



Canadian Trade Successes 01-06

## CALL CENTRE RINGS UP WELLAND ECONOMY

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<b>Key Quotation:</b>  "The Community Investment Support Program (CISP) support was tremendously helpful," said Dan Degazio. "It helped us do some things we could not have done otherwise."	
<b>Story details:</b>  Using tricks of the trade, the City of Welland landed a major U.S. investment four years ago that today is paying big dividends.  Convergys, a world leader in call centres, had considered and rejected the southern Ontario town—situated next to Niagara Falls in the Niagara Peninsula—as a location to establish a call centre. But Dan Degazio, the city’s manager of Economic Development and Tourism, persevered. He approached the company at a Toronto trade show to say “Hey, give us another chance.”  The persistent effort—a signature trait of a successful call centre business—paid off. It was almost as though Degazio, a former semi-pro hockey player, adopted Convergys’ hard work and hard hustle motto: “ <i>Outthinking. Outdoing.</i> ”  Impressed with the advantages Welland had to offer, in May 2002 Convergys opened a new 700-job call centre and spent more than \$7.5 million to renovate a 45,000-square-foot building.  Today, Convergys is up and running in Welland and helping the community thrive. Since the initial investment, total employment has grown to nearly 1,000 jobs.  But it wasn’t just Degazio’s extra effort that landed the investment. Welland had help from a shrewd business plan and a good measure of federal government support.	

In 2001, Welland was approved for an \$18,000 contribution from the Community Investment Support Program (CISP), a program run by the Department of Foreign Affairs and International Trade (DFAIT) to help municipalities attract foreign direct investment.

Typically, the CISP offers a contribution of up to 50 percent of a project's value. The rest of the funds must come from the private sector and local communities.

Welland used the CISP support to hire an economics professor to prepare a competitive analysis marketing strategy.

Emanuel Carvalho, a widely respected professor of economics at the University of Waterloo, was called in to perform the analysis. "We told him: 'Tell us what we're good at,'" said Degazio.

Taking note of the city's ready availability of an educated labour pool and accessible and affordable land, Carvalho's strategy proposed that Welland focus its efforts on attracting technology-driven sectors, such as call centres. In late 2001, Carvalo made a presentation that received wide media coverage.

"We turned the analysis into a presentation that we sent to Convergys," said Degazio. Carvalho's analysis showed that the city had good employee loyalty and competitive wages, an educated workforce, attractive real estate, and a community college the company could draw on. "The college actually had a call centre diploma program."

In fact, Convergys is an inbound contact centre, receiving calls for customer service issues and requiring the firm's staff to have a certain amount of knowledge and expertise regarding the products of the company's clients.

As well, the City of Welland had fibre optics set up throughout the city, which was comparatively rare in 2002.

"At the time, we were already in discussions with Convergys. But the analysis allowed us to give them an objective view of what our strengths were, and convince them that a call centre in Welland could work."

The company's site selector, based in Chicago, had initially contacted Welland, but then took the city off the list of locations under consideration. "We asked them to consider us again, and with the facts we presented with the analysis, we got back to the table."

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The city also produced a brochure with the CISP support, as well as a virtual reality website. The virtual reality program allows browsers to ask "what if?" They can create scenarios—such as the construction of an office complex—and see how it will look. "With this program, investors can look at Welland before they come," said Degazio. He has used the program to demonstrate the city's appeal to potential investors in New York, Boston, Buffalo and a host of

other major U.S. centres.

The CISP contribution, and the Convergys investment, didn't come a moment too soon. Welland's economy was traditionally centred on steel fabrication and manufacturing. When the steel industry took a downturn in the 1990s, the community began seeking new opportunities for economic growth.

The company invested in Welland just as two major manufacturers were closing down. "Their arrival helped a lot and just when we were losing jobs," said Degazio.

The Convergys investment went a long way toward saving a local business plaza, which was on the verge of closing its doors. The plaza is now bustling, providing a full range of retail and business outlets. In addition to the call centre, the plaza employs between 200 and 300 people.

The company also helps the town in other ways. "It's a good corporate citizen," said Degazio. "They advertise, and they attend and support community events."

Based in Cincinnati, Ohio, Convergys employs 62,000 people and has 68 contact, service and data centres worldwide.