

#### SAN BERNARDINO COUNTY, CALIFORNIA





**Animatronics firm selects** site in San Bernardino County, where talent development is job one.

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arner Holt Productions makes its living helping people escape to the land of make-believe. There's nothing make-believe, however, about the economic impact the company is having on San Bernardino County, California.

On April 16, the world's largest designer and builder of animatronics for theme parks and other attractions around the globe announced the expansion and relocation of its corporate headquarters to the city of Redlands in San Bernardino County. The move doubles the manufacturer's footprint and makes room for expansion of company offerings.

Garner Holt founded the firm in his parents' garage in unincorporated San Bernardino County in 1977. Four decades later, he's moving the now-global operation into an existing 120,000-sq.-ft. industrial building in Redlands,



a city known for its historic and elaborate architecture.

How the firm came to be based in Redlands is a story as much about San Bernardino County as it is the supplier to Disney, Universal, Knott's Berry Farm, Mattel, Nike and others.

"We looked around. We did our due diligence," says Holt. "We looked at Ontario and Rancho Cucamonga and the San Bernardino area. We looked at Las Vegas to

see what was there. This is a big move for us. Hopefully, we don't have to move again."

Holt says he likes the county because it offers proximity to everything he wants. "It is such a diverse area," he says. "Being able to network with so many different types of



people in the entertainment industry is huge. We are on a major freeway interchange. We can tap into talent in Riverside County and Palm Springs. We have a great workforce and great weather. We are very happy here."

Holt says the animatronics designers and builders in the area "are some of the best in the world at what they do. I have no reason to go anywhere else."

Moving to Redlands Corporate

Center, just minutes from the firm's previous base, is like going home, says Holt. "My parents met at a dance in Redlands," he says. "My grandparents lived in Redlands. My family had roots in Redlands before World War I. It is a beautiful little town — an older Main Street type of town."

# THE NEXUS OF GLOBAL CONNECTIVITY

ny manufacturer or logistics end-user in San Bernardino County will tell you that a major drawing card for the region is the Ontario International Airport.

The fastest growing airport in Southern California, ONT is continuing its rapid ascent since its return to local control in November 2016. In 2017, its first full year of local ownership, ONT welcomed 4.5 million passengers, up 7 percent from the year before. During the first three months of 2018, passenger and cargo volumes increased by 10 percent and more than 16 percent, respectively, compared with the same period last year.

JetBlue's return this coming September, with nonstop service to John F. Kennedy Airport in New York City, underlines the change that has occurred at ONT during the past year and a half. JetBlue was extremely popular with passengers during its original run at ONT from 2000 to 2008, but suspended service as Los Angeles World Airports — the previous operator of ONT — reconsidered its approach to regional air transportation and began emphasizing growth at Los Angeles International Airport (LAX). With its return, JetBlue joins Frontier Airlines and China Airlines as the newest arrivals at ONT. Frontier launched direct service to its home base in Denver, Austin and San Antonio last October, and in March, China Airlines began daily service to Taiwan, the first transpacific service in ONT's history.

Mark Thorpe, who was named CEO of the Ontario International Airport Authority last October, recently took time to discuss these and other changes at ONT.

Please share the scope of China Airlines decision to add flights at ONT and the impact on the region.

**THORPE:** The significance is far reaching. Not only is this the first



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#### **A Welcoming City and County**

The town has a distinguished history of its own. Many of its structures date back to the late 1800s, including the iconic A.K. Smiley Public Library and the famed Morey Mansion. Kimberly Crest House & Gardens boasts a Victorian mansion and Renaissance-style gardens. Redlands Bowl, which hosts music concerts, opened in the 1920s.

"We have used some incentives, but that wasn't why we

chose Redlands," says Holt. "We chose this city because Redlands welcomed us with open arms. They have been super helpful. We have received great support, and it could not have worked out any better for us."

The company currently employs about 65 workers but plans to double its workforce to around 130 upon full production at the new plant, says Holt.

Supplying and training that workforce is the job of

transpacific service in ONT's history, it's the only such service — outside of LAX — in Southern California. And clearly there's demand — so much that even before the first day of service back in March, China Airlines increased its scheduled flights from four to seven days a week. The flights are attracting a mix of business and leisure travelers, many of them currently located in or with ties to eastern Los Angeles County and the San Gabriel Valley. That's no coincidence; ONT's location and great freeway access make it an ideal gateway for millions of travelers for a large portion of Southern California. Many people don't realize this, but ONT is the closest and most convenient international airport for more than 10 million people in the Inland Empire, northern Orange County and eastern LA County. In addition, more than half (55 percent) of Southern California's 2.5 million residents of Asian descent live closer to ONT than LAX.

#### What other carriers have increased flight at ONT since local control?

**THORPE:** The biggest growth, other than China Airlines, has come from the arrival of Frontier and, soon, JetBlue. In addition to its Denver, Austin and San Antonio non-stops, Frontier offers continuing service from Texas to Dulles International, which means that passengers can travel from ONT to Washington, D.C., without changing planes. Also, Southwest Airlines, United Airlines and Volaris Airlines have increased service.

How is ONT best suited to handle cargo flights and how does this benefit businesses in the region?

**THORPE:** ONT is one of the most active freight and cargo airports United States. In 2017, the airport handled 654,000 tons of

cargo, up 15 percent from the prior year and ranking it among the top 15 airports nationwide. And it's only getting busier. During the first three months of 2018, cargo shipments are up 16.4 percent from the comparable period a year ago. Ontario is the West Coast air and truck hub for UPS Airlines and is a major distribution point for FedEx Express and Prime Air. The airport's size (1,741 acres), long runways (including one measuring 12,200 feet — among the longest in the country) and modern air cargo infrastructure make it ideal for freight expansion. The airport has 675 acres of developable land, which creates a multitude of opportunities for all kinds of businesses, including those desiring immediate access to the airport's distribution channels.

## What other changes are being implemented to further meet the needs of business in the region?

**THORPE:** ONT's overall economic impact on the region is \$5.4 billion per year and growing. Since the airport's return to local control, its role as a regional economic catalyst has grown, with hundreds of millions of dollars of new investment dollars arriving in communities such as Rancho Cucamonga, Ontario and northwestern Riverside County. Plans are rapidly advancing for additional mixed-use development north of the airport.

### How does ONT compare to other airports in SoCal? What are its competitive advantages?

**THORPE:** Convenience and access. Again, for 10 million Southern Californians, ONT is the closest, most convenient airport to get to. Our location — in the Inland Empire but within a few miles of Los Angeles and Orange counties — makes us the airport of choice for one of the fastest-growing markets in the U.S.



#### "We talk to educators and businesses to best understand where the workforce needs are and where skills gaps exist."

- Tony Myrell, Chairman, San Bernardino County Workforce Development Board

Tony Myrell, chairman of the San Bernardino County Workforce Development Board. To help him do that, the county recently adopted a comprehensive Workforce Roadmap.

"The primary focus of the Workforce Roadmap is to train and retrain people into new job sectors and get people back into the workforce," says Myrell. "The roadmap shows us where to prioritize our training dollars for maximum benefit. Sustainable wages are the goal."

The Workforce Roadmap showed the county that its primary labor demand is coming from advanced manufacturing, health care, logistics and distribution. "The roadmap gives us the ability to work with our educational partners and businesses," Myrell says. "This makes sure that we are training the workers to what the employer actually needs. What we've found is that businesses change faster than the educational system does. Industry and technology are changing every day. This gives us the chance to adapt."

Along those lines, the county is rolling out several programs to enhance its worker training efforts: SlingShot, Career Pathways and Work-Based Learning. All are designed to better align education and worker training with industry needs.

SlingShot is about "deeper engagement with our business community," says Myrell. "We talk to educators and businesses to best understand where the workforce needs are and where skills gaps exist. Through SlingShot, we've reached out to our industry champions and businesses to discuss their challenges and whether they are getting the skilled employees they really need. Now that business is telling us what they want, we're going to the universities and community colleges and asking them to prepare a curriculum that will produce those candidates."

**Exposing Kids to Lucrative Careers** 

Career Pathways targets the K-12 level. "We have an elementary school that is teaching

kids how to do computer-aided design," Myrell says. "They are using 3D printers to make things. Kids are now doing this type of work in elementary school. We get them into Career Pathways at an early age, and we begin equipping them for careers that pay more than 4-year degrees do. Kids today don't have to go to college to get a good-paying job. They can make \$40 an hour as a welder. We have dual enrolled our 11th- and 12th-graders in community college and they are working toward a certificate."

Work-Based Learning is an apprenticeship program that takes kids from high school and gives them practical work experience. "Employers will pay these kids for 120 hours of work experience," Myrell notes. "We expect a lot of employers in San Bernardino County to get involved in this program, because it works."

Reg Javier, deputy executive officer of workforce and economic development for the county, says that "preparing future workers with relevant, in-demand skills is a critical element of an ecosystem that is designed to address how we develop the best talent to attract business growth. The partnerships we've established, the youth of our population and the county's quality-of-life factors are all connected. Businesses see that and want to be part of it."

Holt says it's support like this that keeps him and his business re-investing in the county. "We like to inspire kids to make things like we do," he says. "It is very inspirational. That's why I serve on a lot of charitable boards. I believe in this community."

He adds that he loves "the wide range of talents that are available here. We can dip into the talent pool of the Los Angeles-Hollywood area to find sculptors, painters, costume artists, etc. Plus, due to the military presence, a lot of aerospace fabrication and machinists are here. Pretty much everyone we need to do our creative work and our finishing work is right here."

This Investment Profile was prepared under the auspices of San Bernardino County government. For more information, contact the county Economic Development Agency at 909-387-4700. On the web, go to www. sbcountyadvantage.com.