

Eastern Alberta Ports to Plains Corridor Development and Marketing Project



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Chairman's Statement

Three Regional Economic Development Alliances (REDA's), in Eastern Alberta:

- the Palliser Economic Partnership (PEP) www.palliseralberta.com;
- the Battle River Alliance for Economic Development (BRAED) www.braedalberta.ca;
- and
- the Northeast Alberta HUB (HUB) www.albertahub.com

are interested in working with key stakeholders in Eastern Alberta to plan the development and promotion of a north south transportation corridor, ("the Corridor") stretching from the United States border in the south to the Regional Municipality of Wood Buffalo in the north, that would be a major component of the Ports to Plains Corridor of the United States, Canada and Mexico. The main highways of interest in "the Corridor" include highways 41, 36, and 63 with links to the Edmonton-Calgary corridor to the west, and east to Saskatchewan.

Allan Hyland, Chairman

Palliser Economic Partnership

1. Introduction

1.1 Alberta – Member of Ports-to-Plains Alliance

The Province of Alberta became the first Canadian member of the Ports- to-Plains Alliance on May 12, 2009. In a the media release (Appendix 1) dated May 12, 2009 Premier Stelmach said, “ Strengthened trade relations with key U.S. states in the energy and agricultural heartland and an improved North-South transportation corridor to key markets are among many benefits of Alberta’s new membership in the Ports-to-Plains Alliance”. He went on to say, “There may be an international border between us, but given the similarity of our priorities, our challenges and our common rural heritage, the potential of our collaboration is limitless. ”

Through the partnership Alberta will have the opportunity to strengthen trade relations with the states of Texas, Colorado, Oklahoma, Montana, New Mexico, North Dakota, South Dakota, Nebraska, and Wyoming. As the Ports-to-Plains Alliance is made up of communities along a 2300 mile plus economic development corridor, Alberta will be able to collaborate to better address the challenges and opportunities common to all in North America’s energy and agricultural sectors.

The Ports-to-Plains Alliance is a community driven advocacy group and registered as a non-profit, non-partisan organization. It is led by representatives of the member communities along the corridor who stand to benefit from improved transportation infrastructure, rural development, and advocacy efforts and advances on mutual issues regarding energy and agriculture.

“Border delays are a trade impediment, said Premier Stelmach. “As Alberta becomes an even greater source of North American energy supply we must ensure that we have a steady flow of goods between our countries.” He also commented that Alberta will leverage the influence of the alliance to help convince both federal governments of the need to have a 24 hour commercial port of entry at the Wild Horse border crossing.

1.2 Introduction and Project Objectives

This report deals with a proposed Eastern Alberta Corridor that can provide an alternative to the QE2, and that extends into USA at Wild Horse to tie into US Interstate Highway #25 and the Ports to Plains Corridor. A new Eastern Alberta Corridor Corporation has been recommended to promote and advance the concept of a second major north – south integrated seamless transportation corridor between Alberta and USA. The report suggests a governance model for the new corporation, lays out a proposed mandate and membership, and provides an estimated budget range for operating purposes. A one year and five year plan for the Corporation is proposed, along with a marketing plan. Finally, an implementation plan to establish the Corporation is laid out. Other related and relevant topics covered are the economy of the Eastern Alberta Corridor Region, current commercial tractor trailer traffic on Eastern Alberta Corridor highways, and a SWOT analysis of the Corridor and the Region.

Project objectives are:

1. An assessment of the potential to expand the use of The Corridor for;

- Moving products within Alberta as well as to and from the US
- Serving Alberta, other Canadian and US tourists
- Attracting investment for existing and new businesses

2. The development of a plan for The Corridor that will effectively support increased traffic volumes as well as increased business activity and investment in both existing and new businesses in Eastern Alberta

3. The creation of a sustainable organization to implement The Corridor plan

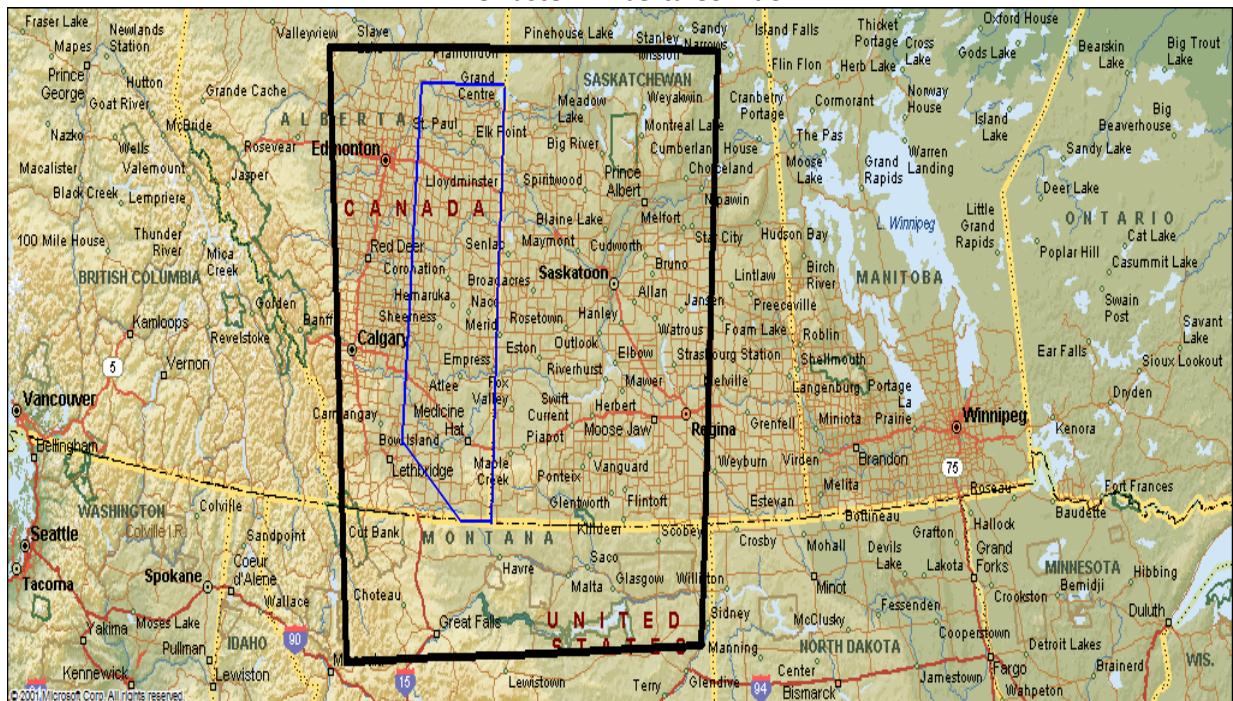
4. Definition of initial activities for The Corridor plan to be undertaken by the organization

Methodology employed for the project included interviews with more than 120 private sector and public sector stakeholders and business owners in the Eastern Alberta Corridor Region, desk research, and actually driving all the highways in the Eastern Alberta Corridor region that are included in Alberta's Core Highway Network

2. Corridor Definition and Description

The Eastern Alberta Corridor is defined as the region bounded by Highway #21 to the west, the Alberta – Saskatchewan border to the east, the Wood Buffalo region up to the NWT border to the north, and the Alberta – Montana border east of Highway #36 in the south. The Corridor Region is shown graphically in Figure 2.1.

Figure 2.1
The Eastern Alberta Corridor



2.1 Corridor Highways

The two main north-south highways in the Corridor are Highway #36 and Highway #41.

- Highway #36 runs from Warner in the south to Lac La Biche in the north. At the northern end, Highway #36 connects to Highway #63 and Highway #881 to access Fort McMurray. It has been designated as an “oversize” and “overweight” highway for commercial traffic.
- Highway #41 runs from the Wild Horse border crossing in the south to the junction with Highway #28 north of Elk Point in the north.

There are a number of east-west highways traversing the Corridor, including:

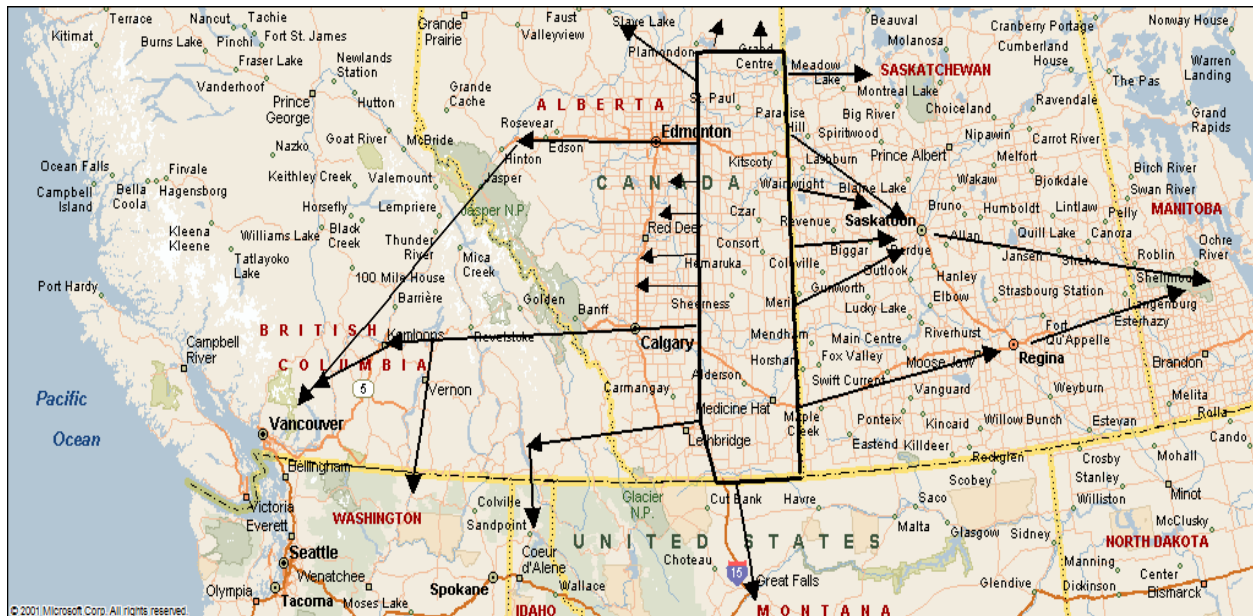
- Highway #28 running from Edmonton to Cold Lake via Smoky Lake
- Highway #16, the Yellowhead Highway, running from the BC border through Edmonton to the Saskatchewan border at Lloydminster
- Highway #14, running from Edmonton through Viking and Wainwright to the Saskatchewan border, where it hooks up with Saskatchewan Highway 40 running to North Battleford.
- Highway #13, connecting from QE2 through Camrose and Killam to the Saskatchewan border.
- Highway #12, connecting from QE2 at Lacombe, through Castor, Coronation and Consort to the Saskatchewan border, where it hooks up with Saskatchewan Highway #51 for access to Saskatoon
- Highway #9, connecting from the Trans Canada Highway east of Calgary, through Drumheller, Hanna and Oyen to the Saskatchewan border, where it hooks up with Saskatchewan Highway #7 to Saskatoon
- The Trans Canada Highway, running from the BC border through Calgary, Brooks and Medicine Hat to the Saskatchewan border
- Highway #3, running from the BC border through Lethbridge, Taber and Bow Island to Medicine Hat.

All of the above highways are part of Alberta’s Core Highway Network. Additionally, Highways #1 (Trans Canada), #3, #9, #16 (Yellowhead), and #28/#28A are considered Core Routes of Canada’s National Highway System.

2.2 Eastern Corridor Connectivity

The Eastern Corridor is well connected to intra-Alberta, Canadian domestic and USA transborder markets through its highway system, as depicted in Figure 2.2.

Figure 2.2
Eastern Alberta Corridor Connectivity



- Connections to all regions of British Columbia are provided via Highway #3, The Trans Canada Highway, Highway #16, and Highways #43/2
- *Easy connections to Alberta's QE2 corridor are provided via any of Highways # 1, #12, #13, #14 and #16.*
- Connections to points east are provided by The Trans Canada Highway, Highway #9/Saskatchewan Highway #7 to Saskatoon and beyond, and by Highway #16 (The Yellowhead Highway)
- Connections to the NWT are provided via Highways #2 and #35. A more direct and less hilly route is provided through Highways #2 and #88, although #88 is gravel surface and realistically only available during winter until the entire length has been paved. Highway #88 is preferred by motor carriers during the winter months
- The Eastern Corridor has direct and efficient access to the six western US states/markets of Montana, Idaho, Nevada, California, Utah and Arizona, via a direct connection to the CANAMEX corridor by Highway #36 at Warner
- Markets in Washington, Oregon and northwestern Idaho can be efficiently accessed via Highway #3 and BC Highway #95 crossing into Idaho at Kingsgate

- US markets situated along and east of US Interstate #29 is most easily accessed by using either the Trans Canada or the Yellowhead Highway, crossing into the US in Saskatchewan or via other points east
- Markets along US Interstate #25 – Wyoming, Colorado, New Mexico and Texas – are currently best accessed via Coutts and the CANAMEX Corridor to Bozeman MT, then connecting to Interstate #90 to Billings MT where US Interstate #25 (The Ports to Plains Corridor) ends. This is a very circuitous routing

Inside the Eastern corridor, the extensive connectivity between the provincial primary and secondary road network and municipal roads provides access to every community and region in Alberta, providing an opportunity for communities throughout the region to become involved in the economic growth and development of the Province.

In order to improve access between the Eastern Alberta Corridor and US Midwest markets and states and to make the Ports to Plains Corridor relevant to the Eastern Alberta Corridor, several improvements must be made, and barriers removed. These will be fully discussed in the analysis of Eastern Alberta Corridor strengths, weaknesses, opportunities and threats in Chapter 5 of this report, but do include making Wild Horse a fully commercial 24/7 border crossing, upgrading Montana Highway #232 designated as a local connector road by Montana's Highway Classification running from Havre to Wild Horse, and possible upgrades to Montana Highway #66, running from Harlem on Montana Highway #2 through the Fort Belknap Indian Reservation to Montana Highway #191. Highway #66 is classified as a minor arterial and may need some upgrading to become a major corridor link. Other highways involved in the routing between Billings and Havre (Montana Highways #87, #19, #191 and #2) are classified as major arterials suitable for commercial truck traffic.

2.3 Routing/Distance Advantages and Disadvantages

As indicated in Section 2.2 above, locations/businesses in the Eastern Alberta Corridor enjoy excellent connections to most regions of North America, with the exception of access to US Interstate Highway #29, the Ports to Plains Corridor.

When it comes to routings through the Eastern Alberta Corridor between points outside Alberta and Edmonton and other points north, the following apply:

- Highway #36 is the shortest route between US Interstate 15 via Coutts/Sweetgrass and Edmonton – so traffic now moving between Edmonton and Coutts on Highway #2 could be a significant source of The Corridor growth
- Routings over Highways #36 and #41 for traffic moving on Ports to Plains Interstate #25 are much superior to going through Coutts – assuming Wild Horse becomes 24/7 commercial and the necessary highway improvements are made in Montana
- With a 24/7 fully commercial crossing at Wild Horse, current traffic destined for/originating in Eastern Alberta/Western Saskatchewan that uses US Interstate #15 and the Coutts/Sweetgrass crossing could potentially divert to use Wild Horse and the Montana Highway #87 link between Great Falls and Havre

- Highways #36 and #41 are not competitive on a north-south basis with the Yellowhead Highway on US freight east of Interstate Highway #29 originating in/destined for Edmonton and Northern Alberta
- Highways #36 and #41 are not competitive on a north-south basis with the Yellowhead highway for Canadian freight between Edmonton /Northern Alberta and point's east in Canada.

3. Eastern Alberta Corridor Region Economic Environment

The economy in Eastern Alberta and the Eastern Alberta Corridor is quite diverse with a wide variety of industry sectors, including but not limited to:

- Conventional, heavy oil, oil sands bitumen and gas production
- Oil and gas equipment manufacturing
- Oil and gas servicing
- Alternate energy production, e.g. wind power, biomass. A number of wind power projects have been proposed for Eastern Alberta. Energy production from biomass is currently occurring in the Vegreville region.
- Agriculture, including cereal crops, specialty crops, peas and lentils, root vegetables, greenhouse production, livestock and meat packing, organic production, dairy
- Metal fabrication including components for oil and gas, oilsands, transportation equipment and agricultural equipment
- Machining companies
- Chemicals, petrochemicals and fertilizers, primarily ethane based
- Organic fertilizers from biomass and other waste
- Advanced technology companies
- Motor carrier transportation companies
- Professional services, e.g. engineering, legal and accounting firms
- Retail and other services
- Tourism and hospitality
- Three major, large military bases which are like mini economic zones in and by themselves

Several of the sectors are relatively small and fledgling, and the Region is still heavily dependent upon oil and gas.

3.1 Economic Drivers and Freight Generators

Major freight generators for the Eastern Alberta Corridor include;

- Large scale agricultural and food production mostly concentrated in the south of the Corridor
- Oil and gas equipment and servicing throughout all regions of the corridor
- Crude oil transport, mainly to Hardisty
- Chemicals, petrochemicals and fertilizers
- Livestock transportation, primarily in the southern and central regions of the corridor
- Metal fabrication products, scattered throughout the Corridor, but tending to be larger and more concentrated in the northern and southern regions of the Corridor

- Three military bases generating freight demand and substantial opportunities for local business and economic activity
- Components, parts and modules for oil sands plants and upgraders, generated from within the Eastern Alberta Corridor, and other domestic, US and international origins

Activity in oil and gas, oil sands and upgrader development is extremely important to economic activity in The Corridor and is a major contributor to highway traffic levels in Eastern Alberta.

The Economy of Alberta is in a fluid state and may continue to be so for the next few years. Alberta continues to rely heavily on the energy sector, specifically on the oilsands and heavy oil production, conventional oil, and on natural gas sectors where commodity prices have decreased and been depressed due to the world wide recession since late in 2008. There is wide disagreement about where oil prices are headed over the next several years, but gas prices can be expected to remain relatively low because of supply capabilities throughout North America. In the last year, Alberta oil production increased, but production of natural gas is down. First quarter 2010 provincial economic results have shown that employment has increased, retail sales are up, manufacturing shipments have increased, and exports have increased. Still there is a feeling of reserved optimism in the economic future in the Province.

Past expectations have been that major projects in the \$80 to \$142 billion range of investment would go ahead in Alberta, which would include major oil sands processing plants as well as a number of upgraders of raw bitumen in the Industrial Heartland Region just east-northeast of Edmonton. Since 2008, with the drop in the price of oil, projects have been delayed or postponed and upgrader interest has waned. To date only one upgrader has potential to go ahead with the majority of its input coming from the Alberta take of royalty in raw bitumen in lieu of cash, the Bitumen Royalty In-Kind (BRIK) Program, approximately 50,000 bbl./day, and from the CNRL plant with 25,000 bbl/day. The Albion Sands Energy Ltd. Upgrader is under construction at Scotford, but Shell phase #4 is on hold. It has been suggested that TOTAL E & P will go ahead with an upgrader, but are currently delayed pending approvals.

Major oil sands operators are exporting raw bitumen by pipeline to the U.S. for upgrading and processing. It is going to locations in Illinois, Texas, and Colorado. The Keystone pipeline is now carrying 435,000 bbl/day of raw bitumen to Illinois and has an application in place to take more of the same to the refineries in the Gulf Coast.

Announcements have been made by Alberta Energy that they are actively seeking markets for raw bitumen in Asia, countries like Japan, Korea, China, etc. The product would be transported either by pipeline or rail to tidewater ports in Canada and by steamship to Asia for upgrading.

There has been no indication from the Alberta Government on what it feels is a reasonable percentage of raw bitumen that should be upgraded in Alberta. This strategy of exporting raw bitumen may increase the number of projects in the development of the oil sands, whether by SAGD, In-situ or using new technologies for processing. It would also mean that the expectations of numerous upgraders in Alberta will not proceed.

This possible future development scenario will have an impact on the traffic and economic activity in the Corridor. It is our belief that the present level of truck traffic from the U.S. and Southern states will be maintained, but the increase that would have brought component parts and instrumentation for upgraders will not occur. Modules and component parts are now coming from offshore for the Exxon Kearn project. Pressure vessel modules are planned to come from Korea via barge up the Columbia River into Idaho and then by truck through Idaho, Montana to Alberta and up Highway #36 to the project site. Boiler units for the Kearn project are to be made in Ontario, shipped to Melville, Saskatchewan, with the module assemblies trucked from there to the project site via Highway #36.

In Eastern Alberta, there are substantial interdependencies among and between companies participating in the oil and gas sector. There are also substantial prospects for future growth over the next 20 to 40 years, especially since as little as only 10% of known reserves of heavy oil have been extracted, and new technology is being developed to extract more of the heavy oil. This will place heavy demands on the Eastern Corridor's highway systems and particularly on local access roads.

3.2 Linkage between Southeast Alberta and Eastern Montana

The economies of Southeastern Alberta and Eastern Montana are similar and complementary, with oil and gas and agriculture being the predominant industries. While there are substantial opportunities for companies on both sides of the border to become active on a cross-border basis, the lack of fully commercial services on a 24/7 basis at the Port of entry Wild Horse is **the** major reason why these complementary and synergistic economic regions cannot interact to maximum benefit on both sides of the border. The two regions are also similar and complementary with regard to tourist attractions which cannot be adequately and successfully exploited because of the restrictions at the Wild Horse crossing.

4. Corridor Usage and Traffic Patterns

Corridor usage statistics and traffic patterns as described by corridor users provide a comprehensive picture of transportation in the Eastern Alberta Corridor. Based on interviews conducted, it can be concluded that:

- There is knowledge and use of the corridor among businesses located in Eastern Alberta
- Oils sands developers and 3rd party logistics providers are fully aware of Highway #36 and use it!
- Highway #36 is used extensively for oilsands plant components coming from the USA for local assembly
- A number of finished modules (as large as 24' x 24' 100') manufactured in Korea will be moving up from Lewiston Idaho on Highway #36 to Fort McMurray
- Coated and lined pipe for pipelines in Canada and USA are moved on The Corridor highways

- Viking/Killam are currently staging points for trucking of oversize modules which can only be moved during daylight hours
- There are large scale movements of livestock involving virtually all of the Eastern Corridor highways to the XL plant at Brooks
- There are substantial movements of crude oil moving on Eastern Alberta Corridor highways
- Highway #9 Transport and Rosenau provide extensive motor carrier services in the Eastern Alberta Corridor. Rosenau have major terminals in Brooks, Medicine Hat and Lloydminster
- The interview process with Eastern Alberta Corridor businesses yielded the following list of products moved on The Corridor highways:

Full load retail hard and soft goods
less than truckload commercial and household items
boxed beef
processed meat products
vegetable produce
live animals
grain
steel- sheet
flat and rod
component parts for module assembly for major oil related projects
instrumentation
pumps
oil tanks
line heaters
separator units
catalysts
farm tanks and equipment
oil and gas equipment and supplies, valves, fittings, couplings
fertilizer
chemicals
manufactured steel products for export such as waste containers
heat exchangers
oilfield tools and equipment
modules for major oil sands and heavy oil projects
crude oil and condensate
oilfield drilling and service rigs and equipment
pipe(imported)
coated pipe for pipelines in Canada and U.S.
processed vegetable food products

modular homes and trailer homes
canola oil
canola processed products
brick products
rubber tires
fencing for well heads(Oil)
thermal carbon black

4.1 Corridor Traffic Statistics

Based on highway traffic data from Alberta Transportation¹, a number of observations can be made about traffic patterns involving commercial tractor trailer operations on Eastern Alberta Corridor highways as it existed in 2009.

Highway #36. Truck traffic on Highway #36 between the junction with Highway #4 at Warner and Taber is on average 162 trucks per day. A substantial amount of this traffic would appear to be US transborder traffic using the Coutts/Sweetgrass crossing, evidenced by the fact that tractor trailer traffic on Highway #4 decreases on average by 156 trucks per day north of the junction with Highway #36. It is possible that approximately 10 – 15% of truck traffic using the Coutts/Sweetgrass border crossing uses Highway #36. The stretch between Warner and Taber averages approximately 770 vehicles/day, with commercial trucks representing more than 21% of the traffic.

The section of Highway #36 between Taber and Brooks has the highest average truck traffic on the highway at approximately 450 trucks per day. At the junction with Highway #542 west of Brooks, total average daily truck traffic number some 1,230 trucks equally split between northbound and southbound. It is likely that a substantial part of this traffic moves between the XL packing plant at Brooks and feedlots in Southern Alberta.

Between Taber and Hanna, the average daily truck traffic is just below 300, dropping off to approximately 275 between Hanna and Castor, and declining to just over 200 at the intersection of Highway #36 and the Yellowhead Highway (#16). There are slightly more than 100 trucks moving between Highway #16 and Two Hills daily. The link between Ashmont/Vilna to the end of Highway #36 south of Lac La Biche sees some 180 trucks daily.

Overall, the daily average number of tractor trailers on the entire length of Highway #36 is approximately 255, or about 19% of the total average daily traffic on the highway of 1,330 vehicles. Depending upon the link, truck traffic range from 6.6% to 27.5% of total daily vehicle traffic, with the link between Brooks and Hanna being the highest, closely followed by the link between Taber and Brooks, and the link between Duvernay and Ashmont being the lowest.

¹ Traffic Volumes, Vehicle Classification, Travel and ESAL Statistics, 2009. [Alberta Transportation](#)

Highway #41. Average daily truck traffic on Highway #41 is highest on the portion of the highway running from the Yellowhead (#16) to the end of Highway #41 at La Corey. On this stretch of road, there are approximately 240 trucks daily between Vermilion and Derwent, rising to 262 trucks/day between Derwent and Elk Point. Curiously, it drops off to 95 trucks daily between Elk Point and Hoselaw, before rising to 435 trucks daily between Bonnyville and La Corey – the highest number of daily trucks on the entire length of Highway #41.

South of The Trans Canada Highway, truck traffic is light on Highway #41. There are only 22 trucks per day between Wild Horse and Cressday, dropping to 11 between Cressday and Cypress Hills Provincial Park. Between the Park and the Trans Canada, truck traffic rises to 72 per day.

There are wide variations in truck traffic levels on Highway #41 in East Central Alberta between the Trans Canada and the Yellowhead. Between Medicine Hat and Schuler, there are some 255 trucks per day. Between Schuler and Empress this drops to 109 trucks per day, with a further drop to 69 between Empress and Oyen. From Oyen north to Vermillion there is a steady rise in daily truck traffic, with 83 moving between Oyen and Monitor south of #12. Rising to 132 per day between Consort and Czar. Between Czar and Wainwright there are some 163 daily truck movements, increasing to 185 between Wainwright and the Yellowhead.

Overall, the average number of daily tractor trailers moving over the entire length of Highway #41 is 138. The average for all vehicular traffic over the highway is 1,075 vehicles daily. Truck traffic range from a low of 4.1% of total traffic between Cressday and Cypress Hills Provincial Park, to 18.7% of total traffic between Consort and Czar. The link with the highest total daily vehicle traffic is between Bonnyville and La Corey, with some 3,753 vehicles daily.

Highway #3. Highway #3 between Taber and Medicine Hat is a substantial truck route serving the food processing and agricultural complex along the route, and channelling truck traffic between Coutts/Sweetgrass and points east. Between Taber and Grassy Lake, there is an average of just under 570 trucks daily, increasing to 600 daily trucks between Grassy Lake and Bow Island, before declining to 530 between Bow Island and Seven Persons. On the link between Seven Persons and Medicine Hat there is an average of 394 tractor trailer units operating daily. Total average vehicle traffic between Taber and Medicine Hat range between 3,150 and 3,825 vehicles per day. Truck traffic comprises between 10.3% and 16.8% of total traffic

The Trans Canada Highway (#1). The Trans Canada is a significant artery in the Eastern Alberta Corridor. There is an average of 1,520 tractor trailer units daily between Bassano and Brooks.

The intersection of Highway #1 and Highway #36 is significant for truck traffic and routings. Just north of the intersection on Highway #36, there are a total of 303 trucks/day, of which 155 are southbound, and 158 are northbound. The northbound traffic is comprised as follows; 76 trucks are coming through from #36 south of the intersection, 64 trucks are coming westbound on Highway #1 and turning north onto Highway #36, and 8 trucks are coming eastbound on Highway #1 and turning north on Highway #36. Thus, northbound traffic on #36 at Brooks is fed mainly from the south and points east. Southbound truck traffic entering the intersection from the north is dispersed as follows; 72 are

proceeding through the intersection southbound on Highway #36, another 69 turns east onto Highway #1, and 14 turns west onto Highway #1.

Just south of the intersection, there are a total of 445 daily trucks, of which 224 are southbound, and 221 are northbound. The southbound traffic is comprised as follows; 72 trucks are proceeding through on Highway #36 from the north, 83 are coming from the east on Highway #1 and turning south onto Highway #36, and 69 are coming from the west and turning south onto Highway #36. Northbound trucks entering the intersection from the south are dispersed as follows; 76 trucks continue northbound on Highway #36, 92 are turning eastbound onto Highway #1, and 53 are turning westbound onto Highway #1.

East of Brooks there is an average of 1,090 trucks daily between Brooks and Suffield, rising to 1,181 between Suffield and Medicine Hat. Average daily truck volume drops to 907 daily between Medicine Hat and the Saskatchewan border. Total vehicular traffic levels between Brooks and the Saskatchewan border range from 6,000 – 8,000 vehicles, with truck traffic comprising approximately 15% of the total.

One very significant fact has emerged with regard to the east – west Highways #9, #12, #13 and #14. On a combined basis, these roads handle a combined average daily truck volume of 730 trucks moving across the Alberta – Saskatchewan border. While Highway #9 is a major route between Calgary and Saskatoon, the volume is such that it would seem to suggest substantial interaction between businesses located in the Eastern Alberta Corridor and in Saskatchewan. This could indicate that Eastern Alberta Corridor businesses have already realized the magnitude of the large market area surrounding the Corridor. What's more, this daily truck volume, according to Alberta Transportation data, is greater than the truck volume on Highway #4 at Coutts.

Highway #9. Within the central portion of the Eastern Alberta Corridor, Cactus Corner east of Hanna is one of the most important intersections where Highway #9 and Highway #36 intersect, with Highway #9 being the predominant route between Calgary and Saskatoon, and #36 being the preferred highway for oilsands components and modules. This is a “T” intersection, and the northern continuation of Highway #36 is a few kilometres west off of #9. Truck traffic patterns at Cactus Corner is as follows; Of the 325 daily trucks approaching northbound from the south on Highway #36, some 105 turns onto Highway #9 going east, while 220 trucks turns onto Highway #9 going west. Of the southbound 453 daily trucks on Highway #36 just south of the intersection, some 245 come eastbound on Highway #9 and turn south at the corner. Another 108 daily trucks come westbound on #9 and turns south at the corner. In total, there are 679 tractor trailers daily on Highway #36 just south of the intersection.

Daily truck traffic on Highway #9 at Cactus Corner is as follows; Total westbound truck traffic on Highway #9 just west of the intersection is an average of 359 trucks daily, while eastbound traffic on Highway #9 just east of the intersection is 265 daily trucks. In total, there are 765 daily trucks on Highway #9 just west of the intersection, and 512 daily trucks on #9 just east of the intersection.

At the “inverted T” intersection between #9 and the northern continuation of Highway #36, the truck traffic patterns are as follows; Just north of the intersection on Highway #36, there are 251 daily truck movements, of which 122 are southbound and 129 northbound. The southbound traffic disperses with

19 units turning west onto Highway #9, and 103 units turning east onto Highway #9. Northbound traffic on Highway #36 are comprised of 106 daily trucks coming westbound on Highway #9 and turning north, and 23 trucks coming eastbound on Highway #9 and turning north.

On Highway #9 at the “inverted T”, there are a total of 277 daily trucks just west of the intersection, with 125 being westbound and 152 eastbound. Just east of the intersection on Highway #9, there are 444 daily trucks, with 212 being westbound and 232 eastbound.

The section of Highway #9 between Oyen and the Saskatchewan border has average of 237 daily tractor trailer movements.

Highway #12. Highway #12 connects the central portion of the Eastern Alberta Corridor to the QE2 Corridor at Red Deer, and connects into Saskatchewan to Kerrobert and Biggar and onto Saskatoon. Truck traffic levels on Highway #12 within the Eastern Alberta Corridor are relatively light, with the Stettler – Castor portion having the highest truck traffic at an average of 190 trucks daily. Between Castor and the Saskatchewan border, truck traffic is just below 100 units per day on the entire length. Truck traffic at the Saskatchewan border link is 94 units daily.

Highway #13. Within the Eastern Alberta Corridor, this highway runs from Camrose to the Saskatchewan border. The Camrose to Killam portion is often used by fabricators, pipe companies and assemblers located in the Camrose region for project freight destined for the oilsands. Truck traffic on Highway #13 is as follows; there is an average of 214 trucks daily on the portion between Camrose and Daysland, and some 188 trucks between Daysland and Killam. The stretch between Killam and Czar averages approximately 210 daily trucks, while the link between Czar and the Saskatchewan border have some 238 daily tractor trailer movements. Interestingly, this is almost identical to the volume moving on Highway #9 at the border, even though the continuation on the Saskatchewan side can not be considered a major corridor.

Highway #14. Within the Eastern Alberta Corridor, Highway #14 runs from around Tofield to the Saskatchewan border. This is a relatively heavily used truck route, seemingly centered on Edmonton and Wainwright, with a healthy volume moving in/out of Saskatchewan. Truck traffic levels gradually decline from 340 trucks/day on the Tofield to Holden link, to 259 trucks/day at Wainwright. The Saskatchewan border traffic on Highway #14 is approximately 161 trucks daily, connecting into North Battleford on Saskatchewan Highway #40 and onto Saskatoon on the Yellowhead.

The Yellowhead Highway (#16) The Yellowhead is the major east – west highway in the north central region of the Eastern Alberta Corridor, connecting westbound to Edmonton and British Columbia, and eastbound to Saskatchewan, Manitoba and beyond. As with the Trans Canada, truck traffic is heavy on the Yellowhead, consistently averaging 1,000 – 1,200 daily truck movements from just east of Edmonton to the Saskatchewan border. Truck traffic levels rise dramatically in the Lloydminster area, with daily tractor trailer movements in the 1,600 – 1,800 range at #16 and Energy Park Road.

In the Eastern Alberta Corridor region north of the Yellowhead, the road system is extensive, and routing options become much more numerous and complicated. The key highways are;

- Highway #17 running north- south right on the Saskatchewan border,
- Highway #881 running north – south from Lac La Biche to Anzac just south of Fort MacMurray,
- Highway #63 running north –south from the junction with Highway #55,
- Highway #831 running north –south from Lamont to the junction with Highway #55 connecting on to Highway #63,
- Highway #28 running east – west from the Edmonton region to Cold Lake
- Highway #55 running east – west from Athabasca, Lac La Biche to Cold Lake

Highway #17. This highway is used extensively by Lloydminster area firms to access oil and gas industry and oilsands projects in northeastern Alberta. Trucks are routinely routed north up Highway #17 to Alcurve, where the traffic exits onto Highway #45 westbound to Marwayne. Routing choices at Marwayne would depend upon final destinations. Average daily truck traffic on the link between Lloydminster and Alcurve is 272 units, while the average between Alcurve and Marwayne is 168 trucks per day.

Highway #881. This highway is increasingly being used for project freight destined for oilsands projects. Freight levels range from approximately 160 – 275 trucks per day over the length of the road. It is expected that truck traffic on Highway #881 will see substantial growth over the next several years.

Highway #897. This highway is an important connector from the Yellowhead Highway north to Bonnyville, Cold Lake and St. Paul. It also serves intensive oil operations with heavy truck traffic from Kitscoty to the southern boundary of County 19. Truck traffic on this stretch range between 280 and 465 trucks daily, with truck traffic being between 21.5% and 27.9% of total traffic.

Highway #63. Highway #63 is the main supply route to the oilsands projects in northeastern Alberta. Truck traffic is typically around 1,000 truckloads daily between the junction with Highway #55 and Fort MacMurray.

Highway #831. This highway is increasingly being used as an alternative to the southern sections of Highway #63 south of Highway #55. Between Lamont and the junction with Highway #55, daily truck traffic typically average in the 450 – 500 truckloads range. Truck traffic is consistently 20% or more of total traffic on this 2 lane highway.

Highway #28. Highway #28 truck traffic is consistent between 200 and 300 units per day. The link between Ashmont and Vilna handle some 265 trucks daily. The section east of Ashmont to Hoselaw has a daily traffic level of 235 trucks, increasing to 300 daily between Hoselaw and Ardmore. Daily truck traffic then decline between Ardmore and Grand Centre to 200 units. There is substantial truck traffic on Highway #28 in and around Bonnyville, with volumes as high as approximately 1,000 trucks daily on some sections.

Highway #55. Highway #55 is a very important highway in the northern region of the Eastern Alberta Corridor, in that it intersects with both Highway #63 and Highway #881, the access roads to Fort MacMurray. East of Highway #63 around Atmore, truck volumes are approximately 400 – 450 trucks per day, while the average daily truck traffic between Atmore and Lac La Biche is around 235. There are approximately 110 trucks daily on the short segment between Lac La Biche and Highway #881, and just under 300 per day between Highway #881 and La Corey, the end point of Highway #41. Both these segments feed traffic onto Highway #881 to oilsands projects. There is also a healthy level of truck traffic between La Corey and Cold Lake with an average of 280 daily trucks. Finally, there are approximately 75 trucks daily on the segment between Cold Lake and the Saskatchewan border, connecting onto Saskatchewan Highway #21.

Overall, the Eastern Alberta Corridor highway system is a substantial conduit of commercial tractor trailer traffic moving between a variety of origins and destinations.

5. S.W.O.T Analysis

Based on interviews with stakeholders in the Eastern Alberta Corridor, earlier work conducted in eastern Alberta by GTS Group International Inc., and consultants’ experience, an inventory of Eastern Alberta Corridor strengths, weaknesses, opportunities and strengths was compiled. This compilation is shown in Table 6.1, and has been divided into four subject areas; Transportation and Related Infrastructure, Economy and Business, Tourism, and Social Structure/Environment/Conditions/Facilities. An assessment of key SWOT points and topics follow below.

**Table 5.1
Eastern Alberta Corridor SWOTs**

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<p><u>Transportation and Related Infrastructure:</u></p> <p>Two major north-south highway corridors, Highways #36 and #41</p> <p>Highway #36 designated as Alberta’s “oversize” and “over-weight” north-south corridor</p> <p>Direct access to 24/7 fully commercial customs services at Coutts/Sweetgrass and direct access to the CANAMEX Corridor at Warner via Highway #36</p> <p>Excellent east-west connections to QE2 corridor, Saskatchewan and BC</p>	<p><u>Transportation and Related Infrastructure:</u></p> <p>Limited daily operating hours and commercial customs clearance services at Wild Horse border crossing</p> <p>Highway deficiencies in the Billings to Medicine Hat Corridor, specifically involving Montana Highways #66 and #232, and Alberta Highway #41</p> <p>Multiple truck trailer combinations only allowed on 4 lane highways</p> <p>Lack of small commuter type air services to/from major</p>	<p><u>Transportation and Related Infrastructure:</u></p> <p>Wild Horse Crossing</p> <p>Montana highway upgrades</p>	<p><u>Transportation and Related Infrastructure:</u></p> <p>Overpass at #36 and the Trans Canada Highway</p> <p>Highway #41 underpass under railway at Vermilion</p> <p>Highway #41 bridge over the South Saskatchewan River</p> <p>Deteriorating state of utility lines buried under Highway #36 at Two Hills</p>

<p>Direct access to/between major project locations and assembly areas</p> <p>Airports in most communities</p>	<p>centres</p> <p>Lack of rail services – other than for grain – on the Central Alberta rail branch line network</p>		
<p><u>Economy and Business:</u></p> <p>Diversified economy and economic base</p> <p>Substantial Energy Industry presence; oil and gas, solar, wind, biomass, oil and gas equipment and servicing</p> <p>Large and diversified agricultural and food production (livestock, cereal crops, peas and lentils, root crops and vegetables, greenhouse products)</p> <p>A strong metal fabrication and machining sector with diverse capabilities and product mix</p> <p>Diversified manufacturing sector (e.g. oil and gas equipment, agricultural equipment, transportation equipment, unmanned vehicles, fertilizers, petrochemicals)</p> <p>Commercial and industrial land base at reasonable cost</p> <p>Skilled labour pool (e.g. welders and machinists, professional services)</p> <p>Three major military basis creating substantial direct and indirect economic activity in the Corridor</p> <p>Large successful entrepreneurial presence Local investment dollars available for new ventures</p>	<p><u>Economy and Business:</u></p> <p>Heavy reliance on agriculture and conventional oil and gas</p> <p>Lack of natural resources outside of agriculture and oil and gas that can form the basis for new development</p> <p>Lack of recognition outside of the region of the magnitude of the Eastern Alberta economy</p>	<p><u>Economy and Business:</u></p> <p>Take advantage of high cost of land and labour in the QE2 corridor to intensify the trend to moving facilities and operations into Eastern Alberta</p> <p>Attract skilled workers enticed by lower cost of living in the Eastern Corridor</p> <p>Intensify the current trend to new and innovative product manufacturing in the Eastern Corridor</p> <p>Encourage suitable Eastern Corridor firms to partner with Defence Research and Development Canada (DRDC) in the commercialization of DRDC products</p> <p>Consortium to supply bases with fresh vegetables</p> <p>Development of synergistic, complementary and support products and services to those provided by Saab and CERES at the military bases</p> <p>Take advantage of the Eastern Corridor’s central location in an immediate market area of more than 3 million people</p> <p>Provision of an abattoir in the Eastern Corridor for organic meat producers</p>	<p><u>Economy and Business:</u></p> <p>World economic events</p> <p>Major project delays or slowdowns, including oilsands and upgraders</p> <p>Decline in commodity prices for oil and gas and agricultural goods</p> <p>Government policies regarding export of raw bitumen and ethane feedstocks</p> <p>Lack of government policy regarding manufacturing of equipment for alternate energy production (wind, solar, biomass, biodiesel)</p>

<p><u>Tourism:</u></p> <p>Unique existing tourism products and services (archaeological, prehistoric, rural, nature, industry and Lakeland attractions)</p> <p>Alberta's 'tourism destination' brand awareness includes a strong regional, cross-border and international reputation</p> <p>Unique geography</p> <p>Effective partner and stakeholder alliances to promote corridor</p> <p>Multi-level relationships with key tourism partners, related industry and resellers</p>	<p><u>Tourism:</u></p> <p>Lack of awareness of diversified range of Eastern Alberta tourism products and services</p> <p>Lack of provincial tourism funding to compete for market share with western Alberta and the world-renowned Canadian Rockies destinations and tourism related experiences</p> <p>Reliance on partners to promote an alternate corridor</p>	<p><u>Tourism:</u></p> <p>Increase brand awareness of Eastern Alberta corridor accessibility to result in increased visitors (local, regional and international) and tourism revenue as it relates to tourism experiences, packaged vacation products and services.</p> <p>Grow Northern States penetration</p> <p>Grow Western Canada penetration</p> <p>New innovative tourism product development within Eastern Alberta corridor</p> <p>Expansion of current or existing tourism related products and services</p>	<p><u>Tourism:</u></p> <p>Currency fluctuations/strong Canadian dollar</p> <p>Natural catastrophes</p> <p>Ongoing war on terrorism</p> <p>Economic recession in US</p> <p>Decline of US travel to Canada</p>
<p><u>Social Structure/Environment/Conditions/Facilities:</u></p> <p>Reasonable cost of living</p>	<p><u>Social Structure/Environment/Conditions/Facilities:</u></p> <p>Low population in central eastern communities</p> <p>Distance from major health and educational facilities</p>	<p><u>Social Structure/Environment/Conditions/Facilities:</u></p> <p>Development of Senior/Retirement Living in the Eastern Corridor through provision of desirable locations, facilities and services</p> <p>Development of health services to service seniors</p>	<p><u>Social Structure/Environment/Conditions/Facilities:</u></p> <p>Continued out-migration of youth to large urban centres</p> <p>Government cut-back in health, education, social and seniors' services</p>

5.1. Strengths - Corridor Positive Attributes

The Eastern Alberta Corridor has some key and strategic strength which will;

- Facilitate its future recognition and growth as a transportation corridor,
- Support further growth and diversification of the economy and business in the Corridor Region
- Enhance its tourism
- Position the Eastern Alberta Corridor Region as a desirable place to live and work

Transportation and Related Infrastructure

The Eastern Alberta Corridor Region can arguably already be considered a major road transportation corridor.

- On a north – south basis, its road system is extensively used for project freight to the oilsands – Alberta’s main economic driver. It is directly connected to the CANAMEX Corridor. The north – south corridor highway system provides excellent connectivity for intra-regional business development, relationships, cooperation and joint initiatives.
- On an east – west basis, it is traversed by Canada’s two main national highways, linking it effectively and efficiently to the rest of Canada. It has excellent and multiple connections into the QE2 Corridor and its population centres. Multiple connections into Saskatchewan (with already available daily trucking services) make the Eastern Alberta Corridor Region ideally suited as a base from which to serve that province.
- The fact that all major highways in the Eastern Alberta Corridor are designated as being part of Alberta’s Core Highway Network should ensure that the Corridor’s highways are properly maintained and – when required – upgraded/expanded.
- The fact that several of the Eastern Alberta Corridor’s highways are part of Canada’s Core National Highway Network (i.e. #1, #3, #9, #16 and #28/28A) could make federal (shared) funding available for upgrades/expansion of those highways (e.g. twinning of #3 between Medicine Hat and Lethbridge, upgrading #9 to become a major transportation corridor between Calgary and Saskatoon [a corridor within a corridor], and upgrading #28)

Economy and Business

The Eastern Alberta Corridor Region has a number of key strengths;

- An economy which is already diverse provides synergetic effects which facilitates and enhances further/new growth and development
- Substantial availability of industrial/commercial land at considerable lower cost than comparable properties in large urban areas like Edmonton/Nisku and Calgary
- Municipal tax advantages over large metropolitan centres
- A skilled labour pool
- Entrepreneurial spirit and a large pool of entrepreneurs
- Potential investment dollars available from sources located within the Eastern Alberta Corridor Region
- Three major military bases which provide unique economic and business opportunities for the region and for businesses located in the region

Tourism

The Eastern Alberta Corridor Region has a number of tourism assets that provides strength in the further development of tourism in the region.

- Unique geography, including Cypress Hills, badlands, and prairie landscapes complete with wild antelope herds
- Unique archaeology, including Dinosaur Provincial Park and dinosaur fossils
- Recreational facilities, including skiing and boating at Cypress Hills Provincial Park
- “Real Rural” and farm holiday opportunities in Central Alberta

- Lake and cottage country facilitating a wide range of activities in the northern part of the Eastern Alberta Corridor

Social Structure/Environment/Conditions/Facilities

The main strength of the Eastern Alberta Corridor is a very reasonable cost of living. Secondly, it offers an attractive life style for people who want to escape big cities and metropolitan areas.

5.2 Weaknesses – Corridor Issues and Barriers

As much as the Eastern Alberta Corridor Region possesses impressive strengths, there are several weaknesses and barriers that need to be addressed and resolved for the Region to reach its full and true potential.

Transportation and Related Infrastructure

Weaknesses in transportation and infrastructure relate primarily to barriers in developing a second direct north – south corridor with direct and improved access between Alberta and the US Midwest, and the lack of modal choice in some parts of the corridor as a restriction on the kind of business and economic activity and development that can occur in the Eastern Alberta Corridor.

The development of a second north – south transportation corridor with direct and unfettered access to the US Midwest is of strategic importance to Alberta. It would provide increased competitiveness in the US Midwest, provide for a second fully commercial border crossing and enhance provincial economic security if for any reason Coutts/Sweetgrass became unavailable, eliminate or alleviate provincial funding/spending requirements for increased highway maintenance or additional lanes in the QE2 Corridor, and activate Highway 41 as a third major north-south route in the province. The following weaknesses/barriers must be addressed:

- Lack of fully commercial services at Port of Entry Wild Horse on a 24/7 basis
- Upgrading of Montana Highway 232 between Havre and Wild Horse to allow for efficient and safe tractor trailer operations
- Widening of shoulders on Highway 41 north of the Wild Horse Crossing
- Providing a truck route between the Trans Canada Highway at Dunmore and Wild Horse that avoids Cypress Hills Provincial Park.
- Potential upgrading of Montana Highway 66 through the Fort Belknap Indian Reserve

Other weaknesses include;

- Lack of rail services in many Eastern Alberta Corridor communities which may otherwise have been attractive as potential plant locations
- Lack of commuter air passenger services in the Eastern Alberta Corridor Region

Economy and Business

With regard to economy and business, the following weaknesses have been identified;

- The Region is heavily reliant on oil and gas and agriculture, and is therefore vulnerable to declines in commodity prices in those sectors
- There is a lack of natural resources outside of agriculture and oil and gas, which place some limits and restrictions on the kinds of developments that can occur in the Region
- There seems to be a lack of recognition of the diversity, magnitude and potential of the economy in Eastern Alberta.

Tourism

Weaknesses in tourism in the Eastern Alberta Corridor region relate mainly to two main factors;

- Lack of eastern regional awareness of attractions, events, and offerings
- Lack of funding to create awareness and promote the Region to major urban centres

Social Structure/Environment/Conditions/Facilities

The following are the main weaknesses;

- Low population in east central communities
- Distance from major health and education facilities and programs

Low population makes it more difficult and costly to offer and deliver a wide range of social, health and educational services. It also limits the types of recreational facilities that can be economically provided from municipal budgets in various communities.

5.3 Opportunities

The Eastern Alberta Corridor Region is rich in opportunities to grow, expand its economy, become known as a desirable place to live and work, and to become a major transportation corridor benefitting all of Alberta.

Transportation and Infrastructure

The greatest opportunity related to transportation and infrastructure is the creation of a new, integral and efficient highway corridor for commercial traffic between Alberta and Texas encompassing;

- the Eastern Alberta Corridor,
- a fully commercial 24/7 border crossing at Wild Horse,
- a Montana component including an upgraded Montana Highway 232, a short stretch of Montana Highway 2, Montana Highway 66 from Harlem through the Fort Belknap Indian Reserve connecting to Montana Highway 191, then Highway 19, and onto US Interstate 90 via Montana Highway 87 at Billings, finally connecting with US Interstate 25 and the Ports to Plains Corridor at Buffalo, Wyoming.

To realize this opportunity, a number of different entities need to get involved and committed.

Economy and Business

Realization of economic and business related opportunities would likely not be a primary responsibility for a new Eastern Alberta Corridor Corporation. However, because of expected heavy membership in the Corporation by businesses and municipalities, it could play a significant role as a possible broker, providing valuable insight, and act as a resource to REDAs and local economic development officers.

Opportunities include;

- Take advantage of the high land costs and labour costs in the QE2 Corridor to entice businesses to locate in the Eastern Alberta Corridor. This trend is already occurring with people moving out from Nisku and Edmonton to Eastern Corridor location, or outright selecting the Eastern Alberta Corridor over QE2 locations for new business start-ups. An active and directed strategy and program by the REDAs, supported by the new Eastern Alberta Corridor Corporation and the local business community could be very successful.
- As a corollary to new businesses locating, there will be a corresponding need for additional labour. While labour wage rates in the Eastern Alberta Corridor are lower than in metropolitan areas and the QE2 Corridor, there are compensating factors related to a lower cost of living, lifestyle, and access to more affordable housing. The REDAs may wish to consider a common and joint strategy and plan to attract labour to the Eastern Alberta Corridor.
- Accelerate, lever and build on the current trend of new and innovate product manufacturing in the Eastern Alberta Corridor. There are new products being manufactured and marketed by firms in the corridor that saw new opportunities and grasped them. By collaborating with such firms, REDAs may gain insight into the opportunity identification, strategy development and planning processes used for such new product introduction, and use that information to play an active role in further diversifying the economy in the Eastern Alberta Corridor.
- There are opportunities in collaboration between Eastern Alberta Corridor businesses and Defence Research and Development Canada (DRDC), located at the Suffield base, in commercializing DRDC products. While the provincial government recently announced that they saw potential in such joint ventures, it would appear – based on the ministry that made the announcement – that provincial interest is mainly in high technology products. DRDC develops a plethora of products with civilian applications, many of which do not involve high technology and which could provide opportunities for Eastern Alberta Corridor businesses. The REDAs – based on their work with the bases on local procurement, would seem to be in an ideal position to act as brokers or door openers for such collaborations.
- There is a potentially substantial opportunity for local root and other vegetable producers in a consortium with local greenhouse operators to supply the military bases with their products on a year around basis. For this to occur, it will be necessary to change military food procurement practices away from insisting on comprehensive, all-inclusive food delivery contracts, which in essence limit the opportunity to two very large US- based food suppliers, to one where various groups of perishables could be procured under separate contract. The REDAs, in partnership with the provincial government, could actively play a role in discussions with Supply and Services Canada and the Defence Department to change the current practice.
- Wind farms - numerous have been announced in the region of the Corridor, in Cypress County, Paintearth County, and Medicine Hat. We believe the Corridor region is the best situated for these

developments, because of its year round winds and close proximity to the electrical grid. Most of the equipment will come from outside Canada (Vesta has four plants in Colorado and Vesta sells the majority of wind units in the world), but there will be construction and maintenance work. It is an area that fabricators in Alberta may be able to become involved, especially for domestic and export of towers, shrouds and blades. Consumers, residential and commercial throughout Corridor are prime markets for small wind units.

- Solar units for heating and electricity. Southern Alberta has excellent year round solaration and the residential, municipal buildings, cottage, farm and ranch regions are prime markets.
- The Eastern Alberta Corridor is situated virtually in the centre of a local market numbering between 4 and 5 million people – that of the provinces of Alberta and Saskatchewan. In effect, Eastern Alberta is the hub, and the spokes is the Eastern Alberta highway system which connect the hub effectively and efficiently to virtually all areas of this market. This is a novel way to view Eastern Alberta, and combined with the current land and cost advantages, can represent a novel, innovative and thought – provoking way of presenting Eastern Alberta as a desirable and competitive location for business.

Tourism

Tourism is an underperforming sector in the Eastern Alberta Corridor when one considers the diversity of attractions, facilities and events, and potential new products that are available. While it can be argued that Eastern Alberta has suffered both funding and visitor wise – because of emphasis on the mountain parks, Calgary and West Edmonton Mall, the establishment of a new Eastern Alberta Corridor Corporation presents an excellent and exciting opportunity for cross-pollination between the Eastern Alberta business community and the tourism industry and operators, with a view to developing possible new approaches to tourism development and funding in the Eastern Alberta Corridor.

Social Structure/Environment/Conditions/Facilities

There are significant new opportunities associated with seniors living and support facilities for seniors. Two Eastern Alberta Corridor communities – Camrose and Medicine Hat – have had considerable success in attracting seniors and the support services they require – be it assisted living facilities, retail, health services and recreational services and facilities. Seniors living is a growth industry with an accelerating growth pattern, and there are many communities that are well placed and have many of the attributes seniors’ desire. Again, collaboration between local communities, the REDAs and the Eastern Alberta Corridor business communities may result in new and innovative ways of attracting seniors and in the provision of services and facilities required to support them

5.4 Threats

Despite the seeming strengths and opportunities in the Eastern Alberta Corridor, there are threats that can thwart and neutralize strengths and opportunities. Many of these are outside the control of the region, but are related to world events, provincial policies or lack thereof, funding shortfalls and the like.

Transportation and Related Infrastructure

The following threats could have a negative impact on the functioning on the Eastern Alberta Corridor;

- The need for an overpass at the junction of the Trans Canada and 336 at Brooks. Traffic levels at this location, with a large tractor trailer component, indicate that an overpass will be needed to ensure traffic safety and the smooth flow of traffic at this location. Such an overpass needs to be placed on Alberta Transportation's radar screen, and formally be included in the department's future plans.
- The underpass under the CN Railway on Highway 41 in Vermilion require any oversize load to detour through the town to a level crossing east of town. This may be detrimental to an efficient corridor and may preclude Highway #41 as an acceptable routing for project freight.
- The utility lines located below Highway #36 at Two Hills may have to be replaced and upgraded. Similar to the underpass at Vermilion, this may be detrimental, but probably more so because #36 is an accepted corridor with substantial utilization.
- The bridge on Highway #41 over the South Saskatchewan River may preclude any use of that highway for any oversize traffic

Economy and Business

There are a number of threats to the economy and business in the Eastern Alberta Corridor, all of which are beyond any local control.

- World economic events which affect the world economy on a broad scale will impact on economic and business conditions and performance in the Corridor. Because the Eastern Alberta Corridor is very dependent upon agriculture and conventional oil and gas, any event that lead to a substantial weakening or collapse in agricultural and/or oil and gas commodity prices would have potentially devastating effects in the Eastern Alberta Corridor.
- Provincial government policies allowing large scale export of raw bitumen and ethane feedstock for chemical/petrochemical production can negatively affect economic and business performance in The Corridor
- Major project delays or slowdowns, including oilsands plants and upgraders, will negatively affect the large supplier and service base for those kinds of facilities that is located within the Eastern Alberta corridor.
- The lack of provincial government policy regarding manufacture of equipment for alternate energy production/generation (wind, solar, biomass, biodiesel) as required off-sets for developments, keeps Alberta - and the Eastern Alberta Corridor – from developing manufacturing of highly exportable products and further diversifying its manufacturing sector.

Tourism

A number of external threats can greatly affect tourism and tourism performance. While these will certainly detrimentally affect the Eastern Alberta Corridor, their effects are not limited to the Corridor. Some of these threats are interrelated and can have compounding effects.

- Currency fluctuations and a strong Canadian dollar can have detrimental effects not only for US and international tourists coming to Canada, but may also entice Canadians to holiday outside the country rather than at home.
- Natural catastrophes seem to occur with increasing frequency.

- Terrorist acts could have both localized and general effects.
- Economic recession in USA and a “thickening” of the Canada/USA border can result in declines of US travel to Canada.

Social Structure/Environment/Conditions/Environment

In the social sphere there are two major threats that threaten the social fabric and service offerings in the Eastern Alberta Corridor.

- Continued outmigration of youth to large urban centres is a serious threat to smaller communities and to rural Alberta. Lack of local educational opportunities and lack of meaningful jobs are major contributing factors.
- Government cut-backs in health, education, social and seniors’ services is a serious threat to quality of life and lifestyle in the Eastern Alberta Corridor.

6. A New “Eastern Alberta Corridor Corporation”

6.1 Concerns in Eastern Alberta

During the more than 120 interviews that were conducted, four main themes came through loud and clear:

- Assistance from Federal and Provincial Governments is for big centres only
- Alberta Government has blind eye to alternative to QE2
- Alberta Advantage passed over or around Eastern Alberta
- Eastern Alberta overlooked, perception is that it is the middle of nowhere

6.2 Value Proposition for Membership in the New “Eastern Alberta Corridor Corporation”

- Will connect all four regions of Eastern Alberta
- Will provide a strong, common and coordinated voice for Eastern Alberta,
- Will provide a strong partnership between the private sector, municipal governments and other organizations in advocacy for a fully developed Eastern Alberta Corridor and for development in Eastern Alberta in general
- Will provide a formal organization and structure where municipal governments and the private sector in Eastern Alberta can come together and interact on issues and problems of common concerns, identify new opportunities and form new alliances

6.3 Support for an Organization

During the interviews we asked the question, “Could we include your company and name in a list of interested parties in an organization to promote the Corridor and business activity in Eastern Alberta.” Over 90% of those interviewed said “Yes”. This is an overwhelming show of support! It will not be a

cake walk to get an organization up and running, but with the support of municipalities and involvement of the private sector, and with hard and smart work, it can be done.

6.4 Proposed Vision, Mission, Mandate and Objectives

Vision

That the Eastern Alberta Corridor and its thriving municipalities and communities be recognized as a major contributor to the economy of Alberta while offering a superior quality of life for residents.

Mission

To create an awareness of, and promotion of, the Eastern Alberta Corridor as a major alternative and strategic north – south transportation corridor with unfettered, direct and efficient connections to the US Ports to Plains Corridor, and to be a strategic factor in economic activity generation and investment attraction for the betterment of the residents of Eastern Alberta .

Mandate

- To bring the voices of the private and public sector together.
- To develop awareness of the purpose of the organization and provide accountability to the community.
- Provide strong leadership for transportation policy and trade strategies reflecting The Corridor strengths and capabilities
- To cooperate with municipalities, communities and economic development authorities to investigate, develop, promote and advocate measures and strategies to foster and advance development in Eastern Alberta.
- To provide forums and seminars to explore strategies, solutions and directions to economic challenges
- To promote the assets and resources of The Corridor
- To advocate at all levels regarding the pursuits of The Corridor,
- To make connections with governments and organizations personnel to further the cause of The Corridor
- To promote the efficiencies of The Corridor.

6.5 Proposed Structure and Membership

Structure - Board of Directors

A permanent Board of Directors with 13 to 15 members with an even number from municipalities and private sector, with an Executive Committee comprised of Chairperson, two Vice Chairpersons (North and South), Secretary/Treasurer, and when applicable, a Past Chairman will manage the organization.

- The Board will interpret The Corridor needs/problems to the organization and set policies to be implemented by the Staff.
- The Board will set budgets to ensure funds to operate organization
- The Board hires the Executive Director and authorizes the Chairperson to liaise with the Executive Director.
- The Board of Directors maintains and builds the Board with a structure to ensure success and continuity of the organization.
- The Board of Directors promote the organization to the public and private sector communities.

This will be a policy making Board with standing committees, Advocacy, Marketing and Finance/Budget. The Board will draft terms of reference for the Standing Committees.

Membership

Membership will be open to all municipalities, corporations and individuals. There will be no representatives from the Federal or Provincial Governments. Municipalities will appoint representatives to serve on their behalf.

Meetings

General membership meeting will be held twice a year, during October and April of each year. One will be the Annual General Meeting. The Annual General Meeting will be held in conjunction with a major conference with topics centered on the Eastern Alberta economy and the Eastern Alberta Corridor. The second meeting will have seminar themes and workshops. Meetings will alternate between north and south

Board of Directors meetings will be held four times per year.

Management

The management of the corporation will consist of an Executive Director, Coordinator and one support staff.

- The Executive Director will be appointed by the Board of Directors. The Board of Directors will authorize the Chairperson of the Board to liaise with the Executive Director, who supervises staff and is responsible for day to day management of the organization in implementing policy through programs and services.
- The Executive Director assists the Board in clarifying community needs/problems.
- The Executive Director represents the organization to the communities in The Corridor region. In cooperation with staff, carries out the work of the organization.

6.6 Proposed Budget

As the Corporation will be undertaking advocacy to both the provincial and federal governments, it is suggested that governments not be a funding source for the operations of the organization. It would be preferable that the operations of the organization be entirely funded by membership fees.

Budget (Estimate)

Income:

Corporate memberships		\$225,000
Municipalities (incl. cities, towns etc.)		82,500
Organizations memberships		28,000
Individuals memberships	-	<u>5,000</u>
Total		\$340,500

Expenses:

Salaries	\$150,000	
Office and Administration	18,000	
Membership Promotion	25,000	
Travel	25,000	
Materials	<u>20,000</u>	
Subtotal		\$238,000

Marketing Budget

Online	\$15,000	
Brand	25,000	
Marketing	<u>38,000</u>	
Subtotal		<u>78,000</u>

Total Expenses		\$316,000
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6.7 Proposed Priority Activities and Strategies

Immediate

- At the first Annual General Meeting of the Corporation a seminar/workshop will be held to develop economic, social and environmental rationales for increased Federal/Provincial investments in Eastern Alberta's transportation network.
- Convene a roundtable of entrepreneurs from all areas of The Corridor to discuss the directions of the region, innovation and new products and services that meet domestic and export markets.
- Promote efficiencies and develop local, regional and international awareness of the advantages of Eastern Alberta's transportation network to move people and goods as well as to support business retention, expansion and attraction of the Corridor such as:

Highways #36 and #41 as alternative north/south transportation corridor from United States to economic and project centres in Alberta, with access to major east/west routes to within Western Canada to markets in Eastern Canada and United States.

The Corridor as the hub connecting the economic centres of Alberta and Saskatchewan

Highway #36 as an alternate route, for Northern Alberta residents, for travel to the United States.

The advantages of The Corridor to access assembly yards, upgraders and major project sites in the oilsands and heavy oil producing regions of eastern Alberta

- Promote the diverse manufacturing sector capabilities and products in Eastern Alberta.
- Promote the assets and resources of The Corridor:
 - Reasonable land costs and skilled labour, in energy, agriculture and manufacturing sector
 - The tourism attractions such as archaeological, prehistoric, rural living, nature and Lakeland destinations, from the Cypress Hills in the south to the Lakeland regions in the north
- Contact Canadian and Alberta Governments and advise elected members and appropriate departments of the objectives and directions of the organization.
- Contact appropriate departments of Provincial and Federal governments regarding Wild Horse as a 24 hr commercial port of entry.
- Work in cooperation with Ports to Plains, State of Montana and Havre officials to lobby Federal Governments to have 24 hr port of entry at Wild Horse

- Contact appropriate officials in Havre and with the State of Montana regarding new organization and the need for a direct route from Billings to Harlem and Havre, along with upgrading from Havre to border at Wild Horse
- Contact Government of Alberta regarding obstacles and better maintenance on all highways in Corridor especially Highway #36 and Highway #41
- Work the Ports to Plains network and activities to establish contacts in the U.S. and participate in transportation trade shows and seminars under the Ports to Plains umbrella.
- Work with Marketing and Advocacy committee to prepare terms of reference and ongoing plan of objectives etc.

5 Years

- Each year organize a major economic conference involving private and public sector to review transportation infrastructure and future needs with regard to economic and social directions of the Corridor. Review five year planning each year and add a new 12 month period.
- Work with Cypress County regarding alternate route to Wild Horse from Highway #41
- Work with Ports to Plains, State of Montana and Havre Officials to have a major 2 lane highway from Billings to #2 that will better accommodate increased truck and auto traffic
- Cooperate with tourism organizations to ensure the designation of Highway #36 and Highway # 41 as routes to sites in The Corridor
- Lobby Alberta government regarding wider shoulders on major routes in The Corridor especially those that carry wide and high loads
- Cooperate with State of Montana re connection from Billings to Harlem and from Havre to border
- Create relationship with Saskatchewan government and the bordering municipalities in order to facilitate common concerns re east – west connecting routes
- Work and cooperate with EDOs regarding common organization activities and directions

6.8 Implementation of New Organization

To implement the new organization it is suggested that the client appoint an Interim Board of Directors responsible for the implementation and set up of the Eastern Alberta Corridor Corporation, with an appointed Chairperson, two Vice Chairpersons, and a Secretary/Treasurer.

It is suggested that the Client/Interim Board retain a Consultant for a 6 to 9 month period to assist in the set up of the organization, including draft by-laws for registration as a Not-for-Profit organization under the Alberta Societies Act. As the Eastern Alberta Corridor Corporation will not carry on a trade or business as such, we believe it qualifies to be registered under the Alberta Societies Act.

The interim Board of Directors should determine initial membership fees and support the consultant contacting municipalities and private sector companies to become involved and become members.

The Consultant, along with the Board of Directors plan the first Annual General Meeting of the Eastern Alberta Corridor Corporation which would include the election of the permanent Board of Directors and Officers, and the workshop/seminar as outlined in the immediate activities in the previous section.

The Board of Directors, in cooperation with the Consultant, to prepare a profile and terms of reference for the hiring of the Executive Director.

Funding for the consultant could come from Client funds. Funding could also be sought under the Invest Canada-Community Initiatives Program and/or from the Alberta Rural Diversification Initiative.

7. Marketing Strategy

7.1. Introduction

During the interviews the most common and important characteristic of the Eastern Corridor was the entrepreneurial spirit and activity that has and is going on in the Region, from North to South. This spirit shows in the amazing number of privately owned companies, large and small, from restaurants in Bow Island to the coffee house in Consort, from fabricators in small communities like Two Hills to those in Medicine Hat/Redcliff. It is this spirit that will determine the future of the communities and the economic activity in the years ahead. It is important to tap into this spirit and utilize the minds, knowledge and in some cases the investment capability within the Region.

One of the first endeavours of the EACC should be to convene a roundtable of entrepreneurs from all areas of The Corridor to discuss the directions of the Region, Innovation and new products and services that meet domestic and export markets. (It is evident in The Corridor as well as in Alberta that those who have products for export ride through the peaks and valleys which are historical in our Province.) How do we retain and increase the population of The Corridor, how do we retain and build the brain power and new technologies with The Corridor? These are items for roundtables at the general meetings of the organization.

The future of The Corridor is in the hands of the residents and the business community of the region, along with outside interests who have investment in resources within The Corridor. How to work together to continue to build for future generations, is the question? To quote Martin Luther King, "I have a dream!" Eastern Alberta needs to develop a dream, a vision. But a vision without action is a dream, action without a vision merely passes time, but vision with action can change communities and regions. The EACC can be that vehicle to create change.

7.2 Value Proposition for Membership in the New “Eastern Alberta Corridor Corporation”

As stated in Section 6.2 the new Eastern Alberta Corridor Corporation will connect all four regions of eastern Alberta and provide a strong, common and coordinated voice for the region. The corporation will provide a vehicle to support and cultivate strong partnerships between private sector, municipal governments and other organizations in advocacy for a fully developed Eastern Alberta Corridor and for economic development in the regions.

The corporation will provide a formal organization and structure where municipal governments and the private sector in Eastern Alberta can come together and interact on issues and problems of common concern, identify new opportunities, and form new alliances.

7.3 Target Market Profile

Governments - Canada (federal, provincial, municipal), and United States (State, Counties and Cities)

Organizations & Alliances - Canada and relevant areas within the United States i.e. Ports to Plains, Chambers of Commerce, and Economic Development Authorities

Industry Sector Organizations in Canada and U.S. - manufacturers, metal fabricators, pressure vessel manufacturers, food and agricultural associations, trucking associations, motor associations, tourism associations, event organizers (i.e. Big Valley Jamboree), film industry, energy associations (oilsands group, oil and gas, drilling contractors)

Consumers: Eastern Alberta local market residents - "close in" market of more than 3.0 million people living to the west in the Lethbridge - Calgary - Red Deer - Edmonton corridor and to the east in the Swift Current - Moose Jaw - Regina - Saskatoon corridor. Inbound tourists to eastern Alberta from the United States, and outbound tourists from Northern Alberta to US.

7.4 The **BASIC** Strategy - Key Strategic Plan Priorities

The Eastern Alberta Ports to Plains Corridor Marketing Plan is built upon the premise of **BASIC**, which supports the areas of brand, efficiencies, sales, innovation and core foundation. The **BASIC** Strategy is a simple but very effective tool for business growth that helps govern business decisions.

Champion the Brand

The EACC will support the development of The Corridor brand and its position in the marketplace. The brand DNA and framework will lay the foundation for a clear understanding of the brand and provide a unique vision that express its positioning and articulate its reason for being.

Section	Key Projects
7.5	Embrace the brand DNA and confirm the new brand logo to be an accurate representation of the EACC and 'The Corridor' brands as well as aligned visually with brand positioning and DNA.
7.5	Incorporate brand guidelines for stakeholders to promote the brand
7.8 Anticipation	Continue to increase brand awareness of the Eastern Alberta corridor's accessibility to result in increased visitors (local, regional and international) and tourism revenue as it relates to tourism experiences, packaged vacation products and services.
7.8 Anticipation	Maximize Alberta's 'tourism destination' brand awareness and regional, cross-border and international reputation
7.8 Response	Develop creative online and offline platforms for advertising and promotions

Attack Inefficiencies

A key component of this area within the plan is the ability to cement stronger relationships with key stakeholders, partners and the community. The EACC will coordinate with and advocate on behalf of organizations responsible for Tourism, Economic Development and Investment.

Section	Key Projects
7.6	Optimize and leverage partner, stake-holder alliances and multi-level relationships with key tourism partners, related industry and resellers to promote The Corridor. In addition, establish processes to unify three economic alliances, stakeholders, associations and rural economic development organizations
7.6	Liaise with the Canadian and Alberta Governments to advise elected members and appropriate departments of the objectives and directions of the organization
7.6	Liaise with Ports to Plains network to establish key contacts in the U.S. to obtain information on brand awareness opportunities and platforms to promote The Corridor

Drive a Sales Culture

Stakeholders must be evangelists to know, talk about and believe in the brand. The stakeholders must leverage the strengths of the Corridor and advocate a clear consistent message across all mediums of communication.

Section	Key Projects
6.4	Work with other organizations to create environment for investment , by promoting reasonable land costs and skilled labour, in energy, agriculture, manufacturing sector
6.7	Communicate to expeditors the advantages of The Corridor to access assembly yards upgraders and major project sites in the oilsands and heavy oil producing regions of eastern Alberta
6.7	Promote and advocate the diverse manufacturing sector capabilities and products
7.7	Educate key stakeholders and multi level relationships i.e. Tourist Attraction Staff, Travel Companies, Tour Operators and Tourism Information Centre staff etc and distribute detailed information directly associated with The Corridor including route maps, vacation experiences, tourist attractions and rural community destination information.

Innovate

The focus of the EACC must be the ongoing development, expansion, growth and opportunity as it pertains to the yearly success and framework based on goals and objectives to attract economic growth.

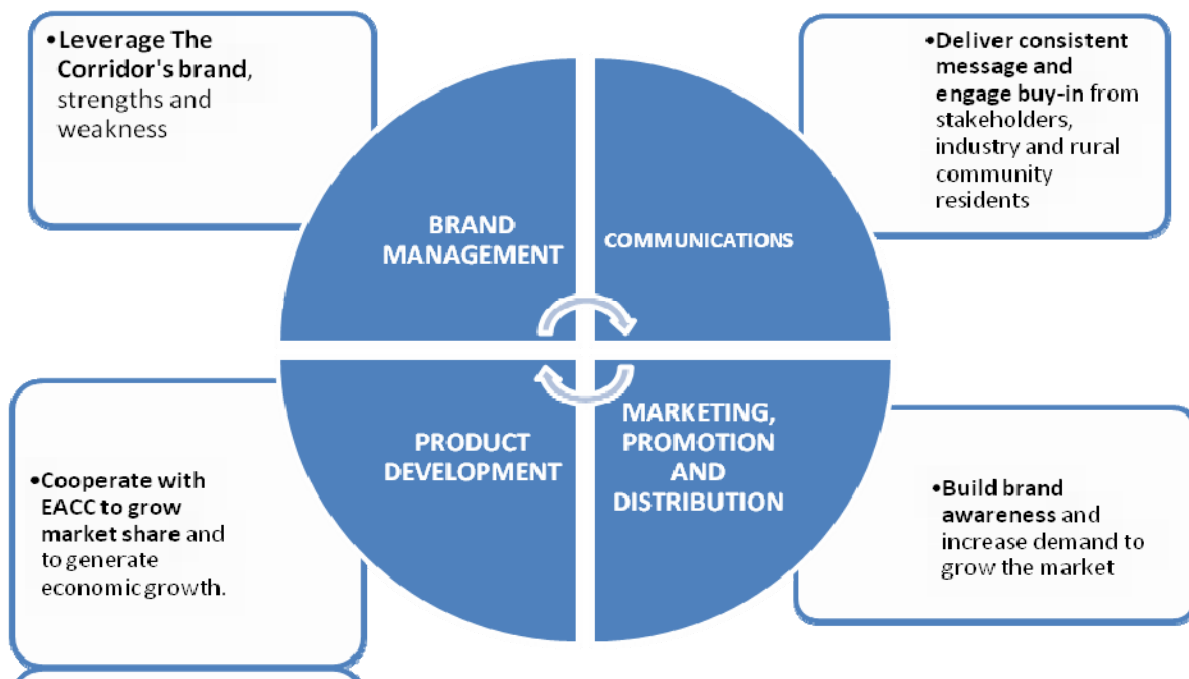
Section	Key Projects
7.8 Anticipation	Convene a roundtable of entrepreneurs from all areas of The Corridor to discuss the directions of the region, innovation and new products and services that meet domestic and export markets.
7.8 Anticipation	Engage with tourism organizations for the development of new innovative tourism products and services within Eastern Alberta Corridor to grow market share, and expand current or existing tourism related products and services.

Strengthen the Core

Marketing, Promotion & Communications:

The key to the success of EACC and The Corridor is to build brand awareness through marketing and promotions, and to deliver effective communication messages to identified target profiles resulting in increase economic revenue and awareness in marketplace. The primary focus is on the corridor as the ‘alternate choice’, and development of sustainability for success.

Section	Key Projects
7.8	The first Annual General Meeting of the EACC will be in the format of a seminar/workshop to develop economic, social and environmental rationales for increased federal/Provincial investments in eastern Alberta’s Transportation Network.
7.8	Develop key marketing tools and strategies as they pertain to the Marketing Cycle Pillars to Success i.e. Anticipation, Response, Experience and Referral



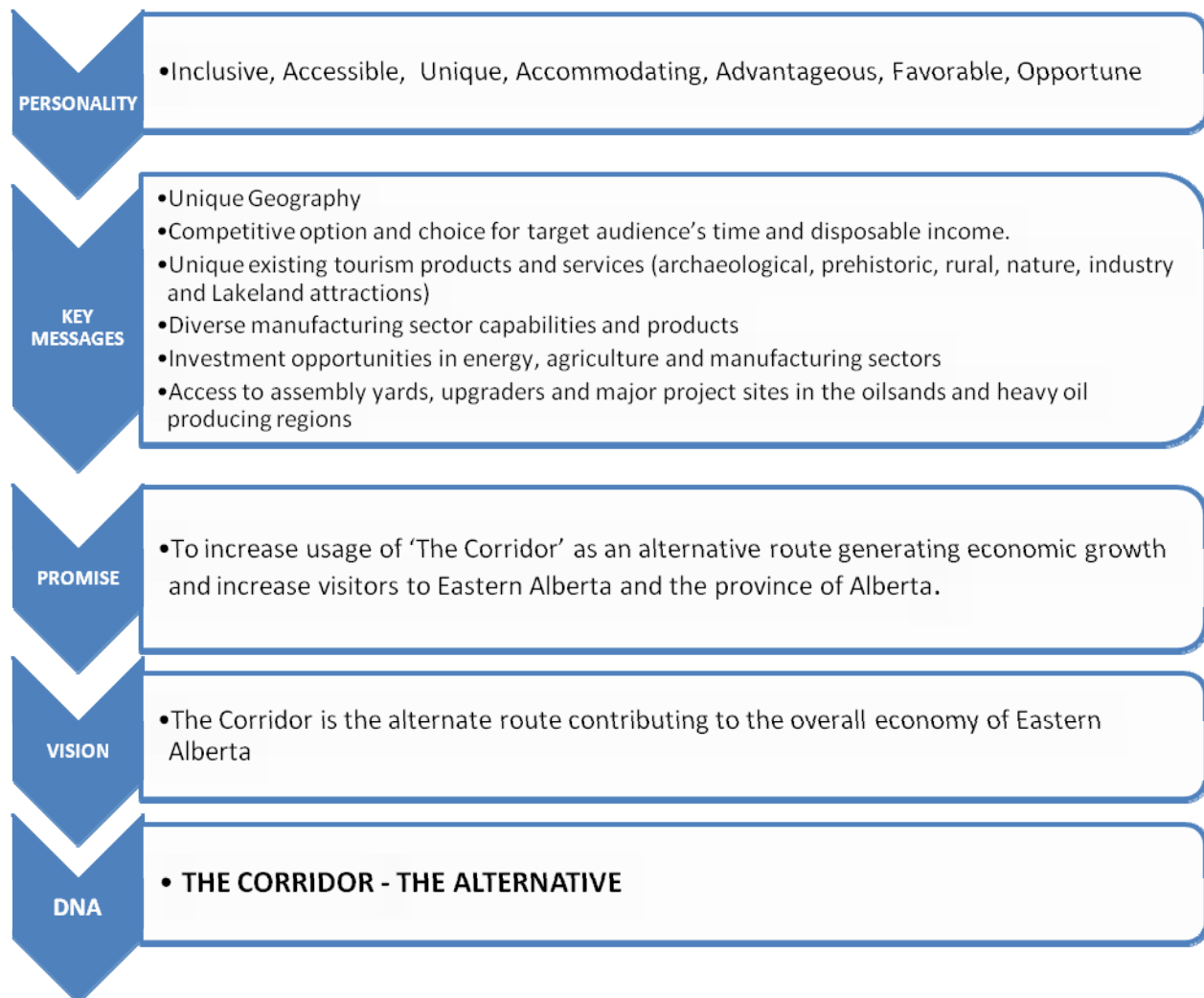
7.5 Champion the Brand

Brand Positioning

What is The Corridor and how do we want it to be perceived? By positioning The Corridor - The Alternative, the strategic fundamentals to champion the brand will allow the Eastern Alberta Corridor Corporation and key stakeholders to achieve goals identified in both, the near term (Year 1-2) and long term (Year 3-5).

The Corridor DNA needs to uncover and define the most powerful essence of the brand. It provides a succinct 'portrait' of a brand which; ensures an understanding, serves as a guidepost for business opportunity and marketing decisions, and provides a textured, inspirational foundation for promotion.

Brand DNA



The Alternative taps into a powerful insight defining competitive advantages and opens the door for future opportunities. By positioning 'The Corridor' as The Alternative choice, it allows for options when planning vacations, transportation options and economic growth. The brand establishes The Corridor's identity, purpose and ultimately its sustainability within the marketplace.

To evaluate the DNA the key stakeholders and the EACC will need to ask:

1. Is it distinctive?
Is any competitor making the same claims?
2. Is it relevant?
Does our target audience really care about the claims we are making?
3. Is it credible?
Does The Corridor and surrounding area support the claims made?
4. Is it original?
Are we offering an original and insightful interpretation?

Brand Framework

The brand framework allows the target market and stakeholders to get involved with the brand. All applications and the representation of the brand within marketing materials, promotions and communications require the same look and feel, and should convey the quality of EACC and The Corridor brand, its advantages and strengths. By defining the brand DNA, a creative platform can be established for all communications and launch promotions if applicable. Brand corporate standards are an integral part of the brand management process and the EACC will need to establish guidelines for stakeholders and partners when promoting the brand within identified materials, promotional and communication platforms.

Logo Development

1. Corporation Brand: **Eastern Alberta Corridor Corporation (EACC)**
2. Brand DNA Positioning: **The Corridor – The Alternative**

The objective is to provide strategic brand logos with a fresh approach and a design that excites the demographic/target profile to peak curiosity, engage in The Alternative brand, and support the goals and objectives of EACC. This is a brand the local residents and associations should be proud of and become evangelists to support the new look, feel and brand DNA. The proposed brand logos will work in unison and/or each to work as a stand-alone logo for flexibility within promotions and marketing materials.

Branding of similar corporations in Alberta and BC, along with multi-level partners and regional alliances were reviewed for reference to determine appropriate alignment with these inter-related brands.

We have provided four options for discussion based on color, font and design elements. The logos include word-marks with limited graphics that support the flow and movement on the north-south transportation corridor i.e. Hwy #41 and #36. While the design elements should not be taken literally, they do reflect and support the overall DNA.

Each of the following variations provides brand logos for:

1. **The Corridor - The Alternative**
2. **EACC - Eastern Alberta Corridor Corporation**
3. **The Corridor - The Alternative + EACC**

Option #1 - Represents the landscape and rural scenery by using earth tones and includes a direct map reference as a graphic. The positioning of the Corporation on right is in support of Eastern Alberta geographically.



Option # 2 - Earth tones are used to identify with unique landscape of eastern Alberta and a specific graphic showing flow and movement in North-South direction including circles which would be of reference to communities, industry hubs, or tourism destination points of reference etc.



Option #3 – This is a variation of #2 including arrows for graphic reference and North-South movement. A point to notice is the larger arrow represents incoming flow (i.e. investment, tourism, manufacturing etc) and smaller arrow reflecting southern movement. The color allows for a less corporate yet casual feel.



Option #4 – This application is more of a corporate variation by using standard corporate blue tone. The graphic is just another variation to align with the DNA and transportation corridor reference, as well as movement throughout the province to and from Eastern Alberta.



Option #5 – This is a version of Option #2 including Province of Alberta graphic. Earth tones are used to identify with unique landscape of eastern Alberta and a specific graphic showing flow and movement in North-South direction including circles which would be of reference to communities, industry hubs, or tourism destination points of reference etc.



7.6 Attack Inefficiencies

Economic Growth with Multi-level Partnerships

To achieve the EACC's proposed immediate activities and 5 year strategies under section 6.7, it is imperative to cultivate and nurture all multi-level partner relationships. These relationships are integral to identify and optimize co-operative marketing opportunities as they directly relate to promotion of The Corridor brand and the success of the EACC as an organization.

Governments:

Liaise with the Canadian and Alberta Governments to advise elected members and appropriate departments of the objectives and directions of the organization. This communication and collaboration with representatives will further identify marketing distribution vehicles to create brand awareness of The Corridor. Cultivating the relationship with the Government of Alberta specifically will assist in communicating issues regarding the obstacles and better maintenance on all highways in The Corridor especially Highway #36.

Associations and Alliances:

Liaise with Ports to Plains network to establish key contacts in the U.S. to obtain information regarding participation in transportation trade shows, identify online marketing initiatives and gather information on seminars under the Ports to Plains umbrella. Continued co-operation and involvement with Ports to Plains, the State of Montana and officials in Havre will identify future opportunities and strategically align the EACC's goals and objectives as they specifically relate to lobbying the Federal Government to have a 24 hr port of entry at Wild Horse.

Travel Alberta:

Travel Alberta's 'tourism destination' brand awareness and regional, cross-border and international reputation is excellent. Industry partners and tourism associations rely on this destination marketing and need to maximize all applicable communications strategies and marketing platforms to cooperatively promote The Corridor. This may be achieved through strategic marketing initiatives within the industry partner's annual marketing plans and identifying required funding for co-op marketing opportunities.

Tourism Partners:

The strategy to create the EACC and to build 'The Corridor' brand and infrastructure will provide the opportunity for key tourism partners to optimize their current product models to maximize overall revenue potential. Ongoing communication and brand awareness of The Corridors' strength as an alternate route will not only provide unique advantages for enhanced and new tourism product development for tourism attractions and destination experiences, it will also drive demand and result in increased visitors from local, regional and international destinations.

Manufacturing and Commercial Partnerships

One of the first endeavours of the EACC should be to convene a roundtable of entrepreneurs from all areas of the Corridor to discuss the directions of the Region, Innovation and new products and services

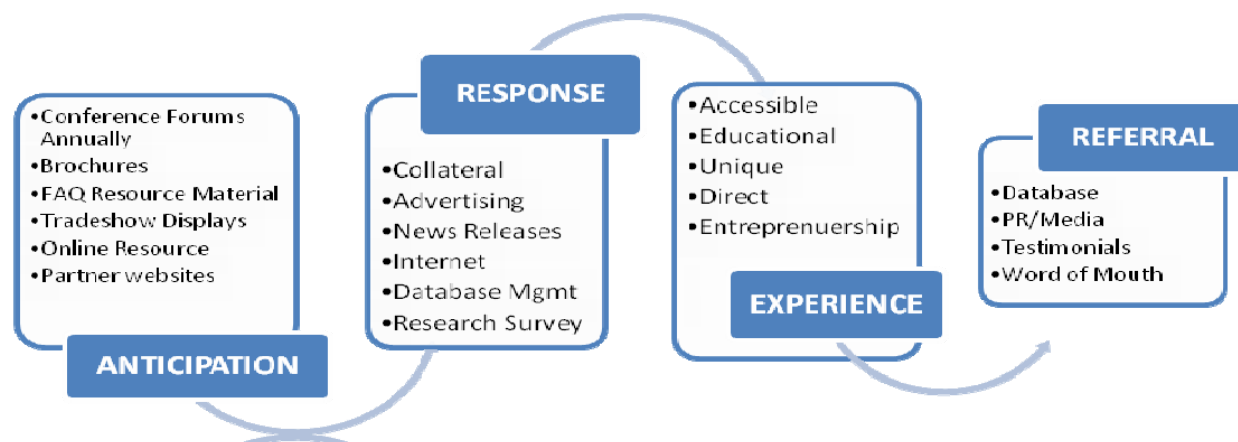
that meet domestic and export markets. (It is evident in the Corridor as well as in Alberta that those who have products for export ride through the peaks and valleys which are historical in our Province.)

7.7 Drive a Sales Culture

It is imperative that members of the EACC, key stakeholders and community members all become involved and there is encouragement to promote The Corridor as the alternate advantage to attract economic growth to the region, and new visitors to experience new and existing unique vacation tourist attractions and services.

Tactic	Year	Marketing Cycle	Responsibility	Resources
<p>Educate key stakeholders and multi level relationships i.e. Government, Associations, Business community, Tourist Attraction Staff, Travel Companies, Tour Operators and Tourism Information Centre staff etc.</p> <p>Distribute to key members a detailed Information Kit on The Corridor including route maps, FAQ's, features and benefits, vacation experiences, tourist attractions and rural community destination information.</p>	<p>One-Two</p>	<p>Anticipation</p>	<p>Executive Director/Coordinator</p>	<p>Marketing materials and travel budget required.</p> <p>Database of key stakeholders</p> <p>Marketing materials for in-person training and/or web resource</p>

7.8 Strengthen the Core - Marketing, Promotion & Communications Pillars to Success



Anticipation

Creating anticipation and excitement of The Corridor - The Alternative is the first step to obtaining brand awareness. The target profile needs to be educated on the benefits and opportunities of the new brand as they relate to them. The EACC and key partners as evangelists of the brand are responsible to provide this information and engage the target profile. This can be accomplished through Annual Conferences, Partner Forums, Educational Training Seminars, Web platforms, Third-party Online Resources and distribution of printed marketing collateral. All marketing materials, promotions and communications representing the brand should have the same look and feel, and should convey the quality of The Corridor brand and the alternate advantages and strengths.

Tactic	Year	Marketing Cycle	Responsibility	Resources
Organize the first Annual General Meeting of the EACC in the format of a seminar/workshop to develop economic, social and environmental rationales for increased federal/Provincial investments in eastern Alberta’s Transportation Network.	One	Anticipation	Interim Board and Consultant	Facilitator/Location and secretarial support
Organize, coordinate and promote a Partner Forum, a roundtable of entrepreneurs from all areas of the Corridor to discuss the directions of the Region, innovation and new products and services that meet domestic and export markets.	One	Anticipation	Board of Directors / Executive Director	Facilitator/Location and secretarial support

<p>Development of initial marketing collateral for distribution.</p> <p>FAQ Flatsheet (8x11 double sided) Size: 9 x 12 with bleeds Colours: 4/4 Stock: White Gloss</p> <p>6 Panel brochure (rack size) Size: 8.5 x 11 with bleeds Colours: 4/4 Stock: White Gloss</p> <p>OR</p> <p>4 Panel brochure (rack size) Size: 8.5 x 11 Colours: 4/4 Stock: White Gloss</p> <p>Posters Size: 11 x 17 Colours: 4/0 Stock: White Gloss</p>	<p>One</p>	<p>Anticipation</p>	<p>Coordinator/Administrator</p>	<p>Designer/Printer</p> <p>Design Approx. 2-3 hours \$200-\$300 Print Quantity Approx: 250 = \$207.50 500 = \$385.00</p> <p>Design 8 to 10 hours (\$800 to \$1000) Bindery: Fold to 4x9, trim to crops Print Quantity Approx: 250 = \$233.75 500 = \$437.50</p> <p>Design 6 to 8 hours (\$600-\$800) Bindery: Fold to 4x9, trim to crops Print Quantity Approx.: 250 = \$216.25 500 = \$396.25</p> <p>Design 1-3 hours (\$100-\$300) Quantity: 100 = \$95.00</p>
<p>Develop and design an informative, user-friendly and effective website that will align with the brand character, and provide knowledge and information relevant to the user.</p>	<p>One</p>	<p>Anticipation</p>	<p>Coordinator/Executive Director</p>	<p>Contract web developer</p> <p>Design/web development (\$3000-\$5000)</p>
<p>Distribution and promotion to rubber tire traffic within Alberta and United States will depend on the size of budget allocated to work with Ports to Plains, highway trucking and motor associations, and Tourism Associations.</p>	<p>Two</p>	<p>Anticipation</p>	<p>Coordinator/Executive Director</p>	<p>Contract Brochure Racking/Fulfillment Partner</p> <p>Tradeshow Attendance</p>

Budget allowing the marketing materials should be racked and distributed to key tourist attractions, golf courses, museums, restaurants, hotel and motels, tourism associations, trucking firms and tourism information centers throughout eastern Alberta and Northern States.	Two	Anticipation	Coordinator/Executive Director	Contract Brochure Racking/Fulfillment Partner
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Response

The second stage of the cycle is profiled as creating the Response. Advertising, promotions online and offline, and communication strategies are key elements to this pillar of success and stage within the marketing cycle. Advertising creates a response, news releases create a reaction, the website creates action, and surveys provide opinions and learning.

Tactic	Year	Marketing Cycle	Responsibility	Resources
Develop an online strategy in co-operation with partners and Alliances	Two	Response	Executive Director/Coordinator	Web Agency/Online Media buyer
Initiate the process to develop an advertising creative platform targeted to the primary market profile and develop brand taglines to create disruption, intrigue and response.	Two	Response	Executive Director/Coordinator	Marketing Consultant/Ad Agency
Budget allowing identify key advertising opportunities online and offline with partners as part of co-op initiatives, or direct media buys that align with EACC goals and associated markets.	Two	Response	Executive Director/Coordinator	Online media Buyer/REDAs/Tourism Associations
Stay informed and benefit from the feedback of the users, visitors and residents along The Corridor. Create an online survey for partners, industry and consumers to obtain new ideas, share issues, identify weaknesses and provide future opportunities.	Late Two	Response	Executive Director/Coordinator	Web Developer/CMS Platform

Experience

Translating the experience and consistently innovating new ideas to enhance benefits of The Corridor - The Alternative as a product and brand is the third stage within the cycle. Whether it is highway upgrades, infrastructure development, a unique tourism experience, an investment opportunity or an alternate route to obtain cost efficiency...The Corridor - The Alternative must exceed the target profiles expectations.

Tactic	Year	Marketing Cycle	Responsibility	Resources
The EACC and stakeholders should review annually the brand personality and key messages to ensure the Experience is relevant and credible.	Three	Experience	EACC/Executive Director /Coordinator	Annual General Conference Agenda item
Work with partners, community leaders and key business stakeholders to communicate brand characteristics and deliver The Corridor Experience.	Three	Experience	EACC/Executive Director /Coordinator	Annual General Conference Agenda item

Referral

The final stage of the pillars to success is the referral. If you have delivered the experience and met the users' expectations, the news will spread. Providing a platform for the users to share their experience is a key in order to capture the information and share it with others as a referral. Whether it is industry, trucking firms, tourists, motorists, media or businesses along The Corridor, third party testimonials provide verification of the experience i.e. features, advantages, and benefits of using the alternate Corridor.

Tactic	Year	Marketing Cycle	Responsibility	Resources
Enhance the online platform, the EACC website or key strategic partner's site for users to share their experience – W.O.M.. Motivate the user to share their experience by creating a contest and build a database.	Three - Four	Referral	Executive Director /Coordinator	Web developer/CMS Platform
Obtain industry and commercial testimonials which are relevant to 'of the like' businesses for credibility factor.	One - ASAP	Referral	EACC/Executive Director /Coordinator	Contact with member corporations and organizations. To be included within marketing collateral and web platforms

Build on future developments and successes by creating PR within communities and through local media outlets	Ongoing	Referral	EACC/Executive Director /Coordinator	Media database
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7.9 Communications

The EACC will place a top priority on promoting and communicating the development of the EACC, and The Corridor - The Alternative brand’s key messages to industry stakeholders, tourism alliances and multi-level partners. Stakeholders must leverage the strengths of ‘The Corridor’ across all mediums of communication i.e. news releases, industry newsletters, online platforms and printed materials to provide a consistent message aligned with the brand.

Tactic	Year	Marketing Cycle	Responsibility	Resources
Annual conference Newsletters and Annual Reports distributed to members	Ongoing	All	EACC/Executive Director /Coordinator	EACC
EACC News Release schedule developed and database of members and associates created	Ongoing	All	EACC/Executive Director /Coordinator	EACC
Work closely with the partners and the three REDA’s to coordinate events, PR and community involvement	Ongoing	All	EACC/Executive Director Coordinator	EACC

8. Recommendations

We recommend the formation of the Eastern Alberta Corridor Corporation (EACC) and the immediate and long term activities and strategies as outlined. As soon as possible after the first Annual General Meeting, the Board of Directors to convene a Board Development Workshop to review framework policies, committee terms of reference, personnel terms of reference and immediate tasks and five year plan.

We recommend the Brand DNA as **The Corridor - The Alternative**

We recommend the EACC become a member of the Ports to Plains in order to become involved in the networking activities and marketing within Ports to Plains and Federal Government agencies in the United States.

We recommend EACC immediately initiate relationships with Havre and the State of Montana officials in the United States, and with Alberta and Canadian government officials to continue to carry out necessary strategies as outline in the immediate activities for a 24 hour commercial border crossing at Wild Horse.

APPENDIX

Appendix 1

Government of Alberta ■

News release



May 12, 2009

Alberta joins north-south rural development partnership

Province first Canadian member of nine-state Ports-to-Plains trade corridor alliance

Edmonton ... Strengthened trade relations with key U.S. states in the energy and agricultural heartland and an improved North-South transportation corridor to key markets are among many benefits of Alberta's new membership in the Ports-to-Plains Alliance, said Alberta Premier Ed Stelmach.

Premier Stelmach welcomed leaders of Ports-to-Plains to the legislature today to celebrate Alberta becoming the first Canadian member of the nine-state economic development coalition that aims to improve the gateway to trade between Canada, the U.S. and Mexico.

Communities along the corridor stand to benefit with improved transportation infrastructure, greater rural development opportunities and collaborative advocacy approaches on issues of mutual importance such as energy and agriculture.

"There may be an international border between us, but given the similarity of our priorities, our challenges and our common rural heritage, the potential of our collaboration is limitless," said Stelmach. "We look forward to a highly engaged partnership in Ports-to-Plains activities."

Alberta has signed a one-year \$125,000 contract with the non-profit, non-partisan, community-driven group that includes mayors, locally-elected leaders, economic development officials, business and other opinion leaders in the, 3,700-plus km economic development corridor between Texas and Alberta.

Stelmach discussed Alberta's potential membership in Ports to Plains during his mission to Texas in December which featured the first Texas-Alberta Summit and meetings with Texas Governor Rick Perry.

Through the partnership, Alberta will strengthen its trade relations with the nine Alliance states, several of which already rank among Alberta's top trading partners: Texas, Colorado, Oklahoma, Montana, New Mexico, North Dakota, South Dakota, Nebraska and Wyoming. Additionally, the Alliance will enable Alberta to collaborate with other members to better address the challenges and opportunities common to all the communities in the Ports-to-Plains region, North America's energy and agricultural heartland.

Stelmach said Alberta will also leverage the influence of the alliance to help convince both federal governments of the need to have 24-hour port of entry access at the Wild Horse border crossing.

"Border delays are a trade impediment," said Stelmach. "As Alberta becomes an even greater source of North American energy supply we must ensure that we have a steady flow of goods between our countries."

Tom Martin, Mayor of Lubbock, Texas, led the Ports-to-Plains delegation in Edmonton and personally welcomed Premier Stelmach and the Government of Alberta to the Alliance. "Alberta is the northern anchor of the Ports-to-Plains region," Mayor Martin said. "Tens of thousands of jobs in our region are sustained by trade with the province. Moreover, Alberta is one of the top oil producers in the world. It is only natural that our Alliance would seek out Premier Stelmach to benefit from his leadership, and to explore ways to work together to preserve the rural heartland and to promote jobs and development in our rural communities."

U.S. Congressman Randy Neugebauer, Co-Chair of the Ports-to-Plains Congressional Caucus, and founder of the Ports-to-Plains Trade Corridor Coalition, said, "Throughout the Ports-to-Plains region, our members share remarkably consistent concerns, values and priorities: rural development; the new energy economy; transportation and other infrastructure policies that ensure good connectivity between our farms and ranches, and our natural resources, and the urban consumer. It is gratifying to see our organization evolve in a way certain to make it one of the premier forums for North America's rural communities."

The membership announcement is the culmination of nearly two years of discussion with the Ports-to-Plains Alliance, led by President Michael Reeves.

"One quality of the rural folks who lead our Alliance is their readiness to work together in hard times, and to share in times of abundance. I have taken many trips to Alberta in the past few years; every time I stepped off the plane, I felt like I was coming home. We are delighted at last to welcome the people of Alberta to the Ports-to-Plains family."

The approximately 38.5 million U.S. citizens of the Ports-to-Plains region produce most of the United States' energy, over 40 per cent of America's agricultural goods, 14 percent of the U.S. gross domestic product, and account for 20 percent of U.S.-Canada-Mexico trade. Over the past decade, Ports-to-Plains Alliance members have raised over U.S. \$1 billion in federal funding for road improvements in the nine-state Ports-to-Plains region. Today, the Alliance promotes a broader range of economic goals, all served by a regional intermodal transportation network.

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