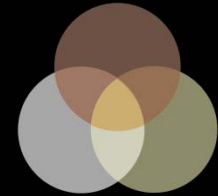


Cluster Basics

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Presented to Board of Directors of Maumee Valley Growers Association
Toledo Botanical Gardens
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Cluster Definition



- Geographic concentration of interconnected companies and institutions in a particular field

- Clusters, by definition, include not only businesses, but also
 - universities
 - trade associations
 - financial institutions
 - vocational training providers
 - economic development agencies
 - and any other entity that can be considered important to competition



(Michael Porter, Harvard University, 1998).

What is a Cluster Strategy?



- ▲ Geographic concentration of businesses in a particular industry that **collaborate** with academia and other community partners to develop a **collective vision** for the future competitiveness of the industry and then **collaborate strategically** to implement that vision.



What is a Cluster Strategy'



- A cluster is not an organization.
- A cluster is a strategy and a process.
 - Clustering is a process that has collaboration as its foundation.



Cluster-Based Strategies Work When...



- ▲ Businesses **strategically partner** with other companies and support institutions to attain **higher levels of competitiveness** by **jointly addressing challenges and solving problems** that they are unable to solve when operating as isolated businesses.



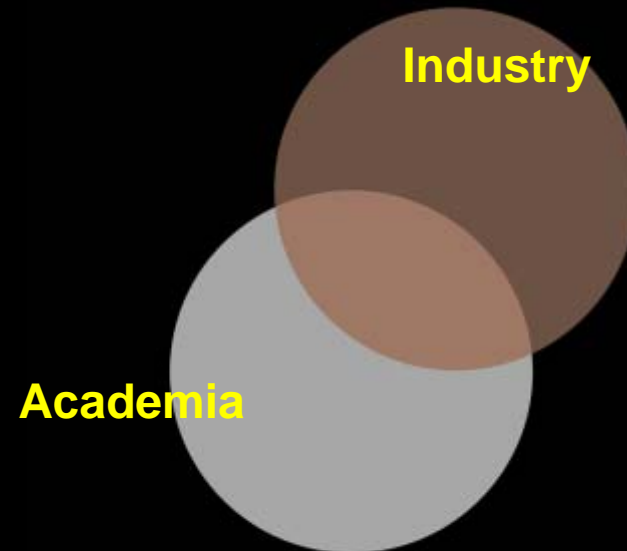
Components of a Cluster



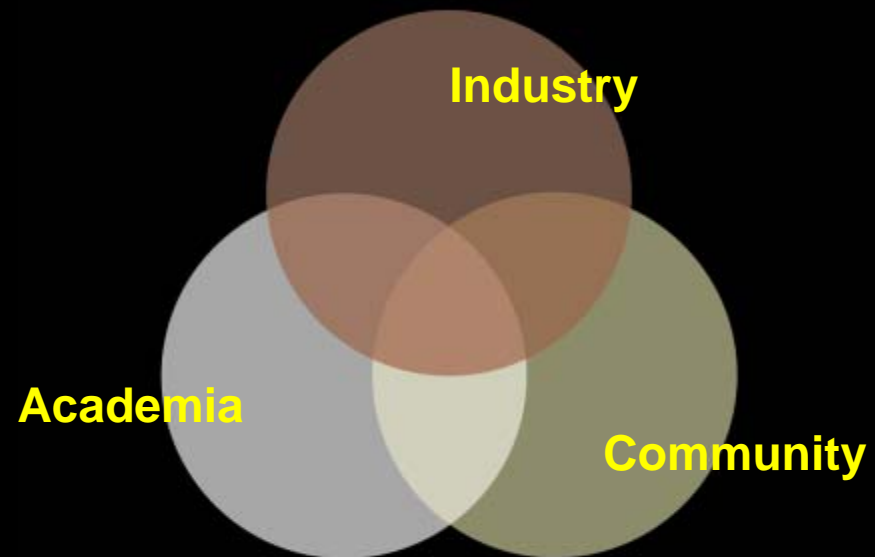
Academia



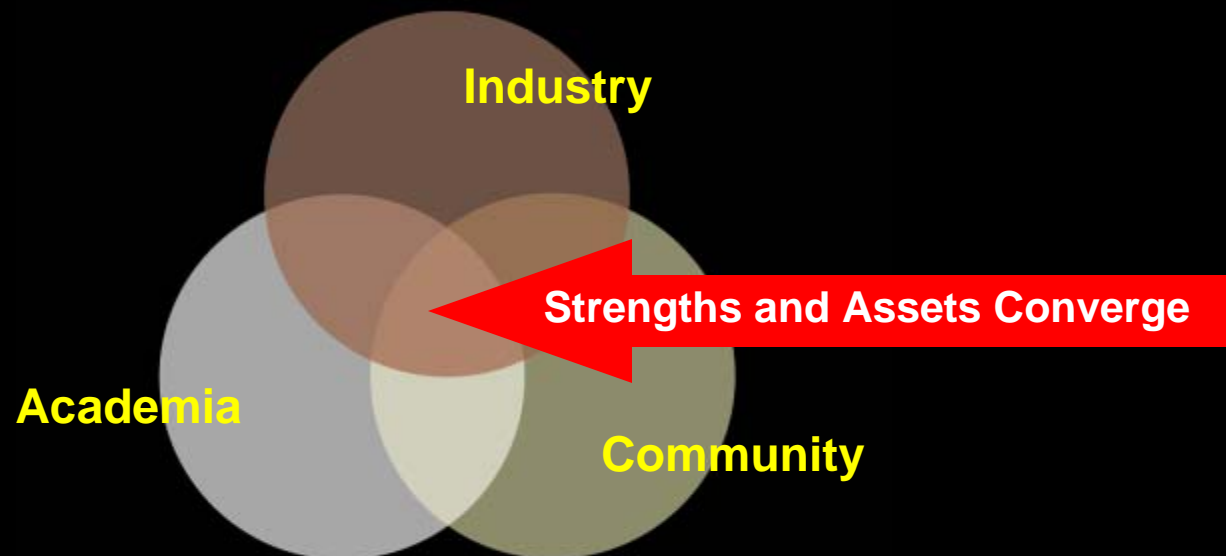
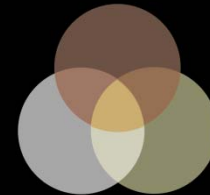
Components of a Cluster



Components of a Cluster



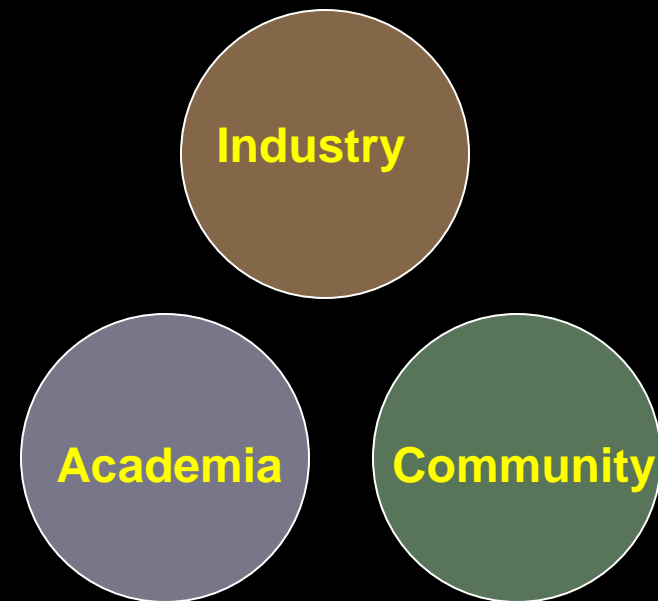
Components of a Cluster



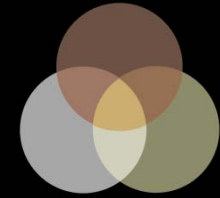
Not a Cluster



- ▲ In cases where all the components exist but are not yet coordinated and working together is not a cluster.



Cluster Structure



Industry

- Individual Greenhouses
- Suppliers to the Industry such as Waldo & Associates and Palmer Energy
- Customers of the Industry such as The Andersons
- Industry Associations such as MVGA and TAFVGA

Academia

- Local Universities such as UT, BG, and OSU
 - UT Urban Affairs Center
 - UT Plant Science Research Center
 - OSU Extension

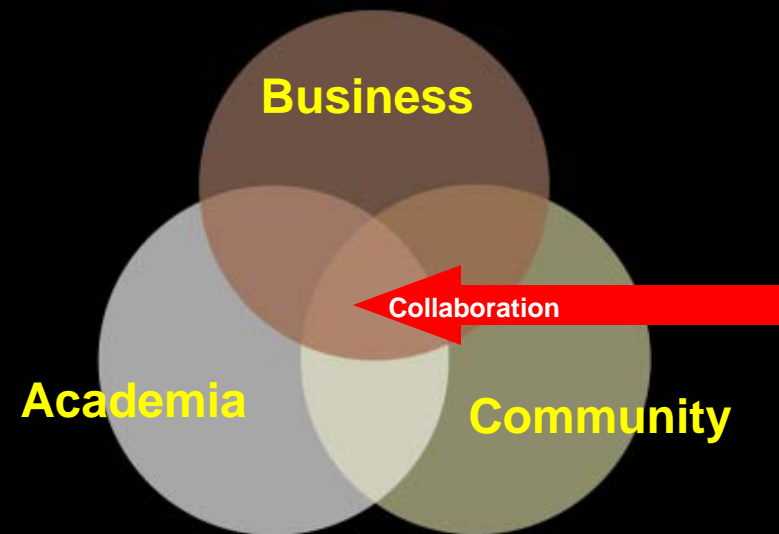
Community

- Toledo Botanical Gardens
- Local Garden Clubs
- Toledo Choose Local

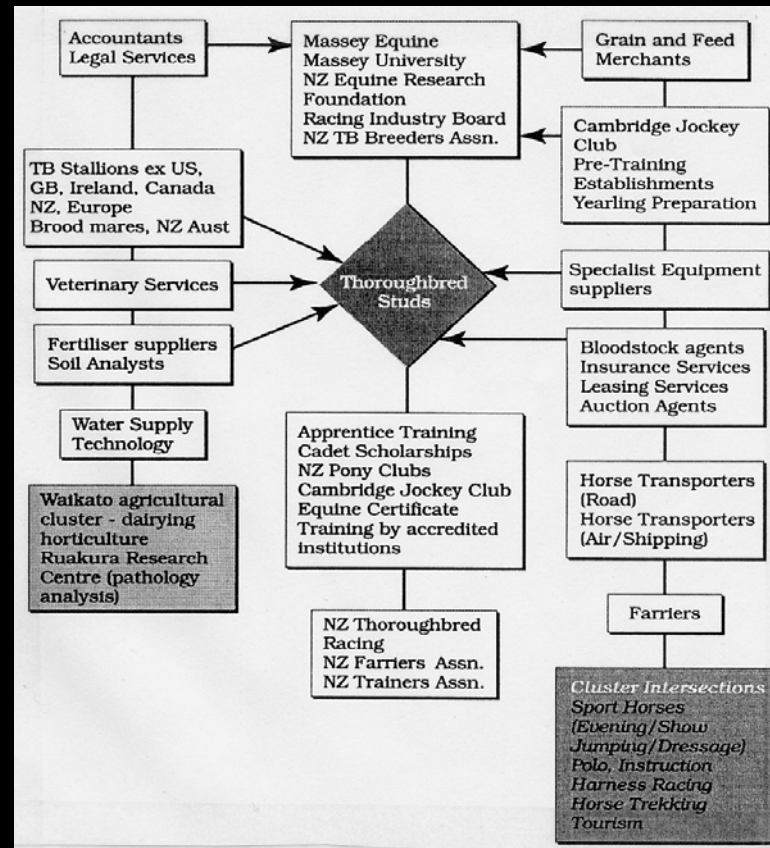
Mature Networked Cluster



- ▲ A cluster in which all the constituent parts (industry, academia, and community) are working together to advance the competitiveness of the industry.
- ▲ Has typical infrastructure in place to run a cluster, e.g.
 - ▲ Strategic Plan
 - ▲ Advisory Board
 - ▲ Cluster Manager
 - ▲ Cluster Champion
 - ▲ Cluster website



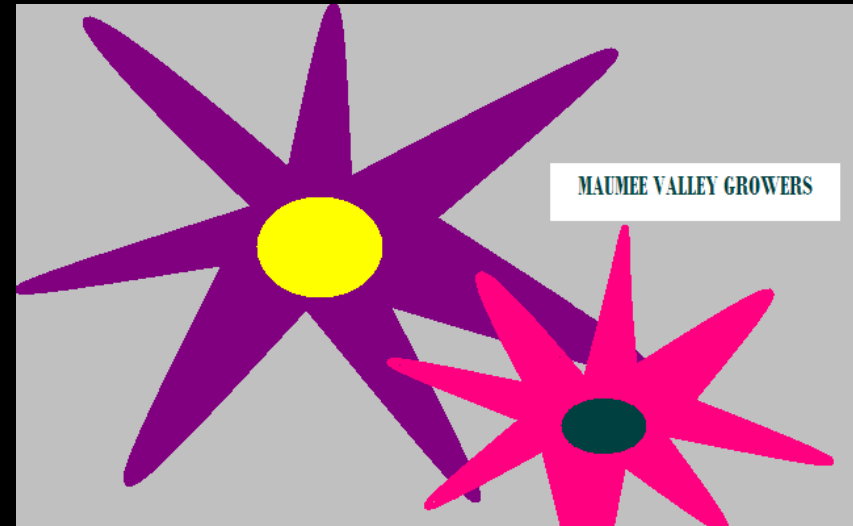
New Zealand Thoroughbred Stud Cluster



Program Manager and Champion



- Program Manager
 - Main responsibility is to oversee and coordinate cluster activities
- Champion
 - Main responsibility is to visit growers in the field and identify opportunities for collaboration
- Program Manager and Champion work as a team and work with growers and other partners to initiate collaborative projects
- Ideally, both are full-time, paid, staff positions.



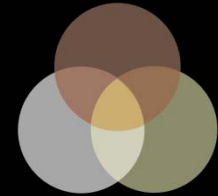
Key Roles of Program Manager and Champion



- Help growers see opportunities
- Help growers initiate collaborative projects
- Help growers recognize what works
- Encourage growers to share success stories



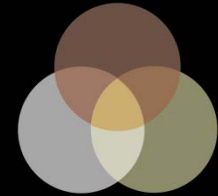
Program Manager



- 1. Experience as a small business owner.
 - This allows the project manager to have a good understanding of the challenges facing northwest Ohio's family-owned greenhouses
- 2. Experience in the area of economic development.
 - One of the overarching goals of the greenhouse cluster is to contribute to the economic development of northwest Ohio
 - A project manager with economic development experience gives the cluster a better chance of meeting this larger goal
- 3. Excellent networking, brokering, and communication skills.
 - The project manager's principal job is to ensure that the various parts of the cluster infrastructure (advisory board, cluster champion, cluster ambassadors, and hired consultants) are working together efficiently and effectively towards the common goal of advancing the cluster.



Champion



- **1. Extensive experience working in and knowledge of the greenhouse nursery industry.**
 - Being able to speak the language of the growers and to understand the intricacies of the industry are vital.

- **2. Ability to think innovatively and to encourage growers to think and act innovatively.**
 - The cluster-based approach requires that growers be willing to think and act in new and different ways.
 - Old, failed approaches to solving problems will not deliver the desired results.
 - A key responsibility of the cluster champion is to help growers understand the benefits of collaboration.



Champion



- **3. High level of trust and respect from the growers.**
 - If the growers are going to be asked to think and act in new and different ways, it is critical that the Champion asking them to do so be trusted and respected by the growers.

- **4. Excellent networking, brokering, and communication skills.**
 - Being able to effectively communicate the cluster's overall vision to the growers in language that resonates with them is a key champion skill.

 - Furthermore, he or she must be capable of ensuring that the growers understand the value-added that will come from their participation in the cluster.



Cluster – A Self Organizing Network



No Plans -
Just
Experiments



No Big
Meetings -
Just Lots of
Communication



No Bosses -
But Lots of
Initiative

FAQs



- **Q.** Is a greenhouse that is not a member of MVGA a part of the NW Ohio greenhouse cluster?
- **A.** Yes

- **Q.** What is the single most important objective of the cluster?
- **A.** To strengthen the economic viability of NW Ohio greenhouses through the process of collaboration.

- **Q.** Can a cluster exist where there are no collaborative projects?
- **A.** No.

Questions/Comments?

