities for networking among talented people, communicating about events of interest, and documenting stimulating events.

Promote Peak Experiences

Peak experiences are unique Memphis experiences in the areas of outdoor recreation, arts and culture, cuisine, and intellectual life that can compete with any offered in any city anywhere. Many of these recommendations can be carried out immediately with a shift in resources and focus.

Outdoor Recreation

Develop, package and promote peak outdoor recreation experiences. Focus on nearby, active recreational opportunities that can be pursued individually.

- Kayaking in the Mississippi River.
- Canoeing on the Wolf River.
- Cycling on the Mississippi River Trail.
- Hiking and cycling at Shelby Farms.
- Hiking and cycling along the Mississippi River.
- Skydiving in Fayette County.
- Hiking and biking on the Wolf River and Nonconnah greenways.
- Cycling on paths linking university campuses and major outdoor attractions, such as Shelby Farms, the Mississippi River, Shelby Forest and T.O. Fuller State Park.
- Take full advantage of the Wolf and the Mississippi for their potential to offer in-town active water recreation.
- Support special events centered on outdoor recreation with the capability of attracting national media attention, such as the Tour de Wolf and the Outdoors Inc. Canoe and Kayak Race on the Mississippi.
- Make Memphis more friendly for bike riders and rollerbladers to promote a casual, outdoor lifestyle. Develop several high profile bike lanes and pedestrian paths.
- Eliminate regulations that discourage active outdoor recreation, such as the prohibition against rollerblading on Main Street.
- Make downtown Memphis more dog-friendly with relaxed sidewalk café rules for dog access, clean-up bags readily available, and a dog park.





17

Arts and Culture

Develop, package and promote peak arts and cultural experiences, with a particular focus on creating a vibrant cultural “scene” in the city.

- Support LivefromMemphis.com to provide strong “audio cues” for the Memphis brand, develop and market Memphis bands and Memphis music in the fast-changing music industry, and act as a central way of presenting Memphis to the target market.
- Support cutting-edge, nationally-acknowledged arts and culture, because it convincingly projects a city of vitality and creativity and act as a major magnet in attracting talent and ensuing economic growth.
- Spotlight the vibrant hip-hop and house scenes in Memphis and support their development.
- Sponsor the creation and performance of new works from young Memphis artists.
- Encourage the presentation and performance of art in casual, unexpected settings, literally moving it “outside the box” to make art “more present” in Memphis. Use art to animate downtown with events such as “Art Apart,” “Art Space” in Washington, D.C., and “Making a Scene” in Pittsburgh.
- Encourage comedy, film, digital, and other “alternative” arts showcases and aspire to national competitiveness. Consider spin-offs from or affiliations with top brands, such as Sundance or HBO Comedy Arts Fest to promote national recognition. Also, consider methods for increasing attention, national competitiveness, and economic viability of these showcases through media events, awards, and grant programs.
- Create a culture of inclusion, collaboration, and honor for and among artists by supporting such things as an Emerging Artists Collaborative, Mayor’s Award for the Arts, and MacArthur-type grants.
- Build a unified Web site and mailing list for promoting and reporting on arts and cultural events in Memphis.



Cuisine

Develop, package and promote peak culinary experiences.

- Spotlight and leverage the fine dining, ethnic and regional restaurants in Memphis through the development of special events, tours and national media such as The Food Network.
- Promote the Viking Culinary Arts Center as a gathering place and center for innovation for great regional chefs.

Life of the Mind

Develop, package and promote peak intellectual experiences.

- Encourage universities to develop and promote academic programs that are nationally competitive in their fields.
- Package and promote intellectual events in Memphis by emulating the Chicago Tribune Sunday page devoted to lectures, classes, and book signings that includes short descriptions and photos. For on-campus events especially, include clear directions.
- Build a unified Web site and mailing list for promoting and reporting on intellectual events in Memphis. Help smart people find smart people through online networking.

18

Promote a Revitalized Brand

Revitalize the Memphis brand to make it compelling and relevant to smart young knowledge workers. Take worthwhile traditional Memphis images and icons and place them within the context of the lively, vibrant city of today. Update old, distorted images.

Live from Memphis

Live From Memphis, a Web-based music source, promotes Memphis musicians the same way Memphis first put itself on the world's musical map: raw and live.

The site's production team records live shows, takes photographs, and collects promotional material, then converts everything the live audience sees and hears into a digital streaming format for Web audiences.

Fans can hear hours of streaming audio accompanied by graphics and animation. And they can add themselves to their favorite artist's e-mailing list.

Artists can announce information on tours, CD releases, bookings, and more on their Web shows and keep in touch with fans via free e-mailing list tools.

Fans and artists pay nothing for all these products and services, thanks to local and national sponsors.

www.livefrommemphis.com

- Spread the word that Memphis music didn't pass away with Elvis. Position Memphis' musical history as the foundation for today's hot live-music scenes.
- Encourage LivefromMemphis.com as a showcase for current live music. Encourage the *Flyer*, *Playbook*, and new publications like *Gamut* to use the "Live from Memphis" tag to promote stand-out events.
- Encourage public venues to drop standard "elevator music" and replace it with Memphis music, as Peabody Place is doing.
- Honor and update civil-rights images with the National Civil Rights Museum and International Freedom Fund Awards.
- Replace slow-moving riverboat images with active scenes of kayaking on the Mississippi.
- Update the image of Memphis' surrounding area from moonlight and magnolias to outdoor recreational venues and authentic "roots" experiences such as the American Dream Safari.

Use images of younger, ethnically diverse people engaged in active "peak experience" pursuits on Memphis-related Web sites, books, magazines, and brochures and in key offices throughout the city. Pay special attention to images and experiences that showcase creativity, lively street scenes, tolerance, and diversity. Encourage use of more photos of people having a good time and engaged at exciting events.

Continue the development momentum in downtown. For many people interviewed, the health of downtown is symbolic of the health of Memphis. And it provides the vibrant center and gathering place that talented young people seek in a city.

Encourage redevelopment of more neighborhoods like Cooper Young and South Main that offer neighborhood gathering places, unique commercial districts, local festivals, and their own ethos. Place special focus on neighborhoods near campuses where tomorrow's knowledge workers are training: the University of Memphis, University of Tennessee Health Sciences Center, Christian Brothers University, LeMoyne-Owen College, the Memphis College of Art, and Rhodes College.



19

Identify all touch points with prospective new hires in the target market and insure that the images and messages are compelling and relevant. Give special attention to Memphis International Airport.

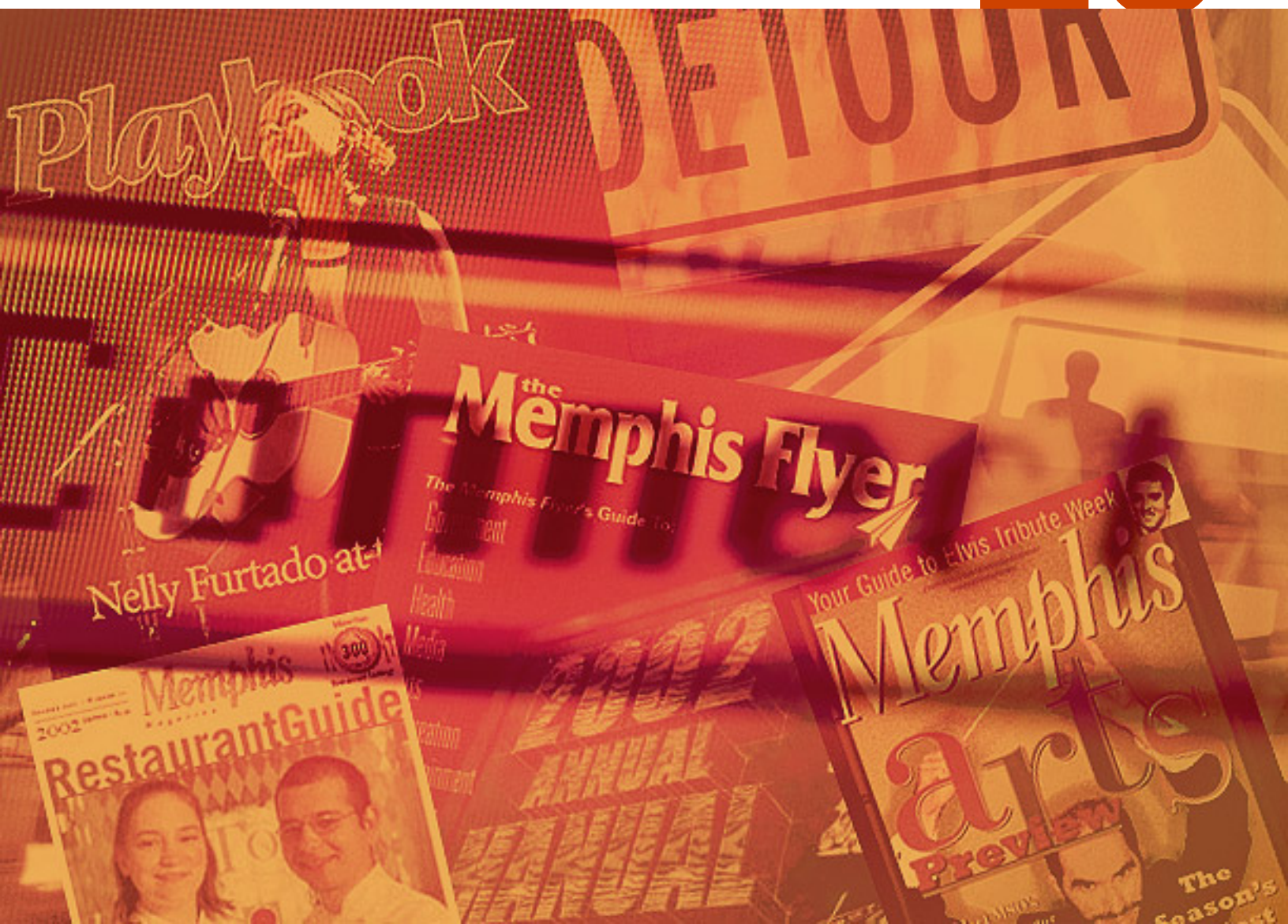
- Emulate Austin's "think local" approach in the airport, with local music, art, imagery, and displays.
- Distribute the Flyer, Playbook, Gamut, and similar publications in prominent locations around the airport.
- Review "civic signage" and messages in airport to determine if messages are compelling and relevant to target market.

Promote message and image relevancy among most frequently used Memphis-related Web sites.

- Raise awareness of the objective by starting a task force of representatives from various Memphis Web site sponsors to share the latest research, get advice from the target market, share ideas that work, and do formal reviews of sites and other promotional materials regularly.
- Provide tools for use by all Memphis Web producers, such as an image bank, news releases, schedules of events, and e-mail newsletters delivering compelling and relevant information to the target market.
- Use local government signage, including road, job and identification signs, to promote an image of Memphis to appeal to the target market. Use Austin's road signs as a model.

Develop a Memphis News Bureau to execute media relations strategies to support the Talent Magnet recommendations.

20



What We Can Do Together

Memphis has many of the civic ingredients needed to become a talent magnet. (See “Magnetic Memphis: Existing Assets” on p. 10.)

In fact, many promising initiatives are already underway. The City of Memphis has secured funding for 42 miles of bike trails connecting the city's major parks, and plans are underway for a trail alongside the Wolf River. Shelby County is acquiring land along Nonconnah Creek for parks and greenways and is transferring management of Shelby Farms to a new public-private partnership. The Chamber has made attracting talent one of its three focus areas. And the Riverfront Development Corporation is offering kayaking and canoeing opportunities for the public this season at Mud Island.

Recommended Reading

For more information on the technology culture, knowledge workers, and how cities compete in the new economy, the Talent Magnet Project suggests:

The Rise of the Creative Class: And How It's Transforming Work, Leisure, Community and Everyday Life. Richard Florida, Basic Books

Metropolitan New Economy Index:
www.neweconomyindex.org/metro/

Prof. Richard Florida's Web site:
www.heinz.cmu.edu/~florida/

Regional Advantage: Culture and Competition in Silicon Valley and Route 128. Annalee Saxenian, Harvard University Press

“Where are You on the Talent Map?” Bill Breen, *Fast Company*, January 2001:
www.fastcompany.com/online/42/pp_florida.html

The Lever of Riches: Technological Creativity and Economic Progress.
Joel Mokyr, Oxford University Press

Developing the city's potential as a talent magnet does not require a huge financial investment. It does require a lot of “sweat equity” and refocusing priorities. Teaching tolerance is a time- and labor-intensive task, with children and especially with adults. Changing Memphis' brand identity will require brainpower and collaboration. It takes time and imagination to encourage artists or mentor promising young knowledge workers.

Yet all these challenges can be addressed – indeed are being addressed already in many cases. Government, higher education, economic development organizations, businesses, nonprofits, and individuals all have important roles to play.

With this report, the Talent Magnet Project hopes to provide new ideas and new energy in the quest to build a better future for Memphis. “Soft” ideas like tolerance, diversity, creativity, and quality of life can be measured in meaningful ways that demonstrate their economic impact, as our research has shown. The better angels of our nature have always recognized their value. Now these ideas can take their rightful place at the heart of our city's economic development agenda.

21

The Memphis Talent Magnet Report

Sponsors

Sponsors of the Memphis Talent Magnet Report are The City of Memphis, the Memphis Area Chamber of Commerce, and Shelby County Government.

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Throughout its history, Memphis has been a magnet for commerce, for music and for entrepreneurship. Today, we must be a magnet for talent. This is why we must target young knowledge workers who are the currency of the new economy of innovation and technology. Memphis has some key ingredients and with an overall strategy, we can compete on the world stage.

– Memphis Mayor Dr. Willie W. Herenton

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