

Texas Experience Shaped NJ's New Economic Development Chief

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The new head of the agency created by Governor Christie to boost New Jersey's profile in corporate boardrooms around the globe is no stranger to the rough and tumble of interstate economic development battles.



McDANIEL

Tracye McDaniel, who was appointed last week as the first chief executive officer of Choose New Jersey, has for five years been a top executive at Greater Houston Partnership, a non-profit organization with a high profile.

"It has a national reputation as an aggressive player that is top-notch," said Arthur Maurice, a Trenton lobbyist who helped in the early stages of Choose New Jersey's search.

The non-profit agency created by Christie broadly follows the Houston model, using private money to fund a vigorous marketing effort to lure new companies and retain existing ones.

In New Jersey, that means working with two other agencies — the New Jersey Economic Development Authority and the state Business Action Center — to change the state's reputation as a difficult place to do business.

McDaniel, 51, who is executive vice president and chief operating officer of the Houston partnership, said her initial task in New Jersey will be to "establish an aggressive marketing and branding campaign" for the state. She is expected to take her new position in late January or early February.

"There is a tremendous opportunity," she said in a telephone interview Friday, citing the governor's efforts to work with the business community to reshape the state's economic development efforts.

"There is no better model than having the peer-to-peer, CEO-to-CEO, to bring them together, to talk about 'why my business is in the state,' " she said.

New Jersey's task is somewhat similar to that in Houston, where the agency sought to develop business clusters, or industry sectors, she said, noting that the pharmaceutical, biotech, transportation and logistic industries are prominent in both areas.

Still, McDaniel said, there is no "cookie cutter" strategy, and New Jersey's will be formed after extensive market research.

State and Choose New Jersey officials declined to comment on how much McDaniel will be paid. In 2008, the most recent annual report filed with the Internal Revenue Service by Greater Houston Partnership said she was paid about \$249,897, and the organization had revenue of about \$12 million.

An article in Fast Company magazine describes how the partnership beat sales pitches from 41 other states in 2008 to land a research center for Vestas, a major wind-turbine manufacturer from Denmark.

The partnership's effort was assisted by a \$40 million "war chest," amassed to market the state in the competition for jobs and companies, the magazine said.

"It's a stellar organization," said John Boyd, president of Princeton-based Boyd Co., which helps companies find new sites.

"Somebody coming out of the Houston partnership, they are used to winning."

McDaniel's experience working for both Democrat and Republican administrations in Texas will also help in the tough New Jersey political environment, said dt ogilvie, a Rutgers University business professor.

That's the kind of smarts and background New Jersey was looking for, said Dennis Bone, chairman of Choose New Jersey.

"Economic development professionals know who Tracye is," said Bone. "She brings that instant credibility to the table. ... She's very down to earth. She has worked with three governors in Texas and she has got a lot of experience under her belt."

Particularly attractive to the agency was McDaniel's experience working with Brazil to channel exports from that growing economy to the U.S. through Houston's port, boosting its imports.

"That's the kind of strategy we could use," Bone said.