

BORDERPLEX

2025 ASCEND PLAN

Progress report, December 2023
Year 3 of Implementation



THE BORDERPLEX ALLIANCE

Cd. Juárez - El Paso - Las Cruces

INTRODUCTION

This year, 2023, was a successful year for the implementation of the 2025 Ascend Plan. The Borderplex Alliance strategy team has undertaken 13 of the 2025 Ascend Plan's action items and created opportunities for the region to grow and improve the quality of life for all who live in the Borderplex region. Notably, the 2025 Ascend Plan was expanded, and the implementation plan was clarified through a November 2023 amendment. The Borderplex Alliance's total number of goals for implementation is now 27.

Of the 27 goals that the Borderplex Alliance is responsible for implementing, we have made progress on 19 goals, which is 70% of the goals within scope.

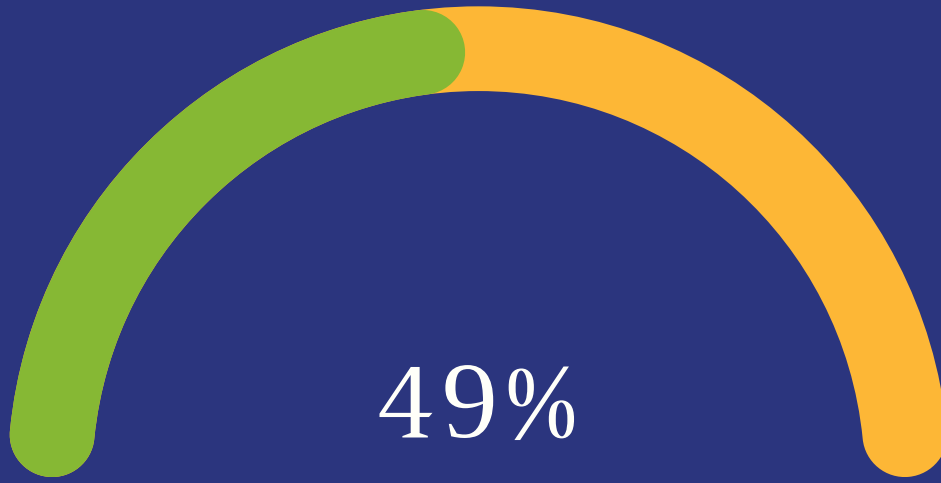
The following metrics show the progress made to date on the 2025 Ascend Plan:

Percentage of strategic plan covered this year: 17%

Total strategic plan carried out to date: 49%

Goals addressed to date: 19

AT A GLANCE



Completed of the Ascend Plan 2025 by the BPA team

Completed

40

*action items completed in
three years of
implementation*

13

*action items
completed by the strategy
team in 2023*

The sections below describe the specific activities that the Borderplex Alliance strategy team took to achieve the 2025 Ascend Plan's action items in 2023.

PROJECTS IN DETAIL

- STRATEGY TEAM

Action items:

32.2 Promote supply chains to draw companies. Use established and soon-to-be established supplier inventory lists. Marketing materials should not only promote the existence of the supply chain but the quality of goods and services as well.

32.3 Promote supply chain gaps to draw suppliers from outside the region.

Project Description: Recognizing that manufacturing companies require robust supply chains to support businesses, action items 32.2 and 32.3 were developed to ensure that we are fully leveraging our existing supply chains to attract companies who would benefit from them, and promoting gaps in the supply chain that suppliers could fill if they expanded to the area.

On May 23, 2023, a supplier familiarization tour for seven of Schneider Electric's suppliers, called The Borderplex is On, was co-hosted by Schneider Electric and The Borderplex Alliance. The agenda for the event included a tour of the latest Schneider Electric plant, followed by a series of experts in real estate, incentives, and education and workforce development from El Paso and Las Cruces. The day ended with a trip to the Chihuahua's stadium and ballgame. The mayor and county judge of El Paso were in attendance.

The event was sponsored by the City of El Paso, the County of El Paso, and Schneider Electric.

Following the event, five of the seven companies in attendance indicated to Schneider Electric that they were interested in expansion. One supplier, Monti, Inc., signed a lease in Santa Teresa, New Mexico. The other suppliers are looking into other areas of interest before making a decision. Discussions with these companies are ongoing.

Key Outcomes

7 Company Site Visits

5 Companies Interested in Expansion

1 Company Expansion

Action Items:

30.2 Create a pay equity campaign for Hispanic women/ Best Place to Work for Women.

2.1 Form a task force for business retention and expansion and invite professionals who are dedicated to working on BRE.

Project Description: Now underway is a business-led marketing campaign to encourage and support companies who want to become leaders in pay equity. Women everywhere face lack of equitable wages, and significantly, Hispanic women earn an average of 53% of a white male's salary for any given profession (or 44% in Texas). With Hispanic women making up a large percentage of the Borderplex region's population, the issue could be contributing to the region's overall lagging wages. Tackling the gender pay equity issue and succeeding can accelerate the region's progress towards having average wages that are competitive with other cities.

As part of the campaign, a new website and toolkit have been created based on the Columbus Commitment model in Ohio. Partners have begun to be identified. For example, one key partner will be Workforce Solutions Borderplex, who will be providing businesses with technical support on how to audit and adjust salaries. A marketing task force has been formed to flesh out the details of the promotional campaign. A partnership with Columbus Commitment has also been established to conduct webinars for companies to promote best practices.

Key Outcomes

1 *New Website*

1 *Employer Toolkit*

1 *New Business Consulting Service*

5 *Partners*

Action items:

23.2 Create a business-to-business matching program, leveraging the proposed online directory of suppliers. Develop a marketing and sales plan to highlight specific clusters and businesses with strong differentiating qualities, e.g. use of sustainable practices and the achievement of quality certifications.

Project Description: The strategic planning process for the 2025 Ascend Plan revealed that a relatively low percentage of regional suppliers were gaining contracts with local buyers. The Buyer-Supplier Program at The Borderplex Alliance was created to address this issue by acting as a third-party broker, introducing buyers and local suppliers based on need and suitability. The following metrics demonstrate the progress made this year towards creating opportunities for local suppliers.

Key Outcomes

6

Buyers (increase of 4 in 2023)

42

Supplier Opportunities (increase of 18 in 2023)

11

Business relationships brokered in 2023

“

The Borderplex Alliance has been instrumental in connecting our organization with potential customers through the Buyer-Supplier program. The program highlights the 33 years of experience, quality, and customer service Border Pallets, Inc. has to offer the region. With the direction of the Borderplex Alliance, we are pleased to have the opportunity to service (The Buyer) and their outstanding administration and welcome them to El Paso!

Barbara Truax, Border Pallets, Inc.

Action Items:

29.5 Integrate basic knowledge of Industry 4.0 technology (beyond robotics) in high school curricula to share the responsibility of educating students on advanced technology.

29.9 Create programs around both teacher development and curriculum development.

29.10 Prioritize integration of emerging technology and skillsets into teacher education programs to create sustainable talent pipelines.

Project Description: During 2022 and 2023, the Future of Work Committee met and listened to experts across the target industries. A recurring theme emerged about business leaders' interest in having a workforce that was equipped to manage a changing workplace that integrated Industry 4.0 technology and automation. It became clear that Industry 4.0 education in schools and in adult education was a top priority. Solutions were needed from training providers, which highlighted the importance of forming the Binational Technology Council (formerly known as the Industry 4.0 Consortium).

Now in its second year of existence, the Binational Technology Council (BTC) was originally formed to offer digital transition services to manufacturing companies and has since expanded its offerings to include advanced digital technology education for both education institutions and manufacturers.

In June 2023, the group provided an introduction to Industry 4.0 training for both manufacturing companies and educational institutions. Further, the group has done numerous presentations creating awareness of Industry 4.0 technology and its importance to businesses and workers.

Key Outcomes

Provided introductory Industry 4.0 training and presentations for 27 educators and 21 company representatives

9

Educational Presentations

20

certificates to date

“

I found the training very interesting and wish I the training had been available to me while I was still a classroom teacher. I taught engineering, robotics, and computer science. I also sponsored different student clubs and competitions in those areas. I had an extremely difficult time finding local industries to talk to my students and show them that the skills they were gaining in my classroom and in competition were directly related to local careers.

Frank Nolasco, Professional Development Consultant,
Education Service Center Region 19

Action items:

29.14 Create employer-led education curriculum development and teacher development around design and development.

Project Description: Several conversations with community leaders revealed a need to bring more highly skilled, higher paying design and development jobs to the region. Upon closer examination, it was found that while some higher education institutions may teach relevant skills, these skillsets were not packaged in a course where a student could easily get a full skillset, and The Borderplex Alliance team needed a solid talent pipeline with a guaranteed skillset to make a strong case for expanding companies with research and development operations.

The Borderplex Alliance worked alongside the team at Seisa to identify a set of skills around design and prototyping, which could then be given to educational institutions across the region to create new certificates and educational programming. Several meetings were held with community colleges and universities in the region to convey the importance of creating a design and development talent pipeline. The initial result is that the Texas Manufacturing Assistance Center (TMAC) will create a Product Development certificate for companies to use for upskilling their employees; UTEP's College of Engineering will create new courses related to product development, which will be available for all engineering master's degree students. Undergraduate students need to have a certain GPA for approval to take the graduate courses.

Graduate students gaining their master's degree in manufacturing engineering will be required to take the course MFG 5311 Design for Manufacturability and Mechanical Engineers will be required to take the course MECH 5352 Design for 3D Engineering and Additive Manufacturing.

The certificates and new Engineering Master's courses will be launched in January 2024. These courses will ensure talent pipelines exist with the needed skillsets to support design and prototyping operations, and their existence will help The Borderplex Alliance make a clear case for companies to bring higher skilled, higher paying R&D jobs to the area.

Key Outcomes

2

*New Engineering
Master's Courses*

1

*New Certification
Program in
Product
Development*

“
As we look to the future of manufacturing in our Borderplex, we must think and learn about the science behind what we manufacture, this requires special skills. Know-how that UTEP and TMAC understand, and they can educate the future generations of design and product development experts that our region will need.

Julio Chiu, CEO, SEISA

Action Items:

1.3 Provide short-term and long-term financial literacy education and planning services; work with local financial institutions to provide workshops on financial products and services available locally.

15.2 Conduct workshops for SMEs to educate them on the financial products and services that are available from local companies as well as how to write a successful business loan application and how to become an exporting company.

Project Description: During the 2025 Ascend Plan strategic planning process, many bankers voiced their concern about small businesses not being prepared to get bank loans, while small businesses identified securing financing as the most important factor in their businesses' success. It became clear that it was crucial to educate small business owners on how to manage their business finances and how to prepare to successfully apply for bank loans. In response, The Borderplex Alliance, Pioneers 21, and LiftFund co-created the Business Financial Literacy Accelerator program.

Fourteen businesses graduated in the Accelerator's first cohort, and they received certificates of completion and \$1,000 each, which was modeled after a program developed by LiftFund and Shell.

The program was sponsored by LiftFund, Wells Fargo, Raiz, Workforce Solutions Borderplex, High Desert Capital, and Finhabits. The experts who served as instructors and presenters in the course were Virginia Price, Hector Quintero, Michael Angelo Hidalgo, Carlos Garcia, Isaiah Troncoso, Lupe Mares, Raul Ordaz, and Ed Escudero, who represented a variety of local financial institutions who the businesses can go to for financial assistance in the future.

Key Outcomes

14

*Small Business
Owners Trained in
Financial Literacy*

14

*Certificates of
Completion
Achieved*

\$14,000

in Small Business Capital Distributed

Action items:

19.2 Expand broadband infrastructure, especially in rural areas.

Project Description: Unlike the other action items in this report, this project is not directly led by the Borderplex Alliance team; however, we remain actively engaged, and the implementation of this initiative continues to fall within the scope of BPA's ongoing responsibilities.

Borderplex Connect was originally founded as an informal group by some of our partner organizations to tackle broadband initiatives. Later, they formalized into a 501(c)(3) nonprofit organization. Notably, a Borderplex Alliance staff member was one of the co-founders of this initiative, and a BPA strategy team member now sits on the Borderplex Connect advisory board. The BPA team member actively worked with the advisory board to develop and staff a new program called the Affordable Connectivity Program.

In 2023, led by our partner organizations, Borderplex Connect was awarded \$300,000 by the FCC through the Affordable Connectivity Program (ACP). Borderplex Connect will partner with community-based organizations in the following counties: El Paso, Doña Ana, and Luna to pursue innovative outreach efforts to reach historically underserved and unserved communities with affordable internet (action item 19.2). Microsoft donated \$200,000 to support this initiative. The Affordable Connectivity Program helps ensure that households can afford the broadband they need for work, school, healthcare and more. Borderplex Connect will use a broad range of outreach strategies, both to increase awareness and to enroll eligible households to ACP which provides a discount of up to \$30/month and up to \$75/month for qualifying tribal lands. Borderplex Connect will work with trusted partners of the community on door-to-door outreach, direct mail, digital campaigns, and ACP enrollment events (action item 19.2).

Additionally, The Borderplex Alliance team member represented Borderplex Connect at the New Mexico Tech Summit. At the event, business leaders, policymakers, investors, internet service providers, and other organizations with a focus on broadband came together to discuss the various initiatives being carried out through their organizations to address broadband access. The topics covered during the event were relevant to elevating the regional tech economy, expanding broadband to rural areas, creating coalitions to address regional broadband issues, and keeping pace with the latest global trends, among others.

Key Outcomes

1

New broadband infrastructure project

\$300,000

Awarded by the FCC through the Affordable Connectivity Program (ACP)

\$200,000

Donated by Microsoft to support the Affordable Connectivity Program

Action Items:

27.4 Target autonomous and electric vehicle companies.

Project Description: In 2023, two EV companies expanded in the region; one of these companies, Hota, a Tesla supplier, brought a \$72 million investment to the area. A second company, Lear, is investing \$33.2 million in El Paso and adding another 67 jobs to their existing operations. Overall, the Borderplex Alliance team sent tailored data packages to 18 EV companies, and some of those companies may be considering an expansion in the region.

Additionally, The Borderplex Alliance team led various outreach efforts in an attempt to promote the region and attract EV and autonomous vehicle companies. In total, the team attended 13 trade shows and conferences related to EV and autonomous vehicles.

For example, in October, the Borderplex Alliance staff co-led a workshop for the Advancing Sustainability through Powered Infrastructure for Roadway Electrification (ASPIRE) engineering research center's annual Industry & Innovation Day in Boulder, Colorado. They also presented the Borderplex Future of Work Committee's strategic report as a guiding light for creating more agile and resilient education and workforce development systems. This was an opportunity to network and promote the region to many types of EV-related companies from across the U.S. and Canada.

In July, A Borderplex Alliance staff member was a panelist at the Transportation Research Board's annual Automated Road Transportation Symposium ARTS23 in San Francisco. The panel was called "Impacts of Automation in the Supply Chain: Borders, Ports, Intermodal and Delivery," and the other participants were from Gatik, Texas Department of Transportation, Wing, and Hillwood. Borderplex Alliance strategy staff had the chance to talk about automated vehicles and the challenges and opportunities of adoption along the U.S.-Mexico border while promoting the Borderplex region as a great place to do business and conduct research.

Key Outcomes

18 *Data Packages
Sent to EV
Companies*

2 *EV Company
Expansions*

13 *EV & Autonomous
Vehicle
Shows/Conferences
Attended*

2 *Panelist Opportunities*