

SYRACUSE IS WIPING

O N T H E U P

AWAY ITS RUST-BELT
IMAGE WITH A
HIGH-TECH POLISH
THAT'S CREATING
NEW OPPORTUNITIES,
ENERGIZING THE
ECONOMY, AND
REVITALIZING AN AREA
ONCE KNOWN FOR ITS
BLUE-COLLAR BLUES



Silicon Valley it's not—yet. But Syracuse is on the economic upswing, and pumping energy into the area are high-tech companies that are bleaching the city's blue-collar image. Syracuse, for instance, is the headquarters of Coherent Networks Inc., which creates sophisticated software for telephone and utility companies. The brainchild of Chuck Stormon '83, G'86; Mark Brule '83, G'88; and Jim Brule '75, this recent startup already has 10 offices here and abroad, employs 277 people, and expects sales to exceed \$30 million this year. "Our work is leading edge," Stormon says. "Like every high-tech company, we recruit aggressively. But we've found a ready supply of highly qualified employees right here in Syracuse."

Peter Hess '94 is also polishing Syracuse's tarnished image. He and partner AT&T WorldNet recently selected Syracuse as headquarters for YAPA, a web-based business poised to become the AARP of young professionals. "We're here because we need a location with a lot of energy and young people," Hess says. "You wouldn't believe the number of startup and high-tech companies locating here. This city is becoming a mini-version of a high-tech hub like Boston."

It's been years since Syracuse has been associated with a sense of economic energy. "For most of the 1990s you heard nothing but bad news about the Central New York economy," admits David Cordeau, executive director of the Syracuse Chamber of Commerce. "With General Motors, General Electric, and others moving out, the early 1990s were pretty bleak. But things are picking up."

Cordeau is a cheerleader for the city by profession. But now he's finally cheering for a winning team. "In the past 24 months, the metropolitan Syracuse area has added 3,500 jobs, many in the high-tech sector," he reports. "There is a substantial cluster of perhaps 30 new or rapidly expanding high-tech companies. For the first time in decades, site consultants are looking at Syracuse. This area is turning into an extremely salable commodity."

This brain-powered reversal of fortune is out of character with the town's past. For most of its 150 years, Syracuse has been a manufacturing town, producing such necessities as salt, soda ash, steel, candles, bicycles, automobiles, and adding machines. In the past decade, however, the manufacturing base eroded by almost 20 percent. The city's leaders had to develop new strategies. They couldn't compete with lower labor and business costs in the South and overseas, but they could market a valuable local resource: a highly educated workforce. "Within 100 miles of Syracuse there are 42 colleges and universities. That's the third highest concentration of higher education institutions in the United States," says Irwin Davis, executive vice president of the Metropolitan Development Association (MDA), a group of the area's top 100 business leaders that aggressively seeks new ventures. "Our number-one selling point is the quality of our workforce."

Syracuse also scores well on the caliber of its business leadership. "We circle the wagons pretty quickly," Cordeau says. "We recognize that to compete in today's global marketplace we have to collaborate." That tradition dates back to the Great Depression,

BY DENISE OWEN HARRIGAN

S W I N G

Photography by John Dowling



when the Syracuse Chamber of Commerce lured Carrier Corporation to Syracuse with an offer of free space in the abandoned Franklin automobile factory, plus \$250,000 for moving expenses.

"For the past 40 years the MDA has kept our business leadership very well organized," Davis says. "Our bottom line is a four-letter word: jobs. In this community, private business leadership gets in the trenches with state and local government and causes growth. The MDA has been behind every major economic development in this community, from the Civic Center and Carousel Center to the Carrier Dome and the new P&C Stadium."

For many years, the MDA worked to fortify the manufacturing base in Central New York. Recently it's become a catalyst for developing high-tech and service-sector opportunities. "Take a look at Lockheed Martin," suggests Davis. "Three years ago the company was bought by Martin Marietta. Suddenly it had twice the number of employees and twice the facilities. There were rumors that it was ready to cut jobs and close its Electronics Park facility in Liverpool.

"But the MDA, working directly with New York Governor George Pataki, Assembly Leader Sheldon Silver, and Majority Leader

“For the first time in decades, site consultants are looking at Syracuse. This area is turning into an extremely salable commodity.”

Michael Bragman, came up with a plan to take over Electronics Park, then lease part of it back," Davis says. "We redeveloped eight buildings, saved 2,200 jobs, created 200 new jobs, and developed a world-class center of radar excellence here."

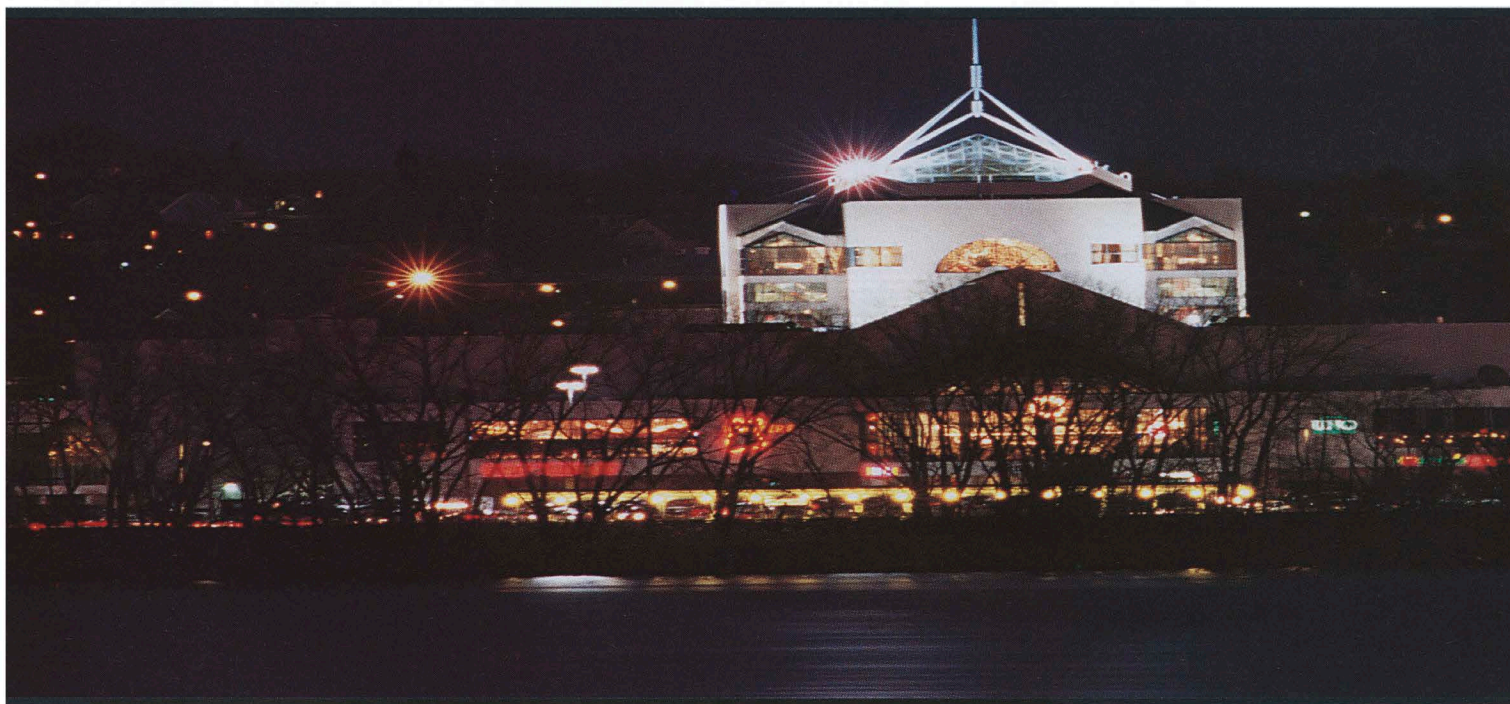
Another high-tech success story is the Syracuse Research Corporation, a research and development company that spun off from SU in the 1960s. The 350-employee firm provides technical research, development, and engineering support to commercial and government clients. "We doubled in size in the past five years, and we expect to double again in the next five," reports John Vasselli,

the company's director of corporate development. "In general, it's the explosion in information technology that's driving our growth."

Central New York's academic strength is also a major asset to the Syracuse Research Corporation. SU and SUNY ESF are important sources for human resources, Vasselli says. "And we do a lot of our research with SU and the SUNY Health Science Center (HSC)."

Syracuse's solid educational infrastructure is likewise essential to Coherent Networks Inc. The company's Smartmaps software indirectly grew out of a research project at SU and received a big assist

from SU's CASE Center, an incubator for high-tech companies trying to get on their feet. The company now operates in Rochester, Chicago, Atlanta, and six cities in France, but its largest office remains in East Syracuse, where 85 of its 277 employees are based. About half of those local employees are SU graduates. "We could go anywhere," co-founder Chuck Stormon says. "But there's a lot of high-tech talent in Syracuse, and it is a challenging, fun place to work. It's not polluted, it's not crowded, and there are no earthquakes. The people here are nice, and the culture is pretty enlightened. What's not to love?"



EXPERIENCING A NEW SYRACUSE
 MARC GROSSMAN '93

Doing things halfway isn't Marc Grossman's style. At SU, he wasn't content to be just a sports fan, so he dressed up as Otto the Orange and took the cheering to a higher pitch.

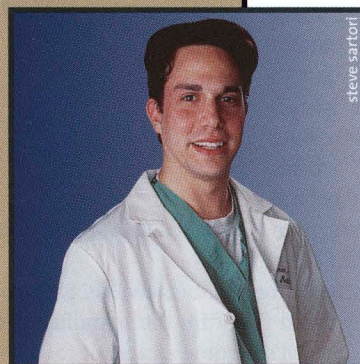
Nor was volunteering for the SU Ambulance service enough for Grossman. Those ambulance rides led to a career as an emergency medicine physician—an unexpected change of direction for a political science major.

After completing medical school at the SUNY Health Science Center at Brooklyn, Grossman is back in Syracuse as a first-year resident at University Hospital. He still cheers for SU, when his 80-hour-a-week schedule permits him to attend a game. He still acts a little like Otto to help his young patients relax. And he still helps out with the SU Ambulance service.

Otherwise, Grossman is experiencing a new Syracuse from the perspective of a young professional. "As a college student, I was pretty isolated," he says. "At the hospital, I've come to appreciate the incredible cross section of people in this area. And I've met a whole new community of people my age. I have much more of a nightlife than I had in college. Armory Square is always packed on weekends. You run into everyone. It's great."

Grossman rents his University neighborhood apartment from a college friend, Robert Audet '90, who has his own packed schedule as director of the SU Ambulance service, part-time paramedic, and part-time M.B.A. student. "There's a tremendous number of outdoor activities around here," says Grossman. "But whenever friends go hiking or whitewater rafting, we're usually working."

Grossman, who grew up on Long Island, is considering practicing medicine in Syracuse when his residency ends. "My experience here has been very positive," he says. "I've met so many physicians who have been here for 25 or 30 years. They're happy, settled, and very successful. Their experience really encourages me."



steve sartori

Syracuse's Sensis Corporation, which has grown from 5 to 200 employees since 1985, is expanding at a pace of 30 percent annually, reports human resources director Margaret Dudarchik G'83. The company develops sensor systems for the Department of Defense, U.S. Air Force, U.S. Marine Corps, and their foreign counterparts. "Our founders came here in the fifties to work with General Electric Aerospace," Dudarchik says. "They were really impressed with the world-class wealth of technical

talent in this community." Easy access to higher education strengthened the city's appeal. More than a quarter of the company's employees have SU degrees, most at the graduate level.

A wealth of local medical and technical talent also inspired the recent

THE NEW & IMPROVED SALT CITY

If you haven't seen Syracuse lately, you might be surprised by its upbeat—and upscale—image. Nobody has managed to boost the sunshine level in the Salt City, yet the future looks brighter by the day and the city is in renaissance mode. "Ten years from now no one will recognize Syracuse, New York," says City of Syracuse Mayor Roy Bernardi G'73. "We're growing and we're growing smart."

Anchoring much of the optimism is the Carousel Center, which sits on the edge of Onondaga Lake like a gleaming intergalactic space station. It's one of the nation's top 25 malls and is soon slated to double in size. Nearby, there's a new \$32 million minor-league baseball stadium, a \$50 million airport renovation, and a lakefront development project that will include an aquarium and ultimately entail a \$1 billion investment. Further downtown is Armory Square, a gentrification effort that has boosted Syracuse's urban sensibility. Most of this development is rising from the ashes of abandoned factories, warehouses, oil tanks, and salt yards—all remnants of Syracuse's once vital industries.

When Syracuse was literally a salt city, a bumper crop of new businesses supported its production of "white gold," including barrel making, boat building, and salt grinding. With Syracuse shifting toward a brain-powered economy, a new breed of support services is emerging in the form of places to rest and recharge the weary minds of today's workforce.

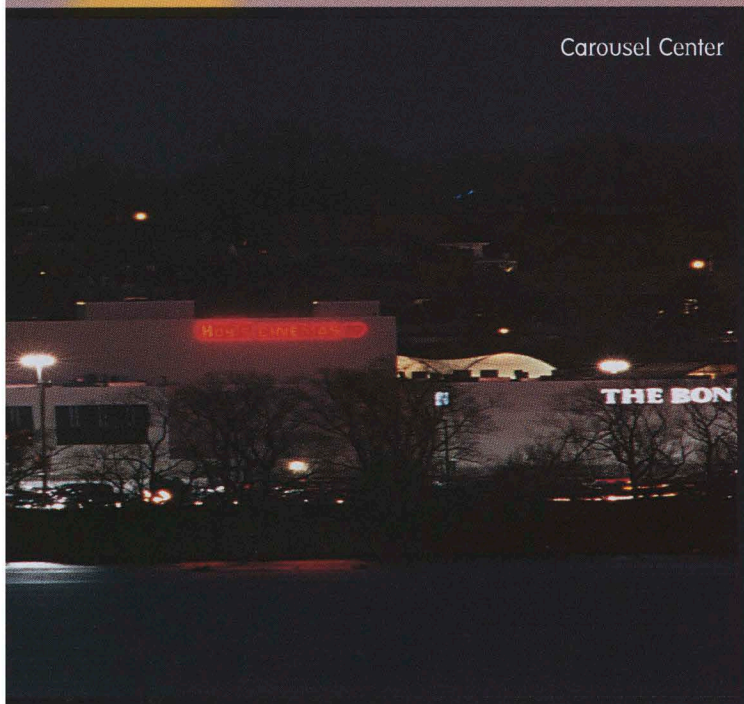
Armory Square, a handsome 10-block historic preservation district rescued from skid-row status, has become synonymous with Syracuse nightlife, with its 30-odd clubs, coffee houses, restaurants, and pubs. During the day, it bustles with business lunches, upscale shopping, and field trips to the Museum of Science and Technology (MOST), home to the only IMAX theater in New York State.

The linchpin of Armory Square is the new but seamlessly integrated Center Armory

development, which has 28,000 square feet of retail space on the ground floor and 38 luxury condominiums upstairs. Many condos are rented to young professionals. Robert Doucette G'76, G'83 has poured the past 15 years of his life into Armory Square—and into his mission of urban preservation. "This area is a critical economic development tool," Doucette says. "It especially attracts young professionals looking for an urban experience. To help attract people to Syracuse, you have to offer the urban amenities we offer in Armory Square."

Soon to segue into Armory Square is the Lakefront Development Project, which has been gradually revitalizing the 800 dilapidated acres between the Central New York Regional Market and downtown Syracuse. Much of the area has already been transformed into the Carousel Center (which attracts 15 million visitors annually), P&C Stadium, and a new \$11 million Intermodal Transportation Center, which houses bus and train connections. Franklin Square, reclaimed from an industrial graveyard just north of downtown Syracuse, is now a gracious mix of office buildings, parks, and residential space.

Next to come off the drawing board are a Carousel Center expansion (150 new stores and a 240-room hotel) and an \$8.5 million renovation of the 54-acre regional market, the oldest and largest in New York State. The Inner Harbor Project, scheduled to begin this summer, may bring the most dramatic change to downtown Syracuse; it will feature a new urban waterfront with a mix of retail, restaurant, and residential space, plus a picturesque promenade, boat slips, and access to all state waterways. Yet to be determined is the exact location of a \$38 million aquarium and entertainment center. "This project will change the face of Syracuse and put us on the map as a premier tourist destination," says Bart Bush, executive director of the Lakefront Development Corporation, the nonprofit agency that serves as catalyst for the transformation.



Carousel Center

IMPROVED

THE CHARMS OF A '20-MINUTE CITY'

Syracuse may be the snowiest city in the country, but it's easy to warm to its charms. Parents find it's a great place to raise a family, and young professionals enjoy its comfortable mix of urban and outdoor attractions.

One of Syracuse's most appealing features is its bottom line: You get a lot of bang for your buck in this town. According to *Money* magazine's 1997 Best Places Survey, a \$50,000 salary in Syracuse goes as far as \$96,000 in

CHARMS Boston or \$98,000 in Manhattan.

The survey also shows that Syracuse has the best air quality of any medium-sized city in the Northeast, the third lowest residential real estate prices, and the sixth lowest cost of living.

Commuting time is a major asset as well. The average commute to a Syracuse job is 19 minutes. "You can live in more exotic places—like Silicon Valley—but you're going to drive an hour and a half to work. You're going to spend a lot of time alone on the highway," cautions SU Chancellor Kenneth A. Shaw.

"I call Syracuse a '20-minute city.' That's the longest it takes to get anywhere—to work, sporting and arts events, good restaurants," notes John Vasselli, director of corporate development at the Syracuse Research Corporation. "I've lived in Washington, D.C., where it can take three hours to get across town. The manageable size of Syracuse is one reason many of us are happy living here."

More than 23,000 Syracuse University alumni currently call Syracuse home. "It's sometimes hard to convince people to live here," Shaw admits. "But it's harder to get them to leave."

construction of the \$35 million Institute for Human Performance Research, Rehabilitation, and Biomedical Research at SUNY HSC in Syracuse. "This facility has the potential for measuring human performance with a level of precision matched by only a few institutions nationwide," says Ken Barker, provost at SUNY HSC. "It will help us attract nationally ranked scholars and prestigious research grants. On the top two floors alone we expect to generate \$8 million to \$10 million a year in research funds. Because of the synergistic effect, this facility will also attract companies interested in developing new technology."

That translates into dollars. According to Barker, every dollar invested in a research facility's infrastructure generates \$5 in feder-



al research funds and another \$5 in economic development. "It's the ripple effect," Barker says.

HELP WANTED

Ironically, all this high-tech growth accentuates a nationwide problem that's beginning to hit Central New York hard: a growing shortage of high-tech professionals, especially in engineering and information technology.

"In 1992, we had our highest unemployment rate on record—7.4 percent," says Roger Evans, principal economist with the New York State Department of Labor in Syracuse. "Today our unemployment rate is 3.3 percent. It has never been lower. We very quickly went from crying about high unemployment to crying about labor shortages."

When Syracuse lost about 15 percent of its manufacturing jobs, it also lost 12,000 workers to other areas of the country. "But the larger issue is a mismatch of skills," Evans explains. "The jobs that are open today require a different skill set. The message that this was a depressed economy was never true for people with skills. There have always been good-paying jobs here in technology, health care, insurance, and other service areas. But there have not always been good-paying jobs for people who could weld."

Just as they team up to bring jobs to Syracuse, local business leaders are collaborating to bring new talent to town. "That's a smart move," says Anne Messenger, president of Messenger Associates Inc., a local human resources consulting firm. "The greatest challenge nationwide is attracting educated employees. The companies paying attention are investing much more in recruitment and retention."

In Syracuse, the high-tech industry alone anticipates 2,000 job vacancies within the next three years. A consortium of high-tech companies recently launched the da Vinci Project, a visionary recruitment effort to attract engineers via the World Wide Web. "Statistics show that in 1997, 10 percent of recruitment nationwide

Vinci Project has already netted 38 engineers—and created an exciting network among high-tech human resources directors. "We've raised more than a half-million dollars to launch and market the site. Now we're working on a program for spouse recruitment, because that's often an issue for candidates looking at our area," Mushow says. "The da Vinci Project requires a lot of meetings and a real commitment from its members. But we consider it a huge success."

Unfortunately, the shortage of engineers is growing into a huge problem. "There are 140,000 unfilled technical jobs in the United States," Mushow says. "It's expected to get worse. In 15 years there will be two jobs for every candidate. Fewer students are graduating from



Museum of Science and Technology, Armory Square

took place on the web. In 1999, that figure will be up to 30 percent," says Tom Mushow, chairman of the project's steering committee.

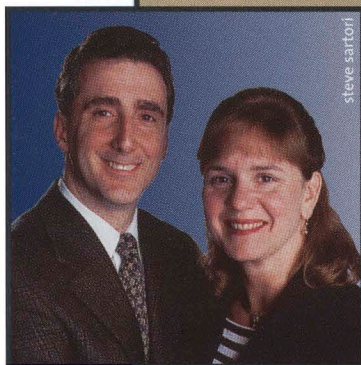
Instead of stealing engineers from one another, the 27 high-tech companies in the da Vinci Project are joining forces and recruiting from outside the region. Their web site not only posts jobs, it documents the high quality of life—and strong sense of optimism—in Central New York. According to a Price Waterhouse study, 90 percent of technical firms in upstate New York had more confidence in their prospects in 1997 than in 1996.

Online since January 1998, the da

MIXING URBAN & RURAL LIFE

BILL GREENWAY G'88 & JOY MONTGOMERY GREENWAY G'90

In the early 1980s, General Electric engineers Bill Greenway and Joy Montgomery Greenway had job offers from GE plants in 10 cities. From a pool that included Boston; Charlotte, North Carolina; and St. Petersburg, Florida, they selected Syracuse. "We both grew up in Syracuse-sized cities," explains Bill, who's from Worcester, Massachusetts. "General Electric had brought a lot of talented young people to Syracuse. The city was safe, we both ski, and we liked the fact that a substantial rural area was close by."



steve sartori

The Greenways have since settled in Tully, a sleepy village in the heart of Central New York ski country. They have three children, a new home with eight acres of land, plus "deer, foxes, and all manner of wildlife wandering into our yard," Bill reports.

But there's nothing sleepy about the Greenways's professional lives. Both left GE before GE left Syracuse. Joy is now a plant manager for Carrier Corporation, and Bill is president of InfiMed, which designs and produces digital imaging equipment for medical applications. Since 1987, InfiMed has grown from 12 to 100 employees and has \$20 million in annual sales. "Digital technology is rapidly replacing film, so we're in a real growth mode," says Bill. "Our work is really state of the art."

Bill Greenway likes the sense of community that's building among Syracuse's high-tech companies. "The da Vinci Project (a cooperative high-tech recruitment effort) is a good start," he says. "Improving our cohesiveness will be a big advantage, because our future lies in the knowledge-based, high-tech sector."

engineering schools, and nobody's doing anything to offset that.

"The da Vinci Project is involved in many educational partnerships—local initiatives to encourage kids to pursue math, science, and technical degrees," adds Mushow. "We're starting to grow our own talent. And we're asking New York State to help. This state needs something on a par with the 'I Love New York' tourism promotional campaign to attract more high-tech talent to New York."

The MDA is also looking at what it will take to keep Central New

York well stocked with all levels of jobs—and the people to fill them. A road map for the future is spelled out in Vision 2010, an economic strategy for creating more than 50,000 new jobs for the region. Developed with the Stanford Business Institute, the plan identifies environmental systems and electronic technologies as the areas with the greatest potential for growth. Each is expected to generate 10,000 new jobs by the year 2010.

"In today's global economy a community will fail if it doesn't



CAPITALIZING ON THE CREATIVE ENERGY

EVE TRONCONE '82

Eve Troncone has the perfect antidote for a gray day in Syracuse: bold splashes of color, liberally applied with a brush. As a painter and interior designer, Troncone uses color to energize home interiors, home furnishings, and her distinctive plaster relief canvasses. Even her suburban home gets frequent makeovers; its current palette is a mix of sunny Mediterranean hues.

From the time she moved here from New York City, Troncone—who's also a producer, composer, pianist, and vocalist—has been pleasantly surprised by Syracuse's creative energy. "When I was studying telecommunications at Newhouse, creativity was a way of life," she says. "Once I graduated, my creative connections kept growing through my art. You have every arts organization and outlet you could want here; it's just on a smaller scale than in New York."

Troncone's art includes bold paintings—often of children—plus painted antiques, pottery, and fabric. One of her paintings was licensed to Literacy Volunteers of America and appears on two million bookmarks. Another is installed at the Burnet Park Zoo.

Troncone recently branched out into interior design. This spring, her work will be featured in Syracuse's annual Parade of Homes. Her dramatic use of color has become her signature. "Where there's color, there's life," she believes. "People respond almost spiritually to color. When the sky is white in Syracuse, it inspires me to paint."

Troncone plans her creative ventures around the busy schedules of her three children. They live in Manlius, a Syracuse suburb that "feels like one big family, it's so centered around kids," she says. "This is such a safe, wholesome, welcoming place to raise children.

"When they're grown, I may move out of the suburbs," admits Troncone. Closer to the heart of the city? "No, probably farther out," she says, "where I can have some horses, more land, and more room to create."



steve sartori

plan for the future," the MDA's Davis says. "All the Vision 2010 initiatives for developing economic opportunities and generating the proper workforce are being aggressively implemented. This is as good a fluid blueprint for the future as any we've seen in the country."

Syracuse University Chancellor Kenneth A. Shaw, a vice president of the MDA and chair of Vision 2010's health care and education services cluster, is optimistic about the city's odds for continued—and expanded—growth. "Syracuse is successfully transforming itself from a rust-belt city with a total reliance on heavy industry to a 21st-century economy with significant strength in engineering and information sciences," Shaw says. "I don't think it has even begun to realize its potential."

A PARTNERSHIP FOR GROWTH

Word spreads quickly when Solvay Paperboard has job openings for operations and maintenance technicians. Even before the want ad appears in local newspapers, Ann Freeh, the company's human resources manager, receives what she calls a "boatload" of resumés from job applicants. Sorting through these applications to find the right people can be a formidable task. But thanks to WorkKeys, a community workforce development partnership

among Syracuse University's School of Education, the Metropolitan Development Association (MDA), and regional education and training providers, that task has become a manageable one, ultimately resulting in a more capable workforce.

"We needed a tool that would provide us with objective data to help us know who to invite for an interview," Freeh says. "WorkKeys allows us to spend the 'face time' of an interview most productively on people who have the capability to come on board and make an immediate contribution."

WorkKeys was created by ACT Inc. (a nonprofit organization formerly called American College Testing) in conjunction with business, government agencies, and educators. The state-funded, national program helps companies profile jobs, assess worker skills, and customize workforce training. Typically a company uses WorkKeys in a four-step process, working with experts from higher education institutions and ACT to profile specific jobs; assess skill levels; use the results to identify qualified workers and "skills gaps," and target training dollars; and implement customized training programs.

In Syracuse, the program is directed through the SU School of Education's Office of Professional Development as part of the MDA's Vision 2010. According to director Scott Shablak, the University's role is to provide research, development, and educational services.

"Our challenge from the Chancellor," says

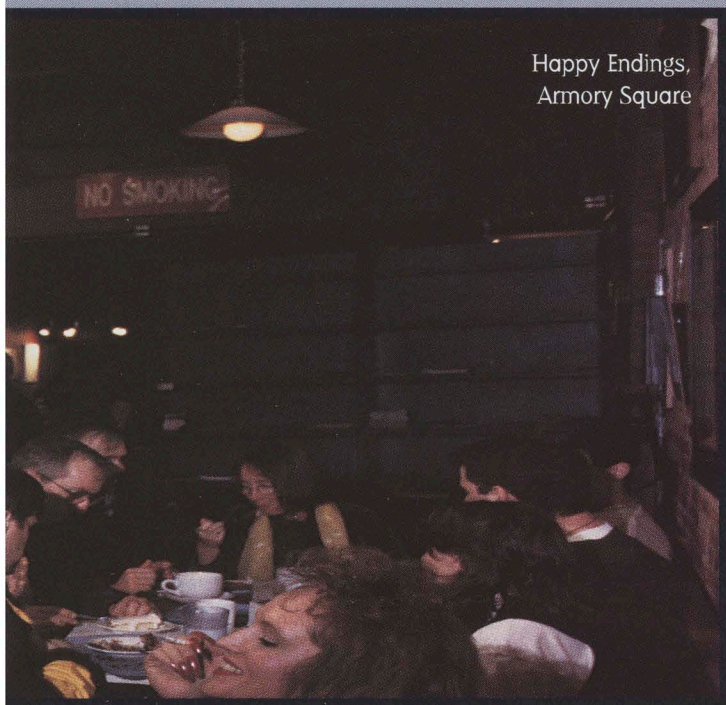
Shablak, "is to determine the degree to which WorkKeys can help Central New York reach its economic development goals and to ascertain WorkKeys' effectiveness as a model for statewide use."

SU began researching WorkKeys in 1997 and introduced the program to 74 local businesses in 1998, when funding was procured through New York State Assemblyman Michael Bragman '63. Today the School of Education-based WorkKeys Service Center has relationships with numerous area businesses, including Solvay Paperboard, Agway Energy Systems, and Diemolding. Services provided include assessment tools to screen new employees, training resources for laid-off workers, and new job profiles for expanding companies.

"The next, and perhaps most dynamic, aspect of this initiative will be to assess high school students," says Tom Hadlick G'92, operations coordinator for the WorkKeys Service Center. Area school district representatives recently planned a WorkKeys pilot test for students. "Once the business community learns how well-prepared our students are, there will be greater incentive to fine-tune curriculum, motivate students, and assist in career planning," Hadlick says. "We hope to increase the number of students who enter post-secondary education with clear career goals, and who will demonstrate that Central New York has a highly skilled labor pool."

Syracuse-area companies like Solvay Paperboard are excited about WorkKeys' potential. "I look forward to the day when an applicant comes to us and says, 'Here are my WorkKeys assessments,'" Freeh says. For now, she is pleased with the results. "We have a solid tool here that gives us new confidence in the people we hire," she says. "The support out of SU has been extraordinarily helpful."

—AMY SHIRES



Happy Endings,
Armory Square

G R O W T H