



Kelly Scanlon:

Welcome to Banking on Kansas City. I'm your host, Kelly Scanlon. Joining us on this episode is Narbeli Galindo, the Director of International Affairs at the Economic Development Corporation of Kansas City. In that role, Narbeli provides assistance and resources to local and international companies interested in expanding and locating to Kansas City. Narbeli is with us today to talk about why Kansas City is attractive to global companies and some of the initiatives in place for bringing those companies here. Welcome, Narbeli.

Narbeli Galindo:

Thank you. Thanks for having me.

Kelly Scanlon:

As I said, your job is to generate interest and excitement among business leaders, governmental agencies and representatives, and other countries to relocate or expand right here, not just to the U.S. but to Kansas City. What, in general terms, is attractive to these leaders? What about Kansas City and what we offer makes them interested in locating here?

Narbeli Galindo:

Kansas City has been like a flyover city more than a city of destination. And in the last five years that I've this role, it has been more of branding the city, a city of a lot of benefits and resources. And so some of the things that when I work with leaders and I work with foreign direct investors, I want to first emphasize to them where we're located. And we always tell them that our city is in middle of the United States. We're the heart of the US. And so immediately I talk to them about how great we are when it comes to distribution, transportation, the hub is down here because we are actually in the center of eight different states. I talk to them about the fact that we have other different industries and we also have a lot of different... Affordability. We're about 2.5 below the national average.

Narbeli Galindo:

They get very surprised. And I always start by telling them about the location because there's confusion between Kansas City being between two states.

Kelly Scanlon:

Yes, definitely.

Narbeli Galindo:

And so I would say to them, it'd be very surprising to you to find out that this is a city that is between two states and we work together, but I'm actually representing the Missouri side. I would say I'm from Kansas City, Missouri.

Narbeli Galindo:

Once I talk about Kansas City, Missouri, I sort of mentioned to them all the different benefits that we have here. I talked about the foreign-trade zone, which is something that is very surprising to them that we have and is a benefit for companies looking to manufacture and bring product from other countries.

Kelly Scanlon:

Tell us briefly about the foreign-trade zone.

Narbeli Galindo:

For the foreign-trade zone, when companies are looking to transport or bring things from other markets, instead of paying duties on those imports, they can go through these foreign-trade zone. It's about 10,000 acres of land where they can eventually bring the products, they can store them, they can process them, they can repackage them, they can destroy them there. And while they bring those products into the particular zone, they're not paying any duties so that's a big savings for them.

Kelly Scanlon:

Yes, definitely.

Narbeli Galindo:

I also mentioned Port KC. Now that's a big surprise to them because they always think that a port is in the ocean.

Kelly Scanlon:

A seaport.

Narbeli Galindo:

A seaport. [crosstalk 00:02:53]. How can there be a port in the middle of the United States? How can that be possible? I mentioned that it is located right on the river, and so that's a surprise to them. I mention that we're utilizing the river. It goes all the way through Louisiana and that allows us to do more transportation also for the products.

Narbeli Galindo:

Foreign direct investors as well as leaders also get surprised when they find out that we are the largest Smart cities in the United States, and so that's one thing that they like. I'll give you an example. Recently, yesterday, I had a group of 58 GPM governmental officials that came here purely to learn about what are we doing for Smart cities? What are some of the examples?

Narbeli Galindo:

One of the things that we talked about was, for example, the streetcar.

Kelly Scanlon:

Yes.

Narbeli Galindo:

We discussed that we have a streetcar that is free of cost. We discussed that there is about [inaudible 00:03:39] stations. We have kiosks, where basically for them to be utilizing. Our community has done great in the sense that the streetcar is now is being considered to be expanded to the north and the south.

Narbeli Galindo:

I mentioned to them an example of how we do have also sensors in our streets downtown so that eventually someone can take an app and check where they can park without having to look for that parking space. Basically, it saves them time and gas as they have those sensors there. I believe there's about 171 streetlights with sensors in our downtown area. We have a lab that we also utilize for innovations and that attracts a lot of companies from around the world to better understand how can they implement those innovations, those technology in our city.

Narbeli Galindo:

Let's not forget that we have the Animal Health Corridor.

Kelly Scanlon:

Right, right.

Narbeli Galindo:

And that is a huge concentration of pharmaceutical and biotech companies in this area.

Narbeli Galindo:

I'll talk about the underground facilities, which is something that they get surprised and they ask me what exactly is an underground facility and why would you have them? I explain to them that about 50-70% of savings are done through utilities in an underground because of the constant temperature. They found that to be very fascinating.

Narbeli Galindo:

Other than all those benefits, we have incentives. One thing that I have to say that attracts everyone as we talk about all these great benefits is the people in our community.

Kelly Scanlon:

Definitely, you can't forget that.

Narbeli Galindo:

Everyone feels that we are very much very welcoming. And then when someone comes here, especially startup companies, they find that they can get not only the resources but people are genuine about helping.

Narbeli Galindo:

Talking about startup companies, we have also the Kauffman Foundation in our locations.

Kelly Scanlon:

And you have LaunchKC, I believe. Tell us about some... Because I think a lot of times people, when they think of global companies, they think of large, major Fortune 500-type companies. But what people don't know is that smaller companies are very active in the global community and you have quite a few incentives for them. Can you talk about some of those?

Narbeli Galindo:

Yeah. Especially lately, there has been a lot of interest from the startup companies to come here, and so you mentioned the LaunchKC. The Economic Development Corporation, where office is set up, we have offered for the last five years a program that allows entrepreneurs to try us out. Basically, they bring their innovation, they bring their ideas. We want those companies to be at least running for one to three years.

Narbeli Galindo:

And then we tell them if you have an idea that you would like to implement, allows to put that idea in our city and if you present to us that idea and we think that that idea is something that we want to implement and assist you with, there is a program where it allows you to compete for a grant that is about \$50,000 to \$1,000 for the company that would utilize that to grow their business. We give them a one-year free rent in a location where they can have their office.

Kelly Scanlon:

Yes, so it's not just a monetary contribution. You provide them with the space to set up their business and so forth too.

Narbeli Galindo:

Correct.

Kelly Scanlon:

That's huge.

Narbeli Galindo:

And then another part of that is critical about this program is consulting. We eventually gave them assistance as they are looking to establish a company here. When you bring someone from a foreign country it is very different for them to enter the US market, and I'll give you an example. I've been working with a lot of foreign direct investors from Portugal, Brazil, Spain, Taiwan, and all of them are relocating and they find out that it's a little bit different culture.

Narbeli Galindo:

An example from the European foreign direct investors, as we're telling them here's some resources, here's some workforce, here's some... How do you go about developing your plan to expand? As they're looking to hire a lot of folks here, a lot of jobs, they don't realize that in the United States they have to offer health insurance, which is something that in Europe doesn't really have to be that way. So when

they are looking to apply for different programs, they find out that there are some requirements that they need to meet and some of them is providing health insurance. Something simple like that, there have to be some guidance.

Narbeli Galindo:

They find that when they come here, not only did they have the Kauffman Foundation, they have all the incubators where they can start their business. But at the same time, they have the guidance and the support of those that can guide them. How different is the marketing? How can they succeed in this kind of environment?

Kelly Scanlon:

Yeah, so a very holistic approach. Not just one segmented area of help but a complete 360. Talk to us about some of the successes that you have achieved through LaunchKC. You talked about that when they're accepted into the program, you want them to implement it in Kansas City. Are there any things that as we look around the city that may be a result of LaunchKC that we didn't realize?

Narbeli Galindo:

I'll give you an example of something that started a long time ago and I'm sure people have heard of, EyeVerify. EyeVerify came from UMKC.

Kelly Scanlon:

Yes, yes, Toby Rush.

Narbeli Galindo:

Yes.

Kelly Scanlon:

Yes.

Narbeli Galindo:

And so that's a typical example of companies that are looking with an idea. They have a thought that they want to put in place. As a startup company, there's a lot of struggle. You're starting for funding, for support, looking for resources, trying to find out if this is the right product for you.

Narbeli Galindo:

Here's an example, like EyeVerify, where eventually it was bought for Alibaba. And so that is a perfect example of a great product, a great company that started and is a hard start but they ended up with a lot of success.

Kelly Scanlon:

Oh yeah, definitely, a whole new way of identification with the eye metrics and so forth. It's a fascinating company. You mentioned the central location and I saw a map on your website with a 1200-mile radius in every direction, and I was quite amazed at how far 1200 miles can go. Although it doesn't quite make it to Los Angeles, but still it's pretty far.

Kelly Scanlon:

Manufacturers, you mentioned to me in a previous conversation, that manufacturers are very drawn to Kansas City particularly because of that central location. What are some of the other ways that we attract manufacturers here?

Narbeli Galindo:

I think, like I mentioned earlier, the foreign-trade zone, the Port KC, the affordability that I mentioned, the transportation itself. The EDC also have incentives, and that is the city and the state works together. And so when the companies come here they find out... And I mentioned also corporate tax because that's another big thing for manufacturing. The Missouri state corporate taxes about 6.25%. If the company was going to go, let's say to Pennsylvania, the corporate tax is about 9.999%.

Kelly Scanlon:

A big difference.

Narbeli Galindo:

There's a big difference and so they see the reduction. It's much easier for them to be able to produce here at a low cost with corporate tax. But at the same time, there are incentives. Some of the examples that I can provide are... Every state has incentives. Every city has programs. In the Missouri state, if a company was going to be hiring any particular jobs in the manufacturing or any other in the industry, the minimum they would need to hire is about two people. In another state, let's use our neighbor, Kansas, it would be about 10 people. There are ways that we can eventually help them to be able to hire that workforce that need, lower costs with corporate tax. Machinery equipment can be also tax exempt. There's funding that we can provide to them. There is opportunity to [inaudible 00:11:07]. There is, particular when it comes to utilities, programs for rebates. There's all kinds of different ways to reduce costs for manufacturing.

Narbeli Galindo:

Additionally, I work with other organizations such as the Chamber, the World Trade Center, the US Commercial Service, the KCSOURCELINK and many others to provide resources to these company. When they're looking to find clients, distributors, vendors, we have a way to pull the list and be able to help them identify who they should target.

Kelly Scanlon:

Right, so you have a lot of partners in this and you have a very collaborative approach so that if there's something that another partner offers that maybe the EDC doesn't, you collaborate with them to make a whole solution.

Narbeli Galindo:

Correct.

Kelly Scanlon:

Yeah, and you mentioned some of those. You mentioned EyeVerify with regard to LaunchKC, but when you think back about some of the different projects you've been involved with, because I believe you've been here for about five years, right?

Narbeli Galindo:

Yes.

Kelly Scanlon:

Yeah.

Narbeli Galindo:

If I go back to the work that I have done, so I came from a diplomatic family. My father was a diplomat for the United Nations in Geneva, Switzerland, which is why I have this accent.

Kelly Scanlon:

It's a wonderful accent. It's very pretty.

Narbeli Galindo:

But I moved here back in 2000 and I moved here from New York city, which was a big change for me as well. Not only did I grew up in Europe, but I moved here from New York and now I'm in Kansas City. And as I moved into this area and I identify all the great benefits that the city has, it's becoming very easy for me to sell the city because I see all those great things that we have.

Narbeli Galindo:

Having my own business was something that allowed me to see things in so many different ways, and that experience itself allows me to help companies that are looking to grow.

Kelly Scanlon:

You've been there and done that. You know what their needs are.

Narbeli Galindo:

I've done it. I understand, and that makes it much easier for companies to say, "Hey, I need your help. This is what I'm trying to do." And it's very easy for me to understand where they're at and how can I provide them some guidance. And that means from funding, from resources; from simple examples of maybe you should consider doing this kind of marketing campaign, maybe you should consider partnering with this kind of organization.

Narbeli Galindo:

It is easier for me as a business owner to be able to guide others that are trying to start a business in Kansas City. Additionally, not only did I run my own company, but I also work for Cerner, worked for Sprint, worked for AT&T and Pfizer and some other companies expanding their products overseas, which allows me to be able to do the same thing with companies here that are looking to expand globally.

Kelly Scanlon:

Right.

Narbeli Galindo:

And not to add more, but I was a professor at UMKC for international trade and international finance, and so that also allows me to help them with their financials, to understand their budget, to understand how can they organize their finances and which ways would they have to go to be able to make a business much more successful as well.

Kelly Scanlon:

You mentioned yesterday that you had a delegation of 50 from Egypt. I believe coming up, you have some representatives from Japan coming here, so you work with these, these people, business leaders, government officials from all over the world. What is it they're most surprised about when they come for that onsite visit to Kansas City?

Narbeli Galindo:

It's interesting and we always laugh at the end. I would start by talking to them about the location, who we are, what we are. But for those folks, like for example yesterday, those 50 Egyptian governmental officials, it was their first time to the United States and it was the first time to the Midwest. And I had asked them, "What was your thoughts about Kansas City? What did you think you would be seeing?" And they always think that we are flat land. That it's just farms. That there's not really much in the Midwest or at least in this area being in the center of the United States. Once we start talking, they get amazed by all the different types of benefits. We are one of those secret gems that no one knows about. They were super surprised with all that redevelopment that we have done in our city. They are excited about the fact that we are very much willing to work with them.

Narbeli Galindo:

I have done about 122 international events, whether it has been conferences or whether I've had dignitaries coming to Kansas City, and I have basically talked to them about how can we partner with you, what are some of the things that we can do to increase trade, cultural ties. The big shock for them is to find out that we are a city of a lot of opportunity, a city that they can see a lot of possibilities for them.

Narbeli Galindo:

Yesterday's example with the dignitaries, they were very excited to find out how can they learn from us the things that we're doing from the Smartcity's perspective. They were very excited to learn how our city has grown so fast. One of the speakers that we had, two people that came to speak was the Downtown Council VP and he basically talked about all the things that are happening downtown. The hotels that we're building, the residential industrial parks, how we are utilizing some of the transportation as well. We discussed a little bit of the airport, something that is coming up, which is something very big for us.

Narbeli Galindo:

Sometimes when I go overseas or even when I meet with folks in, in Kansas City, they always are concerned about having direct flights to their countries. Is that something that is ever going to happen? I used to say, "We're working on it." Now I'm saying, "We are definitely making it happen."

Kelly Scanlon:

Now you talk about how the stereotype of Kansas City and the Midwest is flyover country. How do you get the word out to them in the first place? How do you advertise or promote Kansas City to begin with as more than flyover country to get them here for that visit?

Narbeli Galindo:

When I started five years ago, I remember Mayor Sly James asking the question to me in our [inaudible 00:17:03], "Six months from now, what would you say you have accomplished?" And I remember that I had put together a strategy to basically say the first six months we need to talk about how do we brand the city? How do we get the city out there? How can we let people know that we exist and what are we known for?

Narbeli Galindo:

Yes, we have sports. Yes, we have the barbecue. Yes, we have the jazz. But we have more than that, especially from a business perspective. We want to tell people that this is a place of opportunity, so those branding.

Narbeli Galindo:

Then we start by talking about how do we go about helping expansion, companies that are located already here that they want to grow. We start talking about letting them know that there are resources available for them, not only to go through exports, but look locally here. We can also help them with funding, help them with partnerships.

Narbeli Galindo:

And then lastly, helping them gain an acquisition in bringing those companies here from different markets. Usually, when I started, I start analyzing. I start working with SelectUSA in the Washington, D.C. area. There's usually about 60+ countries that come to find out, how can I invest in the United States and where should I go? Kansas City, Missouri, the state and many other states are there to represent each state and city.

Kelly Scanlon:

From where you sit as the director of international affairs at the EDC, what do you see as Kansas City's greatest opportunity? You've already talked about wonderful resources, wonderful programs attracting more and more businesses here, but there's still opportunity. Where do you see our greatest opportunity being?

Narbeli Galindo:

There's a lot of different industries that we're known for, so of course we have the advanced manufacturing that we discussed. We have financial services. We are now becoming a hub for technology because of these issues that I mentioned earlier. We also have been known for the architecture and engineering, and that's a big sector and we see a load of growth within that industry, I mentioned the Animal Health Corridor because we have about 300 companies set up in this area between Manhattan, Kansas and in Columbia, Missouri. There's that concentration of about 300. About 56% of the biotech pharmaceuticals are in this area.

Kelly Scanlon:

People don't realize that.

Narbeli Galindo:

They don't. And recently in August of this year, I relocated a company from California. California is known for a place to start companies.

Kelly Scanlon:

Silicon Valley.

Narbeli Galindo:

Silicon Valley and so forth. This is a company that heard about us through the Animal Health Corridor that came to investigate Kansas City. They talked to me. I provided them with some of the resources we have available. I told them, "Give me one week. Come to Kansas City. I'll show you around. I'll connect you with some of the resources. I'll show you that here you can succeed and can really progress and grow fairly fast."

Narbeli Galindo:

They came and they relocated, and so they planned to create about 200 jobs in our community. This company is a company that they created a collar for pets. And it's not just a regular collar, like a shock collar so your dog doesn't get out of your backyard, but it's a collar that collects data, collects about medications for pet sitters that you can download in your iPhone or your phone, collects if the dog or the cat is not feeling well because he's not moving well. Not only medications, security, vet information, so pretty much the whole-

Kelly Scanlon:

Their whole history.

Narbeli Galindo:

... the whole history of the pet. And so we're very excited to have them here. All these companies that are coming here, it's because they see a lot of industries, a lot of potential, a lot of growth.

Narbeli Galindo:

A couple other things that I want to mention is possibly the logistics. They see companies, not only manufacturing but any other company. Some of the startup companies that I'm working with right now, they say, "We have this product and we want to be able to take it to California. We want to take it to New York. We want to take it to Canada or Mexico." We're right in the middle of the NAFTA Corridor, so we can easily touch Canada and Mexico as we have that ability with transportation and help them for the distribution. We see that no matter what industry they are from there is a lot of potential, a lot of growth.

Narbeli Galindo:

I think I did a summary... Someone was asking me earlier like in the last five years, where has been some of the accomplishments or some of the things that you've seen? And I was looking at some of the... And I think if I'm not incorrect, I have touched about 50 different countries. I have met with about 222 dignitaries, 122 events that we have done, relocated about 14 different foreign direct investors; and all

this in five years. And every day for me is a busy day because I'm either meeting with a company that's relocating or I'm meeting with a company that is local looking to export or a meeting with a dignitary that is trying to find out how can we collaborate with them or I'm simply meeting with an organization that wants to find out how can they work with the EDC?

Narbeli Galindo:

Like you mentioned earlier, working with the World Trade Center, working with the US Commercial Service, working with the Missouri state, and board directors with those two organizations, the International Trade Council, the International Relations Council, sister cities. You name it, I'm part of everything because I believe you have to be part of the community, you have to learn what the needs are and you need to be sure that you know exactly where all the resources can be found so that you can provide those to those that need it.

Kelly Scanlon:

Narbeli, you represent Kansas City well. Thank you for everything that you're doing to raise up our profile globally and to bring such great resources to our startups, into our corporations. Continued success. Thanks for being here today.

Narbeli Galindo:

Thanks so much for having me. I appreciate it.

Joe Close:

This is Joe Close, president of Country Club Bank. I love what Narbeli stands for and what the Economic Development Corporation of Kansas City aims to do. We already know how great Kansas City is. We live in its culture and celebrate our achievements.

Joe Close:

That's who we are, but we also recognize who we are not. We're not the size of Chicago and we're not the size of New York, and most of us don't want to be that big, but we're on the rise. Our community is passionate and our city has untapped, unmatched potential. One might call that the Kansas City Spirit and Narbeli's working to amplify that. She's a champion across the globe for our hometown, the heart of the United States. She's someone we're lucky to have in our corner, boosting our international profile and generating interest among business leaders in order to encourage investment in Kansas City's future.

Joe Close:

Thanks for tuning in. This week we're banking on new Kansas City. Country Club Bank, member FDIC.