

Daily Breeze

The South Bay's choice for 117 years

El Segundo Hopeful \$450,000 PR Contract Will Help Attract High-Tech Businesses

February 23, 2014
By Carley J. Dryden

El Segundo >> El Segundo was on the short list to be the new hub of video game company Riot Games and its 1,000-plus employees, but it didn't make the cut. Frankly, the vice president told the city, it's because no one in the high-



technology community knows about it.

The City Council hopes to rectify that situation, approving a \$450,000 contract last week with strategic public relations firm Paolucci Communication Arts to better market and brand the city to outside companies.

Mayor Bill Fisher hopes the PR firm's strategies, paired with the efforts of the city's reinvigorated Economic Development Advisory Council, will help El Segundo catch some big fish — the high-technology, big-box businesses.

"We're a high-tech hub in Southern California but no one knows about us," Fisher said.

For years, he said, "we had businesses moving into the city, almost as a haven, to get away from cities with a more costly tax structure." But the recession hit El Segundo like everyone else, he said, the EDAC fell dormant, and now there are office building vacancies.

"When businesses find out about our low tax structure and the residential area, they fall in love with it," Fisher said.

But getting the word out about El Segundo's low taxes and the town's Mayberry feel has been a struggle. An even bigger challenge is the competition, as the city loses interested companies to better-known communities like Santa Monica and Venice.

"Someone living in Brentwood and working in Santa Monica doesn't realize they could be paying one-third of the taxes and half the rental rates," Fisher said. "El Segundo is a great place to live and work, and the cost of doing business is much less. We moved forward with hiring the PR firm to get that message out."



As part of the three-year contract with Paolucci — funded by a \$200,000 Chevron grant, \$15,000 Continental Development Corp. fund match and \$235,000 from the city’s general fund — the PR firm will develop a brand identity, set up a social media program, direct a photo shoot, develop print and online ads and spearhead a Web presence. The firm will return to the council before the second and third years of the contract are approved, Fisher said.

The EDAC interviewed seven different firms, but said Paolucci was a “standout” based on the work they’ve done with the city of La Paz, Mexico and Hollywood Park.

“They’re known for helping cities reshape their image and bringing them out of obscurity,” said EDAC member Drew Boyles. “They know how to position a city innovatively.”

Although the city struggled with downtown vacancies in recent years, including Schat’s Bakery Cafe and Cooke’s Market, economic development is now focused on the office building vacancies and the conversion of Smoky Hollow industrial buildings to creative office use.

“The downtown is fine in terms of vacancies. I don’t think there are any,” Fisher said. “The biggest problem with downtown is people drive there and can’t park. That’s a good problem to have, but we need to solve it. Our vacancy issue is the big-box buildings that are vacant.”

City Manager Greg Carpenter attributed the office vacancy rate — in the high teens — to aerospace consolidation. He also mentioned the specific retail and restaurant vacancies such as the former Stick & Stein, as well as the post office and fire station.

Fisher said the city hopes to entice companies like Facebook or Google. He noted that El Segundo is responsible for more satellite launches than any other city in the country. It not only houses major aerospace and defense corporations such as Northrop Grumman, Raytheon and Boeing, but has data centers housing servers for major national companies.

Fisher hopes the city can attract other types of technology companies to provide synergy with the aerospace and defense hubs.

“Paolucci will get our story out, the history of technology here,” Fisher said. “Because it’s all missile systems and defense, El Segundo has been a secret for so long. Some people now know what goes on here. But we still have to get the word out.”

<http://www.dailybreeze.com/business/20140223/el-segundo-hopeful-450000-pr-contract-will-help-attract-high-tech-businesses>