

C. Alan Walker, Secretary
Department of Community and Economic Development
PA Senate – PREP Hearing – 9:30 a.m. – 11 a.m.
Tuesday, May 24, 2011

Good morning.

Thank you Senator Earll, Senator Fontana, and members of the Committee. It is a pleasure to be here today for this very important hearing to discuss our Partnerships for Regional Economic Performance program, which I will refer to as PREP throughout these remarks.

With over 40 years of business experience, I have concluded that one short statement effectively defines the difference between those who succeed and those who do not. The statement is “those who fail to plan, plan to fail.” I believe these eight simple words send a powerful message.

As the Secretary of DCED, I view our agency as the critical link between state government and business. My goal as secretary is to modernize our economic service delivery, streamline our programs, simplify our application processes and clearly define our performance measures to create a true business-friendly atmosphere that models consistency and predictability.

One of the programs we developed to move towards achieving our goals is the PREP program. Out of a single line item, the PREP program will provide funding to a group of economic development service providers in a region with a goal of encouraging greater coordination. Under the new approach, service providers in each region of the state will work together to develop and

implement a strategic plan to provide coordinated delivery of technical assistance to the business community across the commonwealth.

Through greater regional coordination and cooperation, the PREP program will yield superior customer service and an efficient statewide economic delivery strategy.

Realizing that PREP represents a significant change to the current system, DCED officials, with the help of Team PA, hit the road in March and April to discuss our new initiatives with our economic development partners throughout Pennsylvania. We made it clear that the goal of the PREP program is not to pit regions against other regions. Instead, regions will compete to reach a gold standard that will ensure greater coordination, customer service and a consistent and positive return-on-investment for taxpayer money. We also stressed the importance of participation and input from our regional partners to develop program guidelines that are not only plausible on paper, but practical to implement.

We recognize that without a strong partnership and transparent process between the commonwealth and our regional partners, we will fall short of our goal to create a more efficient and successful economic development delivery system. Our provider network has performed with great success in the past, but with these new enhancements, we will achieve greater impact and customer satisfaction.

One of my favorite quotes that comes to mind so often in times like these is by Charles Darwin, who said, “It is not the strongest of the species nor the most intelligent that survives. It is the one most adaptable to change.” It was not too long ago that Pennsylvania was a top five economy in the nation. In fact, in 1920, were Pennsylvania’s economy a stand-alone economy, it would have been the fourth largest economy in the world.

I truly believe that with a focused and disciplined approach to economic development, Pennsylvania can become a top five economy in the United States by 2025.

Thank you again for the opportunity to be here today. I will be glad to answer any questions that you may have at this time.