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CUED Chair, 1998-2000
Interview Conducted with Tye Libby on December 10, 2010

How have you seen the economic development profession evolve/change over the course of your career?

My approach is probably a little bit different, and I think that has helped me out a lot...especially in delivering big projects. I’m not sure that we, as professionals, do this all the time, but I try to understand what the business process is. Many times you can recommend something to a potential client—especially if you are working on a major investment with a lot of jobs—that would not be considered “normal” in the industry. I can give you a good example of that. We were able to attract a company, Gatorade, which was owned by Quaker Oats at the time. They had decided to [locate] in the county next to us. I was [working] with Fulton County government in Georgia. I managed to get them to meet with me over lunch to discuss the project. They were somewhat reluctant since they were close to a decision. I said, “Well, just tell me about your project. It won’t hurt to talk since you’ve made a decision.” He told me about the project and one thing he said gave me the idea that turned them around. He said, “We have to pre-treat our water before we put it in the bottle.” I remembered that Fulton County had built pretreatment facilities and outsourced its operations. So I said, “What if I was able to pre-treat your water for you? [Then,] all you’d have to concentrate on is putting good water in the bottle.” He said, ”Can you do that?” I said, “I am sure going to find out!” I went back [and] met with the County Commissioners. I had already written the policy for incentives for the county. To make a long story short, we were able to make that offer to the client and they changed their mind and located in Fulton County.

Just understanding the business process helped us to win that [company]. I have done that on several other major projects and we were selected for the site location. Sometimes we have to get away from the classical approach to attraction and concentrate on the business itself. The ability to be creative [is important]. Many professionals working for a county or city government do not have that kind of flexibility. We had the capability of being creative because of our Development Authority. A lot of our funding came from the Development Authority. It generated 100% non-taxpayer revenues and [it was] not taxpayer funded.

So, [it is important] to be creative and understand the business process. Creativity helped to deliver more successful projects and consequently more jobs and investment. My approach could be because I am an ex-engineer. I like to look at the technical aspects of the projects. I also found out that companies were comfortable with dealing with a professional that understood the technical aspects along with the economic development process.

You mentioned the role that incentives play. How have you seen the role of incentives change during your career?

At one time, the incentives were very important. Then, for some reason, they didn’t seem to be as important for a period of time. I’m not sure why. I think that was the time when clawback
[provisions] entered the equation. Incentives came under a lot of scrutiny because tax watchdogs and politicians began to look at projects because of political pressure. They became sensitive to tax breaks. I think the term “tax abatement” is illegal in Georgia. So, we came up with a way to reduce the tax rate over time. I think the sensitivity of government and taxpayers changed the way we looked at incentives.

You mentioned that tax abatement is illegal in Georgia. Is tax abatement illegal in many states?

I don’t know. I am not certain about that, but, I know we could not use tax abatement when I was in the business in Georgia. We would say “tax reduction.” Plus, you know, semantics really impact certain people’s decisions. I do think that during that time it was illegal to abate taxes. You could not take taxes off the books. That forced me to be creative on another project. A company’s headquarters were already [in Georgia], but they wanted to build a manufacturing [plant]. I got the company’s manufacturing [branch] to literally buy the headquarters. So, we restructured their whole financing package and they were able to get additional years of tax reduction. By changing the structure of that ownership, we were able to really do a new tax deal.

How has technology changed the economic development field?

[Technology changes how] we determine the impact of a project. Technology has influenced the recruitment of companies. But, using [computer] software [has allowed] us to analyze the true impact of projects. That helped changed the field a lot, [because] you can show politicians the project’s impact—in terms of tax benefits and jobs—on a particular geographic area. I think that had a major impact on economic development.

When all of these technology-based “dot-com companies” came forward, our profession had to reorient ourselves to the technology. We had to try to understand how technology was going to impact our profession and how to approach technology companies. Technology influenced a broad range of activities. Asking those questions always works…What? Where? How? And Why?” Whether you are focusing on manufacturing companies that are being impacted by technology, or whether you are just focusing on technology companies themselves, you have to understand the business process [in order] to know exactly how to approach them, attract them, and help them to grow.

Can you describe your personal career path? How did you become involved in economic development?

I was an electrical engineer working for IBM, and I joined a business club in New York. The business field kind of turned me on. I decided to go to graduate school and get a MBA [degree]. Once I went to graduate school, I wanted to find out what the world of entrepreneurship was all about. So, I really started looking at small business development. I arranged my studies so I could learn about small business development [and] what owning and managing a company was all about.
I was fortunate enough to get a position at the Georgia Tech Industrial Development Division while in school at the Atlanta University School of Business. This was a turning point in my career. My job at Georgia Tech began as a student small business counselor. We assisted small business within the State of Georgia. It’s now the Economic Development Institute over at Georgia Tech. I took that experience back to my classroom. All of my papers and classroom responses were geared toward small business development.

At the same time, I helped two professors start a paint manufacturing company while they were teaching at the university. I got involved with paint manufacturing company and did some research for them. That really got me extremely interested in business development.

After the program ended Georgia Tech, they hired me as a part-time professional after my first year of graduate school. I guess they saw my interest in business and industrial development, and they offered me a position after I graduated from graduate school in 1974. My first assignment was a project in Nigeria. That was really my turning point. I was at [Georgia] Tech five years and got so involved in the industry that I left [Georgia] Tech and started my own firm. There is a lot that happened because of that, but that isn’t really germane to history of IEDC. I left Georgia Tech in 1975. By 1980, I had fifty-five full-time professionals in four states. So, [my business] grew extremely fast.

At that time, it was CUED. The merger had not happened yet. Every program that I ever started, either as a part of local government or with my firm, I got from CUED…every single program. I really got involved in the organization. I was really coerced by Ioanna Morfessis. In fact, she called me the other day. She was the one that grabbed me! I guess she saw my interest as well. I think I joined CUED in 1990. IEDC has been so important to my professional life. It was just a beautiful time for me, because everything I learned about economic development I really got there. [I got] on-the-job training [and learned] about how to be a professional economic developer.

What skills did you acquire over time? Did certain skills become more important as your career progressed?

While at Georgia Tech, business development was really my focus. By 1990, I had resigned [from] my firm to buy a manufacturing company at the suggestion of the Small Business Administration. My whole focus was business development and industrial development. “Economic development” wasn’t even a term yet. But, I spent a lot of time, a lot of money, and I got to the eleventh hour. Then, the owner of that manufacturing company decided he could not sell his company. That was a major disappointment to me, and I lost a lot of money.

I decided, though, to really get back into business development. I happened to get an economic development position with Fulton County. That’s when I joined CUED. I only had business development experience, but when I joined CUED I started getting expertise and training in attraction and other economic development areas. This was about the time that economic development came alive. It used to be industrial development…we used to call it “smokestack chasing.” When economic development came alive, I started my training, I took classes, and I went to conferences. Even though I had a background in small business development, I started
learning about attraction, business retention, business expansion, and financing. I [developed] a knowledgebase and learned all of the other factors and components of economic development. I became part of the organization [and took advantage of the] training sessions and became a student of the profession.

**So people skills were very important?**

Oh, absolutely. I won a lot of my projects through forming relationships and understanding what these people really needed. In fact, I wrote an article about the game that we play with these companies. It’s not a game to them. It can change their lives, their homes, [and] their kids’ schools. It’s a heavily emotional thing. I used to really form relationships with my clients, and that really played well for me and my success. I became very successful. I owe my success and my knowledgebase to IEDC. That is why I got so involved. One day April Young, the Chairman of CUED came to me at a conference in Miami and said, “Have you ever thought about being the Chair of CUED?” I said, “What? No, I haven’t.” I hadn’t thought about it.

My election as Chairman of CUED was probably the single greatest thing for both my professional growth and my personal growth. It was a challenging position to lead such an esteem group of highly professional economic developers. It wasn’t an easy job. If anybody knows Jeff like I know him, then they know Jeff’s not the easiest guy to work for <laughs>.

That was one helluva experience for me, but I enjoyed it. It launched me into the international business. I took like seventeen or eighteen of our members to Europe to meet with our European counterparts. Our Canadian counterparts in the Economic Developers Association of Canada (EDAC) also came to Europe. This was the kickoff of our organization’s International Network of Economic Developers (INED). I had key role in the organization at that time. That really launched me into the international economic development field. I designed a program called the Transatlantic Enterprise Venture project while I was active in the organization and I ended up getting a three-year international contract to do strategic alliances. Then came the merger, and the attention to the international piece got diverted for a minute because of the merger situation. I think the attention to international economic development has rebounded and has grown substantially in the organization.

**Who was the international contract with?**

It was with the Development Authority of Fulton County.

**How did you develop the relationship with European economic developers?**

The concept was to use the contacts that I had developed in Europe, through INED, as a contact for developing strategic alliances. These were other development agencies that were members of the European Association of Development Agencies (EURADA), and that worked. They brought their clients to the table, I brought my clients to the table, and then we talked about strategic alliances. I have done many international projects since then, and I am still working international projects. I still enjoy being an ambassador for IEDC. I represented IEDC in South Africa a few years ago.
You mentioned you joined CUED in 1990. How did you see the organization evolve during the eleven years before the merger?

We were almost like a family. We were close. We would share information and share ideas. I will never forget...I used to get calls saying, “Ed, you were doing this in Fulton County. I’m working in New Zealand. Can I use this in New Zealand?” I said, “Absolutely!” There was really a closeness...and not only a professional closeness. There were just unique relationships. Every Annual Conference was like a homecoming. It was always well attended and there always very good conversation. [There] was always a very good flow of information. I was the last full Chair of CUED.

As time went on, I became just another member [of CUED]. I became a committee member. Then, I was asked to serve on the board. Then, I think I served as Vice President of Membership for two or three terms, and I really enjoyed it. I was like an ambassador for membership. I set my own goals for membership and I always met those goals. For instance, if I was at a meeting and someone had “non-member” on their badge, I would spend a reasonable amount of time making sure they became a member. I think that my personality played into that a lot. I was an African-American on the board, and we didn’t have many African-Americans on the board at that time. I will never forget, I think we were in Louisville, and I had a group of African-Americans around me. We were talking—I guess it was at one of the receptions—and I was telling them of the advantages of being a member of this organization and that they needed to be members so they could go back and take the knowledgebase to their communities. I was really selling [the organization]. I had some friends come up to me and say, “What are you guys trying to do, start a black organization within our organization?” It was a good joke <laughs>. I really loved the organization. I love it, not only because of the knowledge I have gained from it, but the friendships that I gained from it too.

Let me tell you an important thing. Not many people know about this, but I think it’s important [in regard] to human relations. It was the first year after the merger and the annual meeting was going to be in St. Louis at the Adam’s Mark [Hotel]. The NAACP was picketing the Adams Mark. Jeff [Finkle] came to me and said, “Ed, I need your help with this situation. I need you to get together with your brothers and try to help me resolve this situation.” I told him, “Yeah, I’ll do that.”

So we, my “brothers” and I, got together in a hotel room. I am a “civil rights baby.” I grew up during the civil rights period and participated in the civil rights movement. Because I had been CUED’s first African-American Chair, Jeff felt comfortable that I could come up with a resolution. I talked with the guys and we decided that we couldn’t put a burden on the organization. The penalty was something like $200,000. It was a very significant penalty. I said, “We can’t put that burden [on IEDC], but, gentlemen, I cannot cross that line.” I was older than most of them. I told them why I couldn’t cross the line. But, I would never be responsible—with my love of this organization—for the penalty. I told them, “Have the conference, but I’m not coming.” They all felt the same way. That was our resolve. We weren’t able to tell Jeff this before the board meeting. So, I stood up at the board meeting and talked about the situation. I
don’t know if they really wanted to hear it, but we told the board our decision. When I sat down, each one of [my African-American colleagues] stood up to confirm their feelings.

This is what happened [next]. We had dual chairmen. Kurt Chilcott—my white brother who I supported as my successor—shared chairmanship with Rick Weddle. They were the first co-chairs of the new organization. It was in our first joint board meeting that I stood up and said what I had to say, and the rest of the guys stood up and said what they had to say. Then Kurt stood up—and I will never forget these words—he said, “I’ve known Ed Nelson for a long time. Ed Nelson is my friend. If Ed won’t cross that line, then I’m not crossing it.” Tears came to my eyes when Kurt said that. Then a white gentleman named David from AEDC said, “Well, I’m not crossing it either.” They stood up, and that was the decision.

The only other option was to try to get Adams Mark to cancel without penalty. I had a conference call with the NAACP attorneys, and I tried to talk to the owner of Adams Mark, but he wouldn’t talk to me. His son called me, and I said, “With all due respect, I appreciate you calling, but I would like to speak to your father.” His father was the problem. When his father wouldn’t speak, there was nothing we could do. Thanks to the NAACP attorneys, we were able to cancel the contract without penalty. The important thing about that was the way those guys stood up and supported our decision. That is when my heart really went out to the members of that organization. I think it was significant in our growth as a new merged association. It was key to merging the different cultures into one organization. I don’t know if many people realize it, but that was significant.

**What were the pressing economic development issues during your career?**

We had some financial issues that we had to deal with. Jeff [Finkle] has been such a great President, and he has gotten us out of a lot of financial situations. You have to give him all the credit that is due, because he has been a great president for the organization. I remember being in New York…and I can’t remember exactly what the problem was, but I was walking to a meeting with a group of board members and we were talking about an issue. A year later, Jeff had resolved that issue. I think that Jeff has been very lucky to have a good supportive board. He is also very smart. He knows how to manage his board.

**What exactly was your role in the merger between AEDC and CUED?**

I was on the first executive committee. Our approach was just to make sure to develop relationships. I didn’t work on the mechanics of the merger. Kurt [Chilcott] did because he was Chair. I guess I was sort of one of the relationship ambassadors. I played golf with them at meetings and stuff like that. I didn’t do any of the technical things. I left that up to the Chairmen.

**What brought about the initial discussions of the merger?**

I remember meeting with AEDC in Washington during my first year as CUED Chair. I will never forget it. I don’t know about the issues prior to my term as chairman, but I do remember feeling that these cultures were so different at the time. That was just from the conversations we had with them. I suggested that maybe we needed to work on a joint project together. It was
almost like a release valve in that meeting. They said, “That’s a great idea. That’s what we need to work on.” Throughout the following year we began to do some things together, and sure enough, 2001 was the first year of our merger.

**What were the ultimate reasons for the merger? What were some of the positives and the negatives that came out of the merger?**

I think both organizations had some very positive things to bring to the [new] organization. [AEDC] had a lot of expertise in small towns and rural areas, and we knew nothing about that. Most of our expertise came from urban centers. Bringing those two together and providing a knowledgebase to its members just made sense. The only thing that worried me [was that], in the process, we kind of lost the international effort. I remember hiding the international effort in a subcommittee of the Policy and Issues Committee <laughs>. After the trip to Europe, I didn’t wasn’t to lose [the international aspect]. That was a subcommittee of Policy and Issues until it [reemerged] after the merger.

**During your career was there anyone who inspired you? Did you have a mentor?**

Ioanna [Morfessis] and April Young inspired me. When I met Bill [Best], I told him that he needed to get in line to become Chairman of the organization. At first he didn’t really want to do it, but we got together and became good friends. I was able to coerce him into it. One of my proudest moments was when he became Chairman, because I was his mentor and helped him through that process.

**Was there anyone besides Mr. Best that you helped mentor?**

There were a lot of people in Atlanta. When I was Chairman, I got a lot of folks involved in CUED. Many of the IEDC members from Atlanta came because of my efforts. I saw myself as somewhat of an ambassador, because I am an African American and I was the Chairman. I would speak at the state organization and try to get the state people involved in becoming members. They were focused at SEDC. I started talking up CUED. I’ll never forget, before I headed up to take the exam in Washington, DC I was speaking at a Georgia Economic Developers Association (GEDA) meeting. I announced that I was getting ready to take the exam, and after I announced it I thought, “Man that wasn’t smart. What if I don’t pass it?” At the time, I was Chairman of CUED, too. But I did pass the very first time. During my [oral] examination, they threw three Ed DeLuca Award winners at me. I figured they did that because they didn’t want people to think I walked through. I ate those guys for lunch <laughs>!

**Where do you see IEDC now? Where do you the organization going into the future? Do you see any emerging trends or have any predictions?**

I think our efforts in the international marketplace will eventually become more significant than they are now. Our reputation is growing internationally. I went to South Africa for IEDC, and we have a very good reputation. From a practical viewpoint, I would like to see us pay more attention to training fellow organizations in developing countries. A lot of these organizations, like those in South Africa, really need a lot of training in economic development. They have a lot
of top government people, but there’s really not a lot of in-between to provide a training mechanism. The Europeans are focusing on South Africa. I noticed that when I was there. They are funding these economic development organizations. I would like to see us participate more worldwide. I see it growing, but I think the international market is somewhere we can grow and prosper.

**Do you have any other anecdotes or stories from your career that you would like to share?**

I guess that’s about it.

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