Originally Processed With FOIA(s):
S

FOIA Number:
S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Backup Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13797
Folder ID Number: 13797-005

Folder Title:
Greater Cleveland [OH] Growth Association 2/6/92 [OA 7567] [5]

Stack:	Row:	Section:	Shelf:	Position:
G	26	22	3	1

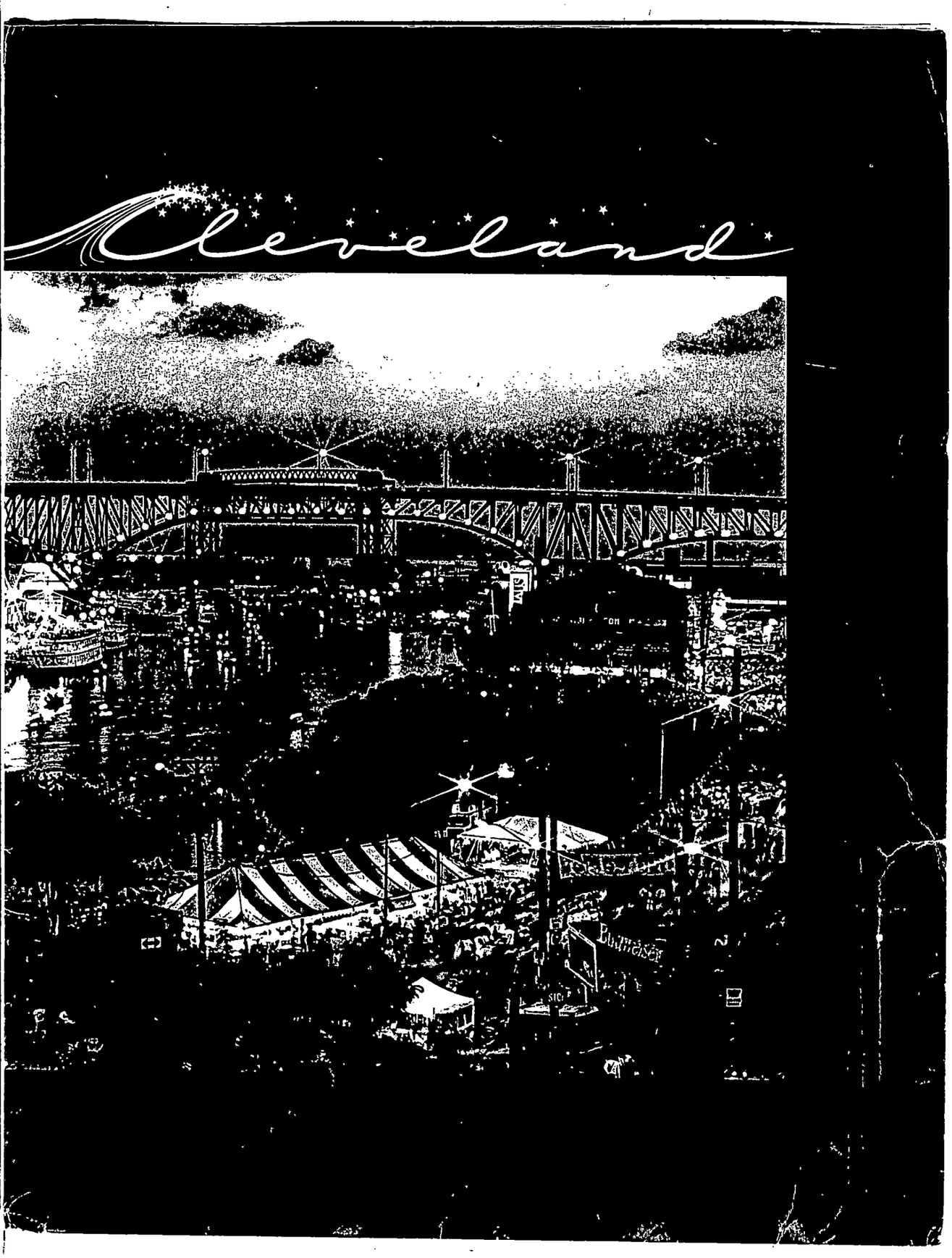
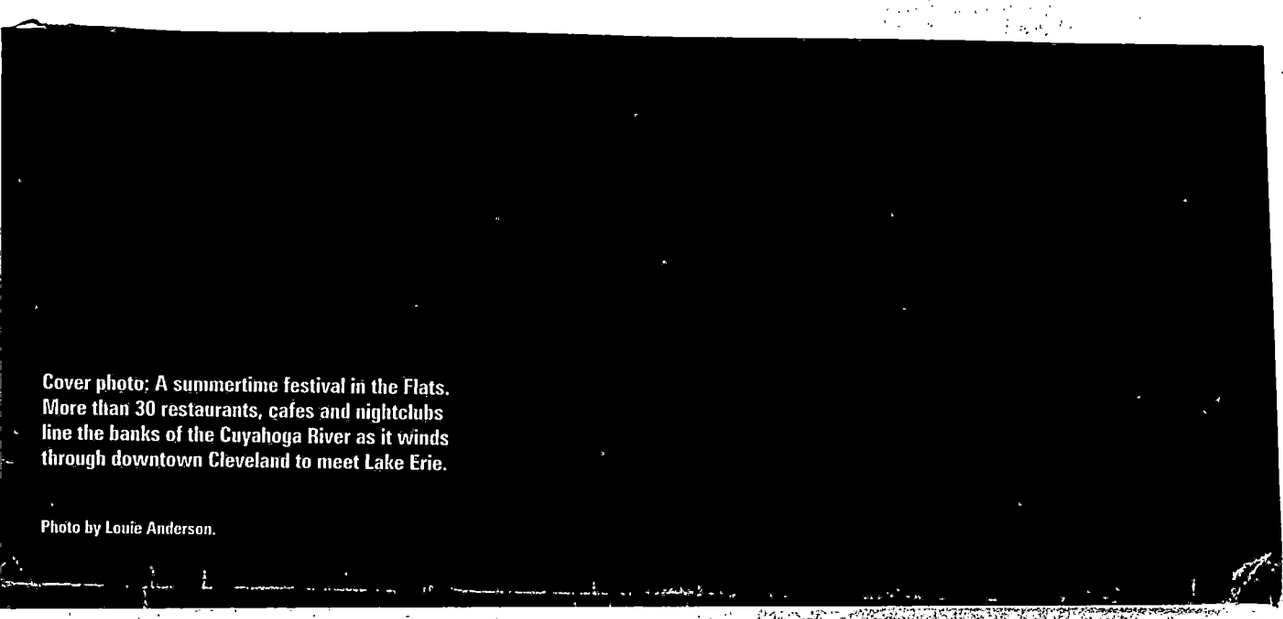


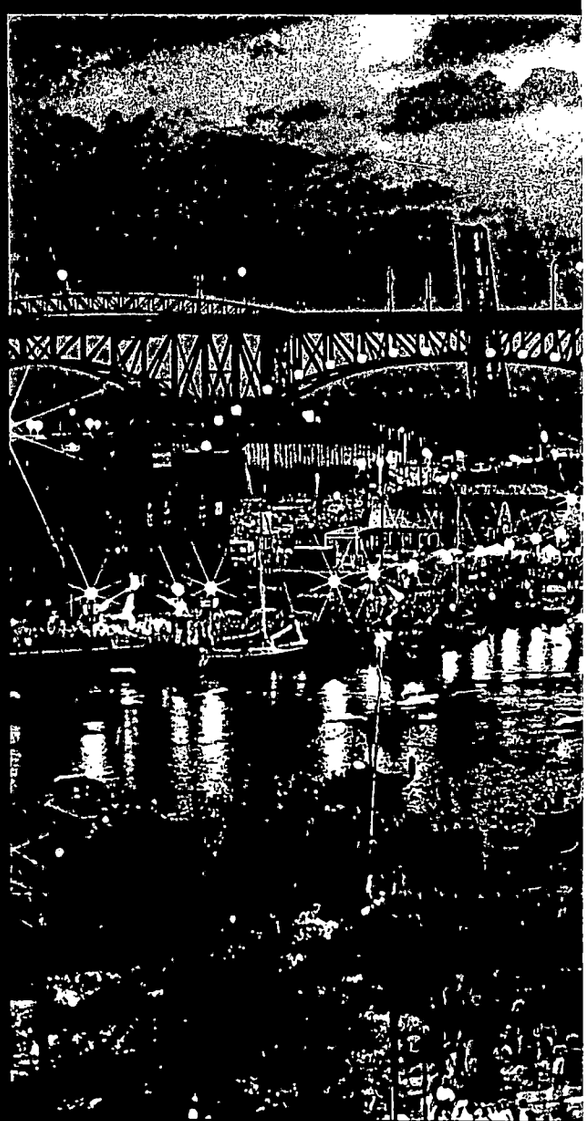
Photo Copy Preservation



Cover photo: A summertime festival in the Flats. More than 30 restaurants, cafes and nightclubs line the banks of the Cuyahoga River as it winds through downtown Cleveland to meet Lake Erie.

Photo by Louie Anderson.

Photo Copy Preservation



The New Cleveland Campaign is the independent, nonprofit marketing communications program serving Greater Cleveland. For more information, contact George N. Miller, Executive Director, at 200 Tower City Center, 50 Public Square, Cleveland, OH 44113, 216/621-6725.

Photo Copy Preservation

NEW CLEVELAND CAMPAIGN

For contacts, information, interviews and ideas on Greater Cleveland.

George N. Miller
Executive Director
216-621-6725
FAX 216-621-6013

Scott Chaikin
Dix & Eaton Public Relations
216-241-0405

The community-wide marketing program for Greater Cleveland

200 Tower City Center • 50 Public Square • Cleveland, OH 44113-2291

Cleveland Background
Presidential Address
Draft copy - 1/31/92

The rest of the country can learn a lot from Cleveland.

A decade ago, the city was a symbol of the deterioration of the Rust Belt ... the punchline of every bad city joke.

Today, Cleveland is called "the Comeback City." Its remarkable turnaround is making headlines, and capturing the attention of civic leaders across the country.

Its restructured economy is stronger and more resilient -- and has enabled the city to weather recent hard times far better than most areas of the country.

New development is at record levels -- nowhere more evident than here on Public Square, with the huge Society Center and Tower City Center. And new world-class attractions are under way, like the Rock and Roll Hall of Fame and Museum, the Gateway sports complex, and more.

What's behind the turnaround? Much of the credit goes to Cleveland's unique brand of public/private partnerships. Above all, this city is proof of the great things that can happen when public and private sectors pull together for the good of the community.

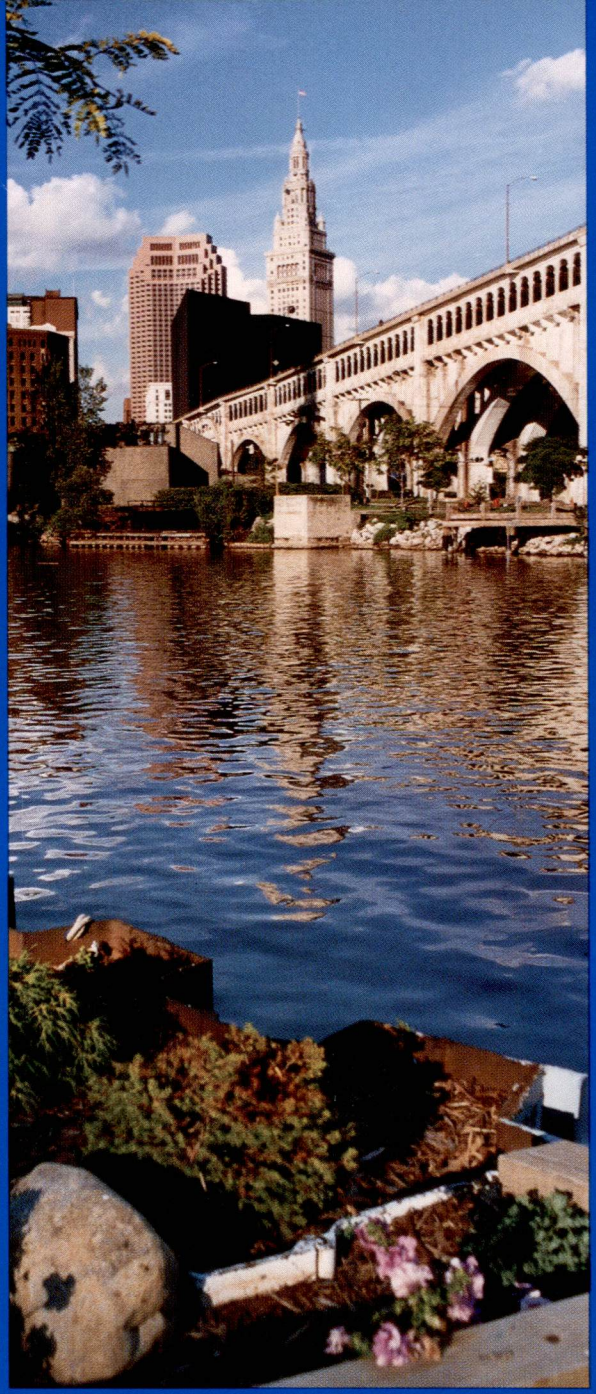
Businesses, both big and small ... government at all levels ... and civic organizations of all types banded together to come up with solutions and then do what needed to be done.

COSE is one such innovative solution. I'm sure Richard Pogue (Pōg) and Robert Horton, and others here today, could tell you of many others.

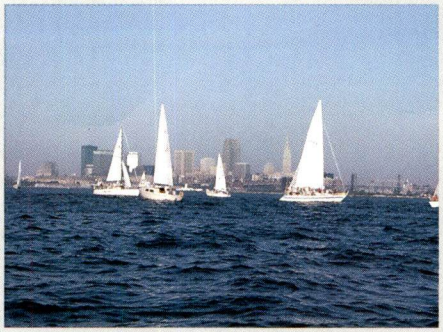
Challenges remain for this city, just as they do for the nation. But progress has been made, and will continue to be made, because the determination, cooperation, and mechanisms are all in place for positive change.

NEW CLEVELAND CAMPAIGN

Published in 1991 by the New Cleveland Campaign, the independent, nonprofit marketing communications program serving Greater Cleveland. For more information, contact George N. Miller, Executive Director, at 200 Tower City Center, 50 Public Square, Cleveland, OH, 44113, (216) 621-6725.



CLEVELAND AT A GLANCE



› *Above:* Downtown Cleveland as seen from Lake Erie. *Cover:* The Flats, where the Cuyahoga River flows through Cleveland.

CLEVELAND FIRSTS

- Municipal airport (Cleveland Hopkins International Airport) and air traffic control tower
- Open-shelf library (Cleveland Public Library)
- Indoor shopping center (The Arcade)
- Free home delivery of mail
- Public housing
- Community foundation (The Cleveland Foundation)
- Community charity fund
- Ongoing forum for free speech (The City Club of Cleveland)
- Interracial cultural center (Karamu House)
- Black mayor (Carl Stokes)
- U.S. college to admit students regardless of sex, race, creed, or color (Oberlin College)
- U.S. newspaper for blacks (The Aliened American)
- Woman minister (Antoinette Brown Blackwell)
- Electric streetlights and electric streetcar
- Whole-body scanner and x-ray machine
- Diesel engine, shock absorbers, and automatic windshield wipers
- Rapid transit rail service from airport to downtown
- Health museum (Cleveland Health Education Museum)
- Superman

› "Cleveland at a Glance" is presented courtesy of the New Cleveland Campaign, founded in 1978 and chaired by Thomas Vail, Chairman of *The Plain Dealer.*

› Cleveland ranked as the 12th most livable city out of 333 U.S. cities studied by *Places Rated Almanac* in its most recent listing.

CULTURE AND ENTERTAINMENT

› The University Circle area contains the greatest concentration of museums, cultural resources, and educational and religious institutions in the country.

› We are the home of the world-renowned Cleveland Museum of Art and Cleveland Orchestra.

› Playhouse Square Center is the world's largest theater restoration project and North America's third largest performing arts center.

› The Cleveland Play House is the oldest nonprofit professional theater in the country.

› The Flats houses over 30 riverside restaurants and nightclubs, an amphitheater, and a waterfront boardwalk.

› Cleveland is the future home of the Rock and Roll Hall of Fame and Museum, expected to attract 700,000 visitors a year.

› Our 19,000-acre, 100-mile "Emerald Necklace" string of metropolitan parks is the second largest metroparks system in the nation.

› Greater Cleveland boasts more lake shore than any metropolitan area in the world. The Lakefront State Park is the most heavily visited state park in the nation.

› We are the only U.S. city to receive three All-America City awards in five years.

› Cleveland recently ranked second in the nation in quality of sports and recreation resources out of 227 metropolitan areas.

DOWNTOWN DEVELOPMENT

› Over $5 billion is being invested in current and planned downtown development, nearly one-fourth on Public Square alone.

› With the openings of The Ritz-Carlton, Marriott, and Radisson, and the pending addition of the Hyatt Regency and others, approximately 3,000 downtown hotel rooms will be located within a 10-minute walk of the Cleveland Convention Center by 1996.

› Downtown's retail boom includes two new glass-topped malls — The Galleria and The Avenue at Tower City Center — with over 160 specialty shops and restaurants.

› The revitalized Flats and Warehouse District are enjoying about $450 million in current and proposed investments, from residential to commercial to retail projects.

› North Coast Harbor will include $500 million in lakefront attractions, including a science center, an aquarium, the Rock and Roll Hall of Fame and Museum, and a recently completed park.

› Cleveland corporations rank first in the nation in per capita investments in low-income housing.

ECONOMIC GROWTH

› Greater Cleveland is among the U.S. leaders in job growth, and employment hit an all-time high in 1989 and again in 1990.

› The city's bond rating advanced to an A-minus in 1989, only slightly more than a decade after default.

› 6,000 new businesses start up each year in Greater Cleveland.

- Cleveland is the dominant source of venture capital between New York and Chicago, with funds jumping threefold to $550 million since 1984.
- Greater Cleveland is headquarters to 18 *Fortune* 500 industrial companies — the third highest concentration in the U.S. — and eight *Fortune* 500 service firms. About 35% of *Fortune* 500 companies are represented here.
- Service jobs now comprise 27% of area employment, and manufacturing jobs 22%.

RESEARCH AND DEVELOPMENT

- 19 colleges and universities are located within 30 miles of Public Square.
- Northeastern Ohio — Polymer Valley USA — includes the largest concentration of academic polymer scientists in the free world and over $500 million in annual industry polymer R&D.
- The healthcare industry is one of Cleveland's largest and fastest growing employers, generating nearly 10% of the area's payroll. Our medical centers and universities account for over 43% of Ohio's NIH-funded research and many landmark medical firsts.
- Cleveland's three Edison applied technology centers — in advanced manufacturing, polymers, and biotechnology — are among the nation's most noted in promoting industry/university R&D and new business incubation.
- Case Western Reserve University ranks first among private universities in Ohio in federal research and development funding, and 17th nationwide.
- A branch of the Cleveland Advanced Manufacturing Program has been designated one of only three national technology transfer centers.
- NASA Lewis Research Center is the only NASA facility north of the Mason-Dixon Line.
- The nation's first Science and Technology Research Center on liquid crystals was recently awarded to Kent State University, Case Western Reserve University, and the University of Akron.

LOCATION ADVANTAGES

- We're the 13th largest urban area in the country, with a population of 2.76 million.
- Our large, skilled work force claims more college education than the national average.
- Cleveland's business operating costs are estimated to run 16% less than New York, 14% less than Los Angeles, 12% less than Boston, and 9% less than Chicago.
- We are within 500 miles of 44% of the U.S. population, 43% of its businesses, and nine of its top 20 markets.
- Cleveland Hopkins International Airport offers 290 daily departures, and the Port of Cleveland is closer to many European cities than several East Coast ports.
- Our world-class convention facilities include the International Exposition Center, the largest single-building exhibition facility in the world, and the recently renovated Cleveland Convention Center.
- Cleveland homes are the most affordable of 18 major metropolitan areas (Cleveland median of $79,900 vs. $131,200 nationally).
- Three out of four Greater Clevelanders live within 30 minutes of downtown.
- Cleveland's cost-of-living is among the lowest of the world's large cities.

NEW CLEVELAND CAMPAIGN

Headline Cleveland

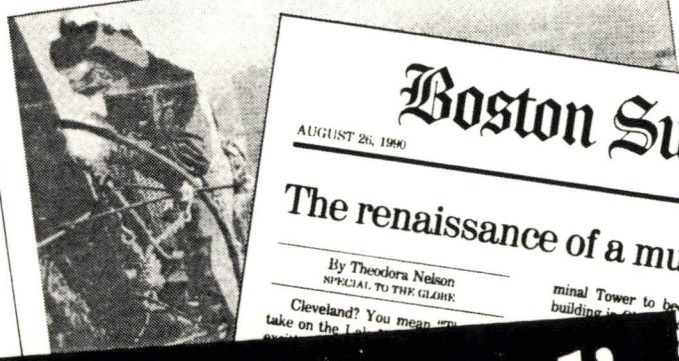
Newsday
THE LONG ISLAND NEWSPAPER
FRIDAY, NOVEMBER 30, 1990

From Butt of Jokes to Boom Town

Cleveland, yes, Cleveland thrives despite recession

By Greg Steinmetz
STAFF CORRESPONDENT

Cleveland — In Tower City, the centerpiece of this city's downtown renaissance, visitors pass by fountains and boutiques to consider an exhibit made of



Boston Sunday Globe
AUGUST 26, 1990

The renaissance of a much-maligned metropolis

By Theodora Nelson
SPECIAL TO THE GLOBE

Cleveland? You mean "

minal Tower to become the tallest

and musicals, ballet and opera, children's theater and pop concerts. When completed, Playhouse Square will include a hotel and office complex.

The city's longstanding theater tradition began with the Cleveland Play House, home of the nation's oldest repertory theater troupe. Today this three-stage complex presents a wide range of plays, from classics to modern.

If you're an inveterate shopper, Cleveland's your city. Downtown's venerable May Company and Higbee's department stores complement the previously me

Tower City Plaza

Gal-

Cleveland's Comeback

Thanks to the initiative and perseverance of its citizenry, this Ohio city is healthy, wealthy, and attracting all sorts of attention.

By Dale Keiger

THE SATURDAY STAR THE TORONTO STAR
TRAVEL
JULY 21, 1990

By Mitchell Smyth
STAR TRAVEL EDITOR

CLEVELAND'S COMEBACK

Yes, there was a time when it was a national and international joke. But then the Lake Erie port city said 'Enough is enough'

USAir MAGAZINE
APRIL 1990

Published in 1991 by the New Cleveland Campaign, the independent, nonprofit marketing communications program serving Greater Cleveland. For more information, contact George N. Miller, Executive Director, at 200 Tower City Center, 50 Public Square, Cleveland, OH, 44113, (216) 621-6725.

NEW CLEVELAND CAMPAIGN

Reproduced as a contribution to New Cleveland Campaign by

ORIGINAL COPY CENTERS

Legal and Corporate Copy Service
Corporate Complex
3333 Chester Avenue
Cleveland, Ohio 44114
216 881-3500
toll free: 800 522-1840

INTRODUCTION

The New Cleveland Campaign, in its mission to promote Cleveland to the nation and the world, devotes much of its marketing communications resources to generating media coverage regarding Cleveland's strengths and progress. Favorable stories in the media are a powerful and cost-effective way to get Cleveland's story out to important and influential audiences.

The Campaign's aggressive initiatives in this area have contributed to a substantial amount of positive coverage of Cleveland in local, regional, national and international media. The following articles are highlights of the media attention Cleveland has received over the past few years.

THE WALL STREET JOURNAL.

FRIDAY, AUGUST 17, 1990 | MIDWEST EDITION | VOL. LXXI NO. 214

Comeback Story

Reborn Ohio Industry Is Clean, High-Tech And Shock-Absorbent

Innovative Firms Along I-271 Are Better Able to Survive Oil Crisis and Recession

Lawns Replace Smokestacks

By THOMAS F. O'BOYLE
Staff Reporter of THE WALL STREET JOURNAL

INTERSTATE 271, Ohio—Just a decade ago, an oil shock and looming recession could have knocked Ohio on its back.

But this is a different Ohio. Here in the industrial heartland, industry has a new look.

Smokestacks are nowhere to be found. Instead, the scene along this manufacturing artery east of Cleveland is one of endless suburban sprawl: smokeless industrial parks, as ubiquitous as the McDonald's arches that surround them.

And while there is obviously concern about the crisis in the Persian Gulf, there has been little disruption of the industry that goes on here behind neatly manicured lawns. "Ohio is a lot more resilient than it once was," says Ronald M. Rebner, chief financial officer of Keithley Instruments Inc. Barring war in the Middle East, he says, his company and others "will just absorb the higher oil costs and keep marching forward."

Randall W. Eberts, an economist at the Cleveland Federal Reserve Bank, says that's not just bluster. "Manufacturing has come roaring back," he says, and because of sharply higher productivity, the new manufacturing jobs "may prove more secure in the next recession than the ones they replaced."

Working Together

Ohio's new industrial landscape is a good example of a growing kind of American industry that relies more on efficiency, creativity and pluck than oil and a surging U.S. economy. And Keithley Instruments, just off I-271 in nearby Solon, is a good place to start a driving tour of that landscape.

The company, which makes equipment used in laboratories to measure electric current, has raised its manufacturing productivity 50% in the past three years by attacking the way it designs products.

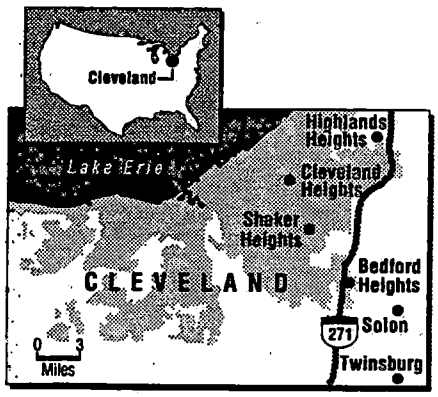
Design and production engineers, who once ignored each other, now work together in teams, simultaneously designing a product and the process to make it. One result: The 36 fasteners that assembly-line workers once had to screw in or bolt to one product have been slashed to two.

Mr. Rebner motions to the window in his ground-floor office and the pretty lawn beyond. "How we've been able to shift from all those people who used to work in the steel mills to this I don't know," he says. "But there's no way this is the Rust Belt."

Less Energy, More Exports

Keithley is one of hundreds of companies that have sprung up along I-271 and the highways crisscrossing it around Cleveland. Like their industrial forefathers, these newcomers still manufacture goods. But it's manufacturing that bears little resemblance to the gritty smokestack version of yesteryear.

The scale is smaller. Energy consumption is largely limited to the electricity



used to heat and light buildings. Exports play a big role. The products themselves have a higher technology content and fill a niche rather than garden variety metal bending or nuts and bolts. And many of these new manufacturers are highly prosperous.

While parts of the nation teeter near recession, Ohio's economy chugs along. The state is the only one in the industrial Midwest that still expects 2% or better job growth this year. The revival of manufacturing is a major reason why.

Plenty of problems must still be overcome before Ohio becomes a manufacturing paradise. The state ranks 39th in the nation in the availability of private venture capital, Mr. Eberts says. Worker wages stand 15% above the national average (though less than the 20% premium paid in 1983). And while workers are skilled and plentiful, they're not terribly well educated: Only 17% of household heads have college degrees, putting Ohio near the bottom in attained higher education.

More Manufacturing Jobs

But already, there are other statistics that tell a remarkable story. Between 1979 and 1982, Ohio lost 27% of its manufacturing employment. In all, 372,000 jobs vanished as factories padlocked their gates and companies pulled up stakes for sunnier climes. In January 1983, when Ohio's jobless rate peaked at 14.2%, the state looked like a goner.

Today, joblessness stands at 5.1%, less than in California and below the national average. Of course, services have accounted for most of the job growth: In 1989, in fact, services for the first time surpassed manufacturing as Ohio's leading job sector. Still, manufacturing has posted a net gain of about 100,000 jobs since January 1983.

By contrast, manufacturing employment has continued to slide in New York and Pennsylvania, which together have lost an additional 239,000 such jobs since 1982. Ohio now accounts for more manufactured goods than any other state except California and New York, having passed Pennsylvania in the past decade.

Economists and executives offer several explanations for Ohio's resurgent manufacturing. Some cite declines in worker wages and higher productivity gains than in neighboring states. Others attribute it to a favorable political environment that has helped attract and nurture new businesses.

In truth, Ohio's strength may stem from more subtle factors: Its diverse manufacturing base, covering a wide range of soft and hard goods, as well as its critical mass in some emerging sectors, such as surgical and medical equipment.

Whatever the reason, technology-based companies say it's now easier to do business in Ohio. "Five years ago, I had to go to Silicon Valley to get the technology I needed. Now, everything is available locally," says entrepreneur Albert P. Kretz Jr. His firm, Synthetic Blood & Medical Technologies Inc. of Highland Heights, another town along I-271, expects this fall to begin producing a tiny, automated insulin-injecting pump for diabetics.

Labor, too, is readily available. In some cases, older executives who weren't wanted at big corporations anymore have been welcomed at small companies just starting out.

Mideast a Minor Concern

That was the case at a firm founded by Howard J. Drechsler, a pharmacist who

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

had experimented for years with light sources to treat skin disease. Finally, in 1981, he told his wife he wanted to stop filling prescriptions and start selling his own products. "She thought I was nuts," says Mr. Drechsler, now 58.

Nine years later, the entrepreneur and two cousins have parlayed their $6,000 investment—and $101,000 in seed money from Ohio—into National Biological Corp., a $3 million-a-year business that has sold its products to customers as far away as Pakistan and Saudi Arabia.

Though shipments to the Middle East have been temporarily suspended, Mr. Drechsler says that's a minor concern. And the 6% increase he expects in transportation costs stemming from the Iraqi invasion pales in comparison with a 32% surge in health-insurance costs for the company's 26 employees, he says. "That's the real crisis," he quips.

The company, in Twinsburg on an offshoot of I-271, makes ultraviolet lamps used mainly to treat psoriasis. It is the last in a long row of new businesses on Enterprise Parkway.

Leading Light

The company struggled at first. Then, in 1983, it got a big break when Mr. Drechsler hired Elton T. Leppelmeier, one of the nation's leading ultraviolet-light experts. "He wrote the book on this kind of therapy," Mr. Drechsler says. "For a small company like us, just starting out, to get a guy of his stature was a huge boost."

Mr. Leppelmeier says he got the "silver bullet" from General Electric Co., where he had worked for nearly 40 years as a senior engineer in GE's Cleveland-based lighting division. Now nearly 65 and chief of product development for National Biological, Mr. Leppelmeier says he has no plans to retire. "Why should I? Just because GE had no use for me doesn't mean I can't make a contribution somewhere else," he says.

Getting the most out of people is the top priority at Automated Packaging Systems Inc., just around the corner from National Biological in Twinsburg. Founded in 1962 by brothers Hershey and Bernard Lerner, the company was chased by zoning inspectors from its first production site—the family garage—in the Queens borough of New York City. Then it was on to Brooklyn. About a decade later, the company settled in Twinsburg, the first tenant in an industrial park that now stretches for miles.

Today, Automated Packaging Systems is a global player in the world packaging business. It makes machines that print labels and package everything from soft-drink containers to plastic bags. Annual sales total about $80 million. But, despite its size, Automated still manages to retain a personal touch with its 650 employees.

Quality Circles

The atmosphere is relaxed, the banter frequent. When Chairman Hershey strolls through the factory floor, employees call out, "Hey, Hersh, how ya' doin'?" The company phone book alphabetizes people by their first names. The brothers regularly attend funerals and weddings. And the perks of employment at Automated include free use for all employees of the company cottage at a lakeside resort in central Ohio.

More than half of the employees are involved in voluntary quality circles meant to improve productivity and product quality. Recently, one seven-person team tackled a problem that had vexed Automated for years: the time lost setting up machinery for a new production run. The process typically took more than an hour. After filming and studying it for several months, the team whittled the time to 15 minutes.

Hershey says he felt like a proud father when the group presented its findings to management. "They did a terrific job," he says, beaming. The team has begun to teach other workers the new system.

There is no union at Automated. "If you feel treated unjustly, you can walk right into Hershey's office and he'll listen to your complaint," says Brian Ripley, who packs freight on the shipping dock and has five relatives working at Automated. "When you have direct access to the chairman, who needs a union?"

Automated tries mightily to promote loyalty, eschewing layoffs and almost always promoting from within. And loyalty is returned: The company's first hire in Brooklyn, Vinnie Lattur, still works on the shop floor.

Automated has also cultivated loyalty with its suppliers. It has bought plastic resin—an essential ingredient of the labels it makes—from the same suppliers since its beginnings even when others were offering cheaper alternatives. That's a policy that will guarantee Automated supplies, Hershey Lerner says, even if hostilities in the Middle East trigger shortages of oil and, ultimately, oil-derived resin.

Highly Automated

Just around the corner from Keithley Instruments in Solon is another sleek manufacturing compound. The company, Tecmar, sits on Solon's main thoroughfare, Cochran Road, an industrial artery lined for miles on either side with new buildings and businesses.

Hank Oberle, the tanned and blond operations vice president, looks as if he had been transplanted from California's Silicon Valley. He's dressed in a white shirt, open at the collar, and khaki slacks. But his approach to manufacturing is hardly laid back. Since he took charge of production five years ago, Tecmar, which makes equipment that stores computer data on tape as a backup to the hard disk, has slashed its manufacturing employment from 380 to 103.

"We automate everything we can," says Mr. Oberle, who left Eaton Corp., a diversified truck-parts maker in Cleveland, because of what he felt was the low priority paid to manufacturing.

Like many of the companies along I-271, Tecmar suggests how ever-declining technology costs have put some of the best manufacturing methods and equipment within the reach of small players. State-of-the-art circuit boards get minted at a rate of one every two minutes, output approaching the best world standards.

Even with the hostilities in the Middle East, the company expects at least 20% growth next year. "We're planning to expand aggressively," says Mark A. Bretl, Tecmar's 31-year-old president.

Cottage Industry

Of course, small-scale manufacturing can be a disadvantage. Small production runs mean higher per-unit costs. But some companies sprouting up along I-271 have figured out ways to combat that, too.

A final stop at Iotech Inc., west of Solon in Bedford Heights, is a case in point. Founded three years ago by entrepreneur Thomas DeSantis, the company, which makes devices that link computers to scientific instruments, has averaged about 80% growth each year. But even with sales this year of nearly $10 million, it's still a relative midget in manufacturing. While Keithley or Tecmar stamp out thousands of the same circuit boards, 500 is considered a long production run at Iotech.

So Iotech farms out part of its production, bringing new meaning to the phrase cottage industry. It employs about a dozen part-time workers who put together its circuit boards. The workers pick up their kits, stocked with all the necessary gadgetry, assemble 25 or so at their own pace and bring them back for a refill.

"I like it a lot," says Joyce Mays, inspecting the parts in her refill kit. The mother of three, who once worked on an electronics assembly line, figures she nets about $4 an hour. More important, she says, "I can set my own hours." In her case, the production line—her kitchen—usually doesn't get cranked up until the children have gone to bed.

Mr. DeSantis says the quality of the farmed-out circuit boards is top-notch. And Iotech reaps big benefits. The main one is that it saves capital, allowing it to spend more on development and marketing.

There's no recession in Iotech's future, Mr. DeSantis insists. Already, he says, August is shaping up as the company's best month ever, with the little firm shipping its products to customers world-wide. About one-third of Iotech's products go overseas, mostly to Western Europe.

"We're small, so we have to be smarter, more creative. We have to spend our money more wisely," he says. "That's the only way we can hope to compete."

Boston Sunday Globe

AUGUST 26, 1990

The renaissance of a much-maligned metropolis

By Theodora Nelson
SPECIAL TO THE GLOBE

Cleveland? You mean "The Mistake on the Lake?" Where the most exciting sport is watching the river burn? Where there are two seasons – winter and the Fourth of July?

Long a favored target for comedians, Cleveland is finally getting the last laugh. "Renaissance" may be an overused term, but in the case of this much-maligned metropolis, it's apt. No other word goes far enough in describing the last decade's developments that have made Cleveland one of the country's most visitable cities.

To begin to appreciate the extent of this urban renovation, head for the center of activity. The 52-story Terminal Tower on downtown's Public Square dominates the Cleveland skyline. At its base, trains once bustled in and out of a railroad station that was elegant in the best '20s tradition. But as train travel declined, so did Terminal Tower, and its grandeur had faded sadly in recent decades. Today, fully restored and reborn as Tower City Plaza, it houses more than 120 upscale shops on its lower levels, and a Neiman-Marcus department store is scheduled to open in 1991. The adjoining Stouffer Tower City Plaza Hotel has just completed a $35 million renovation. Although fully modernized, the building retains the stately charm of its former days as the 1918 landmark Hotel Cleveland.

Now take the elevator to the observation deck on the tower's 42d floor. From this bird's-eye perspective, Cleveland's renaissance is strikingly obvious. On a recent mid-June day, no fewer than 14 cranes were hard at work hatching the new Cleveland. Construction cranes, that is. Whooping to the tune of more than $5 billion in projects under way or planned, they're working on new Ritz-Carlton, Hyatt Regency and Marriott hotels, a Society Bank Tower and a 60-story Ameritrust Tower, which will surpass the Terminal Tower to become the tallest building in Ohio. And there's the $48 million Rock and Roll Hall of Fame scheduled for completion in 1992.

Along the waterfronts

The fabled Cuyahoga River, which actually did burn because of pollutants casually dumped by riverside industry, has been rendered yuppie-clean and is now the focus of the city's active nightlife. Along both sides of the river's shores, "The Flats," birthplace of Standard Oil of Ohio and Sherwin-Williams Paint, has been turned into a center for Cleveland's best restaurants and enough nightclubs for the most dedicated hedonist.

Revelers can shuttle from one bank to the other via a water taxi named Holy Moses (perhaps a play on words involving both the biblical Moses and Moses Cleaveland, the city's founder, but more probably from passengers' exclamations: "Holy Moses! You mean it'll cost me $2 to get across the river?"). No fewer than five comedy clubs are packing in appreciative audiences, and one popular bar/restaurant, Shooters, seats 300 inside plus 250 on its dockside deck – and even has its own swimming pool.

A 12-mile stretch of accessible Lake Erie shoreline justifies Cleveland's self-described location "on America's North Coast." Here marinas spawn school after school of pleasure craft. Shallow, sandy beaches are a dream-come-true for parents of small children. And soon North Coast Harbor, a developing waterfront park, will offer museums, offices, shops and hotels.

Heaven for culture

Would you believe Cleveland is the site of the most extensive theater restoration in the world? Its majestic Ohio, Palace and State theaters, built as cinemas in the '20s and '30s, have been fully restored and offer entertainment to suit every taste. The current season includes drama and musicals, ballet and opera, children's theater and pop concerts. When completed, Playhouse Square will include a hotel and office complex.

The city's longstanding theater tradition began with the Cleveland Play House, home of the nation's oldest repertory theater troupe. Today this three-stage complex presents a wide range of plays, from classics to modern.

If you're an inveterate shopper, Cleveland's your city. Downtown's venerable May Company and Higbee's department stores complement the previously mentioned Tower City Plaza. Nearby is the new Galleria at Erieview, which recently opened with 60 glitzy shops and restaurants under a glass dome – and even valet parking. But Clevelanders have been accustomed to shopping under glass for a century, at the Cleveland Arcade. This five-story enclosed shopping center, modeled after the Galleria Vittorio Emanuele in Milan, Italy, is still a delight to see, with its wrought-iron railings, gargoyles and carved ceilings.

12th most livable city

How about crime and racial tension, which, frankly, were serious problems in the Cleveland of yesterday? FBI statistics place Cleveland's crime rate well below the national metropolitan average. According to Places Rated Almanac, Cleveland is the 12th most livable of 333 American cities, based on such features as cost of living, arts, recreation and crime.

So the next time you hear of that contest in which the grand prize winner receives a one-week, all-expense-paid trip to Cleveland – and the runner-up gets two weeks – be sure to enter. And hope you come in second

Theodora Nelson is a California based free-lance writer. She is co-author of the "Good Books for the Curious Traveler" series.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

USA TODAY

WEDNESDAY, APRIL 18, 1990

SECOND FRONT PAGE

Cleveland's dream

'Comeback city' chases Dems' convention

By Judy Keen

CLEVELAND — Note to comedians: Find another punch line. This city's inferiority complex is cured.

Cleveland — already dubbed "comeback city" for its downtown renaissance and selection as site of the Rock 'n' Roll Hall of Fame — is scrapping to host the 1992 Democratic convention.

New York, Houston and New Orleans are the formidable opposition, but the selling of gritty Cleveland is at full steam.

"We're like the Rocky of the group," says Becky Molina, who works at suburban Brook Park's 2.5-million-square-foot International Exposition Center — world's biggest — which would host the event.

The USA's 12th largest city is a model of Rust Belt rebound: High-tech industries are thriving and the skyline is crowded with construction cranes.

The Cuyahoga River, aflame in 1969, is cleaner now, a yacht-lined main drag of the Flats nightlife neighborhood. City government, in default in December 1978, is thriving under a charismatic new mayor.

"We were on the trash heaps 11 years ago, but every single day, more and more, we are believing in ourselves," says Cleveland Mayor Michael White.

"Cleveland is an untold story of a real turnaround and an exciting city whose bid is quite credible and is seriously competitive," says Graham Allison, chairman of the Democrats' site selection committee.

At stake: $100 million for the city's economy, 40,000 visitors.

The problem: Cleveland can't quite muster the 17,500 hotel rooms the Democrats need without booking guests in far-flung Sandusky and Akron — a 60-minute drive.

But Cleveland boosters say conventioneers' commute would be a breeze on the area's unclogged freeways. They're goosing construction schedules for three planned hotels close to downtown.

"I've had people calling us offering their homes," says White.

Insiders say the battle's between Cleveland and New York — a fray Clevelanders relish. "There's nothing in New York for the Democratic Party," says White.

BRIGHT LIGHTS: Cleveland stands out in this publicity photo the city is distributing.

In New York, site committee members were wined and dined at Rockefeller Center's elegant Rainbow Room, Broadway shows and Macy's.

Cleveland staged a mock convention with marching band and live donkey. Committee members dined at the finest restaurants and were shadowed by ambassadors reciting the city's glories.

From the Italian bakeries of Little Italy to the West Side Market, where generations of vendors have sold fresh produce, Cleveland's pride is back.

"We're used to being laughed at," says Mary Kaleka, a retiree. "But the joke's on them if they don't have the convention here. We're perfect for it and we know it."

Says Ohio Gov. Richard Celeste, a native: "Cleveland is the heart of the vote the Democrats need to win in '92 and beyond. It represents a cross section of the wonderful ethnic diversity of this country."

Celebrity natives are pitching in:

▶ Phil Donahue: "It's all here — restaurants, convention facility, the lakefront, the Flats and the most awesome building ever seen by a child, the Terminal Tower. I ought to know."

▶ An unusually serious Bob Hope: "When the Democrats get there, and we hope they do, they'll enjoy Cleveland," he said, adding, "One does not say something funny about their hometown."

White, in Washington next week for a mayors' seminar, will visit party Chairman Ron Brown for a last pitch. White says he's not worried about a civic funk if the convention goes elsewhere: "We're on a roll and no one thing is going to slow us down."

The Democrats' site selection committee tours New Orleans next week, then makes its recommendation to Brown. He'll choose the winner in early June.

CITIES COMPETE TO PLAY HOST

New Orleans

Site: 35,000-seat Louisiana Superdome.

Pluses: City was successful host of Republican National Convention in 1988.

Minus: Cannot raise required $15 million to host convention, offset costs of security, sanitation, construction, etc.

New York

Site: 17,000-seat Madison Square Garden.

Pluses: Has 100,000 hotel rooms and one of the largest fund-raising bases in the USA.

Minuses: Rush-hour traffic problems. Perception of unsafe streets and ultra-expensive food, hotel rooms.

Houston

Site: 66,000-seat Astrodome and contiguous Astrohall and Astroarena.

Pluses: Famous Texas hospitality and large exhibition and meeting space.

Minus: Possible scheduling problems with Astros baseball team.

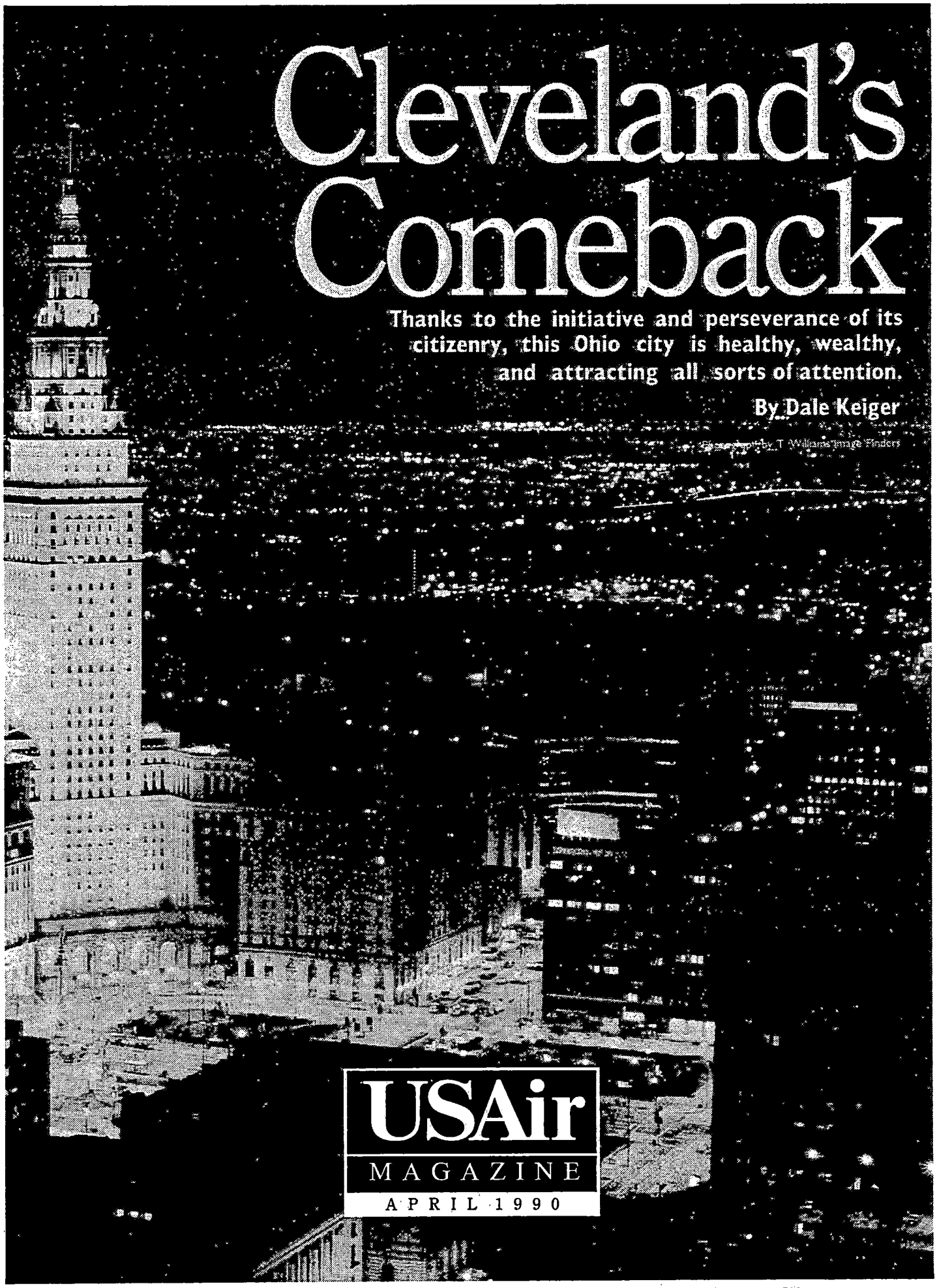
Cleveland

Site: 30,000-seat International Exposition Center.

Pluses: The 2.5 million-square-foot International Exposition Center can be custom designed; reasonable hotel rates.

Minus: Shortage of downtown hotel rooms.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.



Cleveland's Comeback

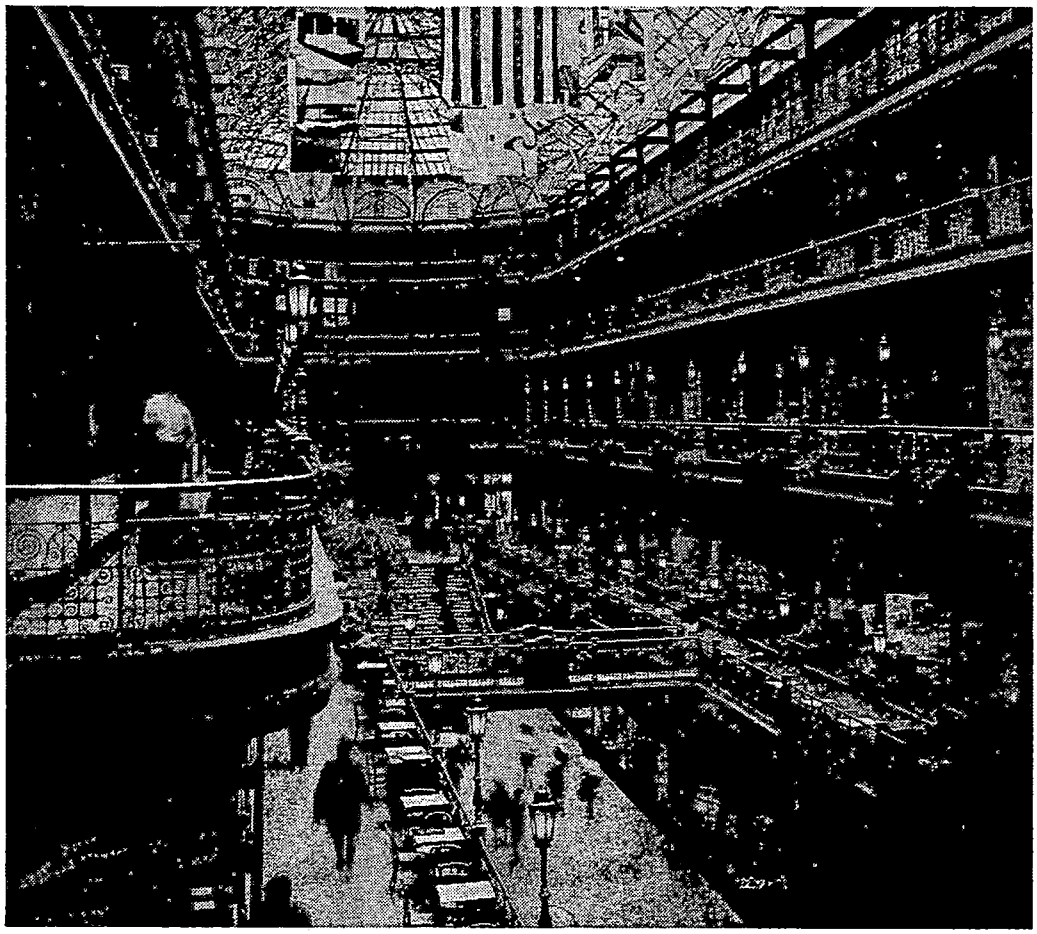
Thanks to the initiative and perseverance of its citizenry, this Ohio city is healthy, wealthy, and attracting all sorts of attention.

By Dale Keiger

Photography by T Williams/Image Finders

USAir
MAGAZINE
APRIL 1990

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.



These days, it's common for an American city to speak of its own "renaissance." But when describing what has happened in Cleveland, Ohio, in the last decade, one is tempted to use that term again.

In 1978, the city was bankrupt, and not figuratively: It had defaulted on its municipal bonds. Beyond that, it was a national joke. Hundreds of thousands of people weren't laughing, however; they lived there. Among them were individuals like George Voinovich, then Ohio's lieutenant governor, and E. Mandell de Windt, the CEO of Eaton Corporation. After the 1978 municipal default, de Windt began to collar other Cleveland CEOs, telling them that the business community had to act. They agreed, and convinced Voinovich to come home and run for mayor. He did, and with their backing won the election. Then he and the business leaders sat down and devised a strategy to bring Cleveland back to life.

In 1982, the corporate chiefs formed Cleveland Tomorrow, a union of CEOs dedicated to improving the local economy. They founded a venture-capital fund to stimulate corporate start-ups, and helped the city administration become more efficient. In a few years, one of the Rust Belt's rustiest cities began a dramatic recovery.

Today, thanks to the initiative and perseverance of its citizenry, Cleveland is healthy, wealthy, and attracting the sort of attention a city prefers. It still endures an occasional barb, especially from rivals like Cincinnati, but the country's 12th largest metropolitan area doesn't wince anymore. It knows what it has.

One way to gauge the health of a modern American city is by counting the construction cranes nested in its downtown. Cleveland has been on a $2.5 billion building-and-refurbishing

Left: **The Flats, once the city's industrial core, is now one of Cleveland's prime entertainment districts. The Watermark Restaurant is just one of many eating establishments in the Flats, which is located on the shores of the Cuyahoga.** ***Top:*** **The Arcade, five levels of 70 shops and restaurants, has a glass roof, marble stairs, brass railings, and architectural details one would expect to find in turn-of-the-century Paris.** ***Above:*** **Inside the Cleveland Museum of Art resides one of the nation's top collections, especially strong in European, medieval, Asian, Old Master, and Impressionist works.**

binge. New office towers have sprouted downtown. One, the Ameritrust Center, will be the tallest building in the state and will loom over the old Terminal Tower, which used to be the city's tallest building by law. Terminal Tower itself anchors a massive development known as Tower City Center, which will include stores, theaters, a rapid transit station, parking, and offices. Major national chains like Marriott, Ritz-Carlton, Hyatt Regency, Sheraton, and Westin have built or plan to build hotels downtown. Neiman-Marcus wants a downtown store open by 1992 as part of Tower City Center.

A magnet for visitors and downtown workers alike is the Galleria at Erieview, an upscale bazaar. Two levels of shops and restaurants line a 500-foot-long plaza under a stunning glass-vaulted roof. Among the 60 stores and restaurants are pricey establishments like Ann Taylor, Williams-Sonoma, and Laura Ashley. The Galleria offers valet parking, welcome in any downtown development.

Also downtown are two notable refurbishments. The Arcade is an 1890s version of the Galleria. It too has a glass roof (with 5,000 panes), plus marble stairs, brass railings, and architectural details one would expect in turn-of-the-century Paris. Its five levels house 70 shops and restaurants. A 10-minute walk to the east is Playhouse Square Center, the largest theater restoration project in the country. Three theaters from the 1920s—the Ohio, the State, and the Palace—host ballet, opera, Broadway shows, and the Great Lakes Theater Festival in magnificent settings.

The downtown theaters are but one aspect of Cleveland's cultural vitality. The hub of the city's fine-arts life is University Circle. Clevelanders call it the world's largest concentration of cultural institutions. Whether or not that's been documented, this much is for sure: There are 500 acres of land on which rests a remarkable concentration of arts and learning.

There is, first of all, Case Western Reserve University. Severance Hall houses the Cleveland Orchestra, long regarded as one of the world's best. Inside the Cleveland Museum of Art resides one of the nation's top collections, especially strong in European medieval, Asian, Old Master, and Impressionist works; in 1987, it hosted the Courtauld Collection of Impressionist and Post-Impressionist paintings, one of only five American museums to do so.

Other University Circle museums reward attention: the Western Reserve Historical Society Museum, the Cleveland Museum of Natural History, the Crawford Auto-Aviation Museum, and the Cleveland Children's Museum. All are within walking distance of each other, as are the horticultural exhibits of the Garden Center of Greater Cleveland.

Also within walking distance is Little Italy, one of Cleveland's lively ethnic neighborhoods and reputedly the place that fostered Chef Boyardee. Little Italy has, besides Italians (and their wonderful delis and restaurants), a growing number of artists and small galleries, attracted by reasonable rents and proximity to Case Western and the art museum. Jazz clubs provide a soundtrack to the scene. If you like all things ethnic, by the way, the Stroh's Heritage Days Festival every June celebrates the cultures of more than 50 nationalities with singing, dancing, and concerts.

The Cultural Gardens, a half-mile north of University Circle along Martin Luther King Jr. Drive, began early in the century as a string of gardens commemorating each of Cleveland's 20 ethnic groups. They had gone to seed, but the city cleaned them up and now maintains them as yet another attraction. The gardens claim trees sprouted from cuttings from the estates of William Shakespeare and Frederic Chopin.

But enough about highbrow culture. While it is justifiably proud of its fine-arts institutions, Cleveland would also like the world to know that it rocks out. Indeed, the city claims to be the birthplace of rock-and-roll, or at least the term. Cleveland disc jockey Alan Freed coined the designation for the raucous new music that annoyed parents and moral guardians of the 1950s, and it stuck. Today, Cleveland anticipates the building of the Rock and Roll Hall of Fame in 1992.

While they wait for its construction, Cleveland's young, hip, and aware rock at a variety of bars and clubs, notably in a restored section of town called the Flats. The Flats was at one time the city's industrial core, on the shores of the Cuyahoga River. When Margaret Bourke-White decided factories were suitable subjects for artistic photography, she took pictures in the Flats. The area had become derelict, but entrepreneurs, led by developer Jeffrey Jacobs, saw promise in its warehouses and industrial buildings. In 1986, Jacobs built a bar, restaurant, and boardwalk and named it Nautica. Before long, it had company; now the Flats is one of the city's prime entertainment districts. About two dozen establishments inhabit its renovated warehouses, offering live music, outdoor dining in the summer, and parking spaces for your boat, if you have one.

On both sides of the river you'll find places to eat, drink, and have fun. Shooter's has its own swimming pool. Sammy's regularly wins polls as Cleveland's best restaurant. Dancers strut their steps at Club Coconuts. The Nautica Stage seats 4,000 for concerts. And there's a comedy club—one of the Improv's outposts, located in the renovated 1892 powerhouse that used to provide electricity for U.S. financier and politician Marcus Hanna's railroad.

The Cuyahoga waterfront is, of course, not the only waterfront in town. Cleveland sits alongside Lake Erie, which accounts for the city's tourism slogan, "Cleveland—On America's North Coast." Development of the lakefront for entertainment and recreation has lagged behind such projects as the Flats. But recently developers have turned their attention to it in a major project known as North Coast Harbor, which will cost an estimated $900 million and take 10 years to complete. The first phase—a promenade, an inlet for docking pleasure boats, and a park—is finished. Phases Two and Three call for shops, restaurants, an aquarium, a maritime museum, and a hotel.

A good time in Cleveland consists of more than just places, however. There are also events. When the Browns are playing football in town, it's an event. When the Indians win a baseball game, that's an event, too (a much too uncommon event for the city's long-suffering fans). The NBA's Cavaliers provide pro-basketball excitement, and there's a soccer team nicknamed—with a straight face—

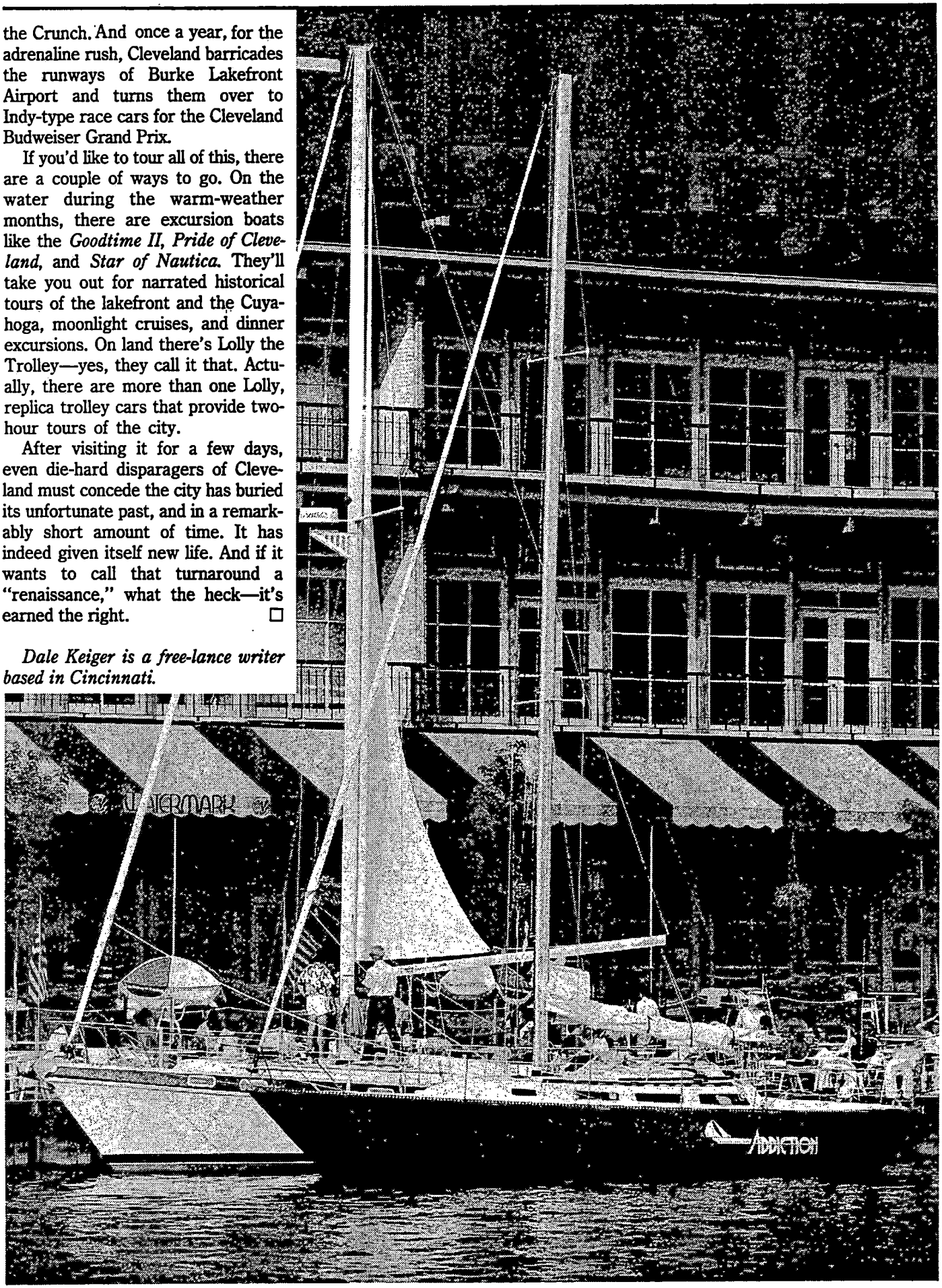
the Crunch. And once a year, for the adrenaline rush, Cleveland barricades the runways of Burke Lakefront Airport and turns them over to Indy-type race cars for the Cleveland Budweiser Grand Prix.

If you'd like to tour all of this, there are a couple of ways to go. On the water during the warm-weather months, there are excursion boats like the *Goodtime II, Pride of Cleveland,* and *Star of Nautica.* They'll take you out for narrated historical tours of the lakefront and the Cuyahoga, moonlight cruises, and dinner excursions. On land there's Lolly the Trolley—yes, they call it that. Actually, there are more than one Lolly, replica trolley cars that provide two-hour tours of the city.

After visiting it for a few days, even die-hard disparagers of Cleveland must concede the city has buried its unfortunate past, and in a remarkably short amount of time. It has indeed given itself new life. And if it wants to call that turnaround a "renaissance," what the heck—it's earned the right. □

Dale Keiger is a free-lance writer based in Cincinnati.

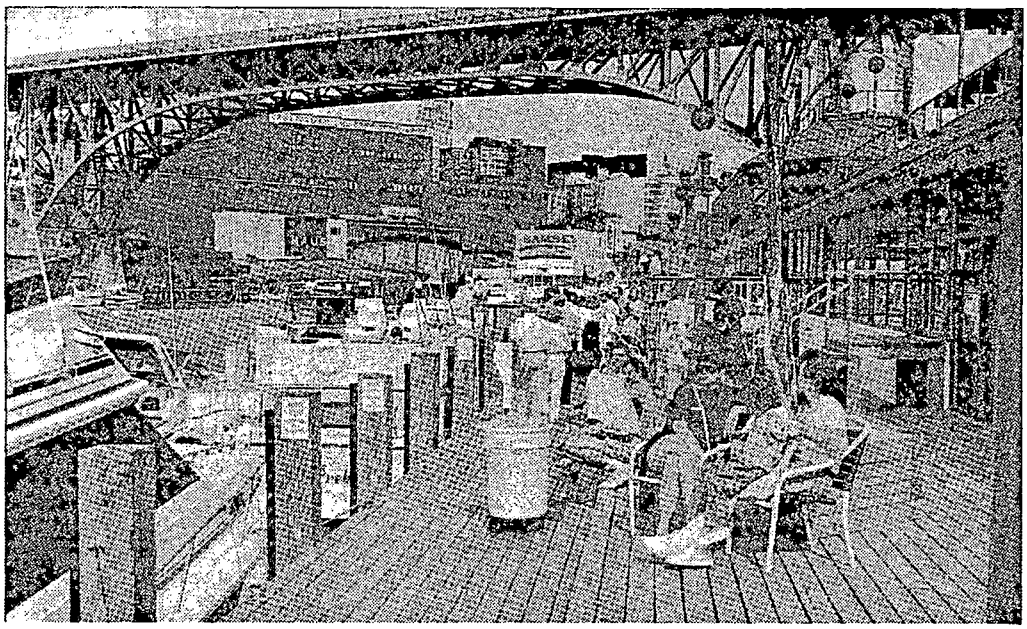
USAIR



THE SATURDAY STAR THE TORONTO STAR

JULY 21, 1990

TRAVEL



CLEVELAND'S COMEBACK

Yes, there was a time when it was a national and international joke. But then the Lake Erie port city said 'Enough is enough'

By Mitchell Smyth
STAR TRAVEL EDITOR

THEY laughed when Pat Conway said he was giving up his steady job as a teacher in Chicago to return to Cleveland and run a saloon.

"You're moving TO Cleveland?" his friends snorted, between guffaws.

Restaurateur Jeannine Sullivan laughed when Cleveland's corporate boosters, in Toronto to fly the flag, looked at Captain John's Seafood place on the Lake Ontario shore and suggested: "Why don't you open a Captain John's on *our* lakeshore?"

"In *Cleveland?*" Sullivan asked, aghast.

They laughed when Jeff Jacobs, a Cleveland man with a bit of money to spend (his father is part owner of the Cleveland Indians baseball team), put up a few million dollars to erect an open-air theatre and a couple of night-spots on the seedy west bank of the Cuyahoga River.

Conway, Sullivan and Jacobs are the people laughing today. For they're part of one of the most remarkable turnarounds of any city on this continent. Cleveland calls it, not without justification, its "renaissance."

And if ever a city needed a renaissance, it was Cleveland. Think about what you know about the Lake Erie city, the notions you got from the headlines.

"Don't throw down a lighted match; Cleveland's the place where the river goes on fire," is probably the first thing you think.

And with some justification. In 1969, the Cuyahoga, which hairpins its way through the city, was so full of oil and other guck that it did indeed go on fire, setting a bridge abutment alight. The front-page pictures of the pall of smoke over the city caused peals of laughter throughout the continent.

Two years later the laughter pealed out again when then-mayor Ralph Perk, attempting to cut the ribbon for a new bridge with an acetylene torch (oh, yes, it was a *very* blue collar burg in those days), misdirected the flame and set his hair on fire.

Oh, the jokes flew. "Cleveland is where, to look sophisticated, you have 'Cincinnati' tatooed on your forearm," wrote The Star's Gary Lautens. It is, he allowed, the place to go "if you win second prize in a Buffalo supermarket draw."

Impressionist Rich Little observed: "How do you keep Russia from invading Poland? You rename it Cleveland. Nobody wants to go there."

Somebody else — wasn't it Johnny Carson? — said: "The mayor's wife couldn't go to the White House to the inaugural ball last night. It was her bowling night."

But Clevelanders weren't smiling. Their once-prosperous city was in trouble. The heavy industries like steel and iron ore smelting, which had been its backbone, were falling on hard times.

This city, which gave birth to rock 'n roll — or at least to the name — was rocking and rolling toward disaster.

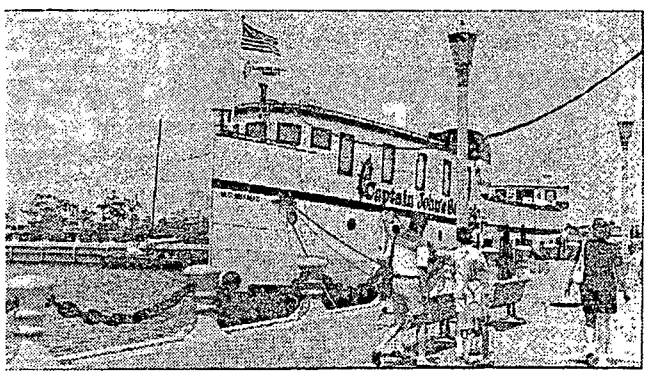
Then along came Dennis Kucinich, and he pushed it over the edge.

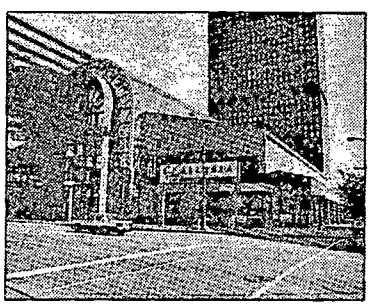
Kucinich was just 31 when he was elected mayor in 1977. He proceeded to alienate everybody, most especially the money men who held the city's loans. When they couldn't deal with him they foreclosed, forcing Cleveland into bankruptcy.

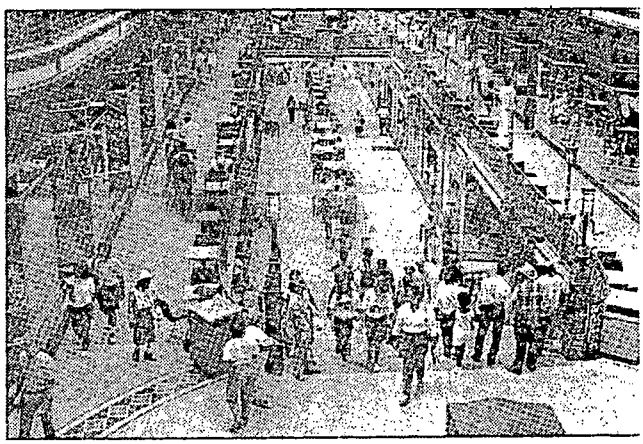
You might think of that as a bit of a tragedy. Dale Finley sees it as a blessing.

Finley is president of the Greater Cleveland Convention and Visitors Bureau and he's had the task of "marketing" Cleveland as a tourist and conference centre. "If good can come out of bad, that's what happened here with Dennis Kucinich," he says. "Suddenly, with bankruptcy staring us in the face, the people said, 'Enough! We're not going to allow this city to die.' "

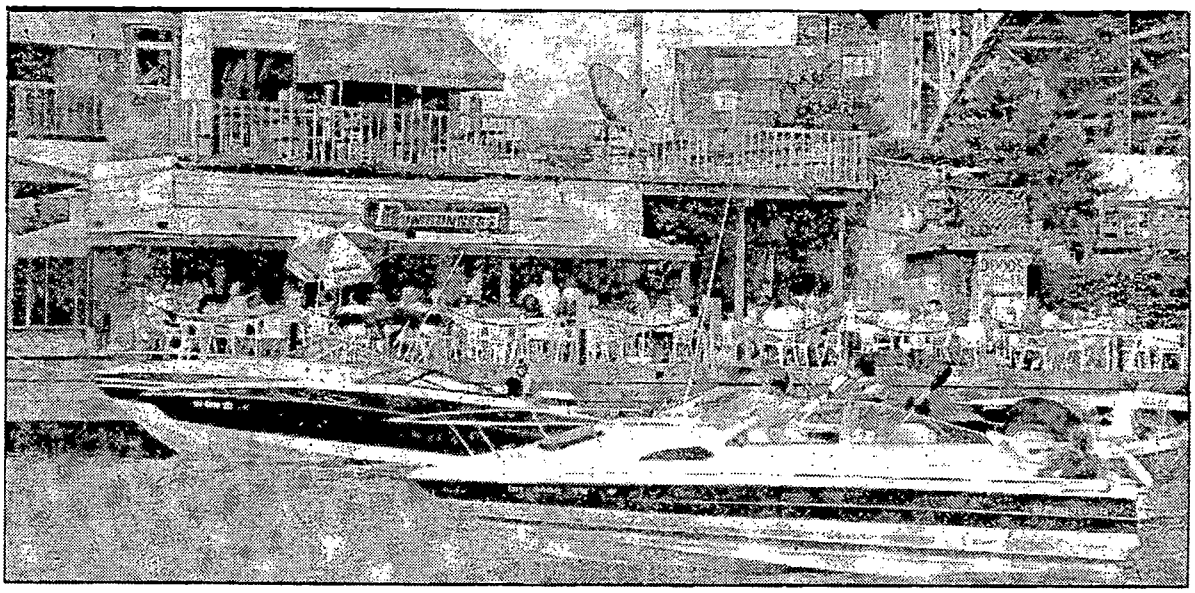
Corporate bosses and ordinary citizens petitioned Ohio Lieut.-Governor George Voinovich, a native son, to run for mayor. He agreed and in the 1980 election Cleve-







Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.



MITCHELL SMYTH/TORONTO STAR

ON WATERFRONT: Boardwalk, outdoor cafe form backdrop for water sports on Cuyahoga River in Cleveland

landers booted out "Dennis the Menace." Most people date the renaissance from that day.

But it's been a long, uphill struggle, and just as hard a struggle getting the message out to the rest of the world, as Finley readily acknowledges. "Some places start out with, perhaps, a bland image or no image at all and build from that," he says. "Cleveland had to start with a minus factor, from a negative image."

Voinovich got together a public and private partnership and Cleveland's comeback began. Let's see where it's at, 10 years later.

The bulldozers and cranes downtown give you some idea. There are new, or renovated, shopping malls, office buildings, theatres and hotels. Finley delights in pointing out that there were four hotels downtown three years ago; by 1993 there will be eight.

And he's justly proud of what's now known as Playhouse Square, the section of Euclid St. between East 13th and East 17th. Three 1920s-era theatres, which had degenerated into fleapits, were 72 hours away from becoming parking lots when they were rescued. Now the refurbished Palace, State and Ohio theatres operate as the Cleveland Playhouse, with seating for some 7,000 patrons.

The complex, restored at a cost of $36 million, is home to the Cleveland Ballet, the Cleveland Opera, the Great Lakes Theater Festival and several cabaret-style companies.

Across the road they've just broken the ground for the new Playhouse Square Hotel. Also on the horizon are the Society Bank building (55 storeys), the Ameritrust tower (60) and a new stadium and arena on the waterfront. Among others.

"For the next few years the city's bird will continue to be the crane," says Finley.

He's in his office on the 31st floor of Terminal Tower, in downtown Public Square. Through the window behind him you can see clear across town to Edgewater Beach on Lake Erie, see people swimming . . .

Wait a minute? Swimming on Cleveland's lakeshore? "That's right," says Finley. And he tells how — helped by a big injection of cash from state and federal governments — Cleveland attacked pollution. Under clean-water laws, lakeshore plants and industries and farms upriver were persuaded, or forced, to stop their wastes draining into the water.

Walleye capital of world

Fish have returned to the lake. "This is the walleye capital of the world," is one Cleveland boast.

The Cuyahoga River, while it won't go on fire these days, isn't yet fresh enough for swimming. But its metamorphosis over the past few years is a story in itself.

The area near where the river empties into Lake Erie is known as The Flats and in the old days it was a prosperous place, with shipping docks, warehouses and industrial plants. But it fell on hard times; "seedy" would be too kind a term for it.

Then a few years ago people started converting parts of the disused warehouses into apartments and lofts and, in the fullness of time, restaurants and bars followed them. Then more and more people came, first just on weekends, then every night in summer.

A boardwalk was built on the east bank of the river, and more nightspots opened, then a dine-and-dance riverboat was launched.

That's when Jeff Jacobs, "a sometime politician and full-time millionaire," as one writer describes him, took a look at the west bank, which was *really* seedy, and, despite warnings from his friends, decided he could improve it.

Now there are pubs, clubs, restaurants and marinas there, where once there was raw sewage, rats and winos.

The Flats, both banks of the river, is a cheerful place, easygoing and natural, and inhabited, from my observations, by the whole spectrum of Cleveland life. It's what a lot of us hoped Harbourfront in Toronto would be, before it became "developed" and gentrified and sanitized and priced out of the reach of the people who'd like to use it.

Nearby, on a dock on the lakeshore, is a sight familiar to many Torontonians, the good ship Normac, which, as Captain John's Seafood restaurant, sat for many years on Queen's Quay at the foot of Yonge St., until one night the ferry from the islands rammed it and sent it to the bottom of the harbor.

Now it has been raised, repaired, restored and, at the invitation of the Clevelanders, it has a prime location in their city. Partners John Letnik and Jeannine Sullivan take turns looking after things, and now they've brought on board maitre d' Tom Zimonjic to help them. (Zimonjic — known here as Tom Zee — who was with Captain John when the Normac first opened for business 20 years ago, has brought a hot new Creole menu with him. And a cool jazz combo to entertain guests on the top deck.)

Over the Carnegie Bridge and up the hill and you are in the suburb of Ohio City and in the midst of another rebirth. This area, around the West Side Market, had gone to the bad a few years ago when Pat Conway and his brother Dan decided to buy a derelict bar, built in the 1860s, and the grain store next door.

Today the two buildings, with the connecting wall knocked down, form the Great Lakes Brewing Co., a pub, restaurant and micro-brewery (which means they make the beer they sell).

"We took a chance coming into this neighborhood," says Pat. But it has paid off, for in the last few years the city has spent millions on improvements. Now other buildings have been restored, there's a

little park, and Market St., outside Conway's bistro, has been repaved in red brick for the pedestrian traffic.

If he's not too busy Pat will take you on a tour, show you the table where Eliot Ness, the original "Untouchable," used to sit when he was Cleveland's director of public safety, after he'd driven Al Capone out of business in Chicago.

They'll tell you in Cleveland that Ness, the man who made a reputation smashing barrels of booze, grew pretty fond of the stuff while he was here.

The panelling behind the beautiful mahogany bar is pock-marked with holes that the bartenders tell you are from .38 slugs, and Pat doesn't deny the stories that they were made by villains trying to get even with Eliot Ness. Of such stuff are saloon legends made.

But back to the waterfront . . .

The city fathers are so proud of the whole river and lakeshore development that they've come up with a new label: "Cleveland: On America's North Coast." You can't deny it's catchy.

Putting on a big bash

The "North Coast" renaissance will be celebrated, with all the ballyhoo the citizens can muster, next weekend in a bash called BP Riverfest. It's a three-day festival of music, water sports, food and drink and family fun. And, of course, it takes place in The Flats, on the boardwalks and on the river.

DALE FINLEY: His job is to "sell" Cleveland

Lauren Ogan, publicist for the festival, tells me a crowd of 50,000 was expected for the first year of the event; 250,000 showed up. And it has grown since, so this year — the sixth Riverfest — they're planning to entertain 800,000, "maybe a million."

Chief sponsor, it may be obvious from the title, is BP America, the successor to John D. Rockefeller's Standard Oil of Ohio, one of the entrepreneurs and one of the businesses that put Cleveland on the map. Hugh Depland, manager of Community Affairs for BP America, says: "Riverfest is symbolic of the spirit and energy that is driving the revival of downtown Cleveland. The event is constantly evolving to reflect what is happening in the city today."

This year there'll be more emphasis on children's entertainment, including rides, live animals and exhibits. Indians' baseball stars, past and present, will be on hand for autographs, and 50 tonnes of sand is being dumped in a parking lot on Old River Road, ready for a riverside beach party.

Musicians, minstrels, clowns and face painters will entertain the crowds. And there'll be brass bands, a laser show, rock concerts from half a dozen riverfront stages, fireworks . . . you get the idea.

On the river, there'll be sculling races, a parade of decorated floats and, for the Sunday finale, the Krazy Craft race, "where intrepid sailors take to the river in people-powered contraptions made of milk cartons," as the publicity people say. "Thousands gather to watch this spectacle of creativity, skill, speed and courage," they add.

Volunteers from local historical societies will lead walking tours of The Flats, and they'll point out the spot where land surveyor Moses Cleaveland first set foot in the mud almost 200 years ago, and gave his surname to the place. (It was later shortened to Cleveland.)

I mentioned earlier Cleveland's connection with the birth of rock 'n' roll and now that connection is to be marked by the establishment of The Rock And Roll Hall Of Fame And Museum (yes, they spell it rock AND roll), to open downtown near Terminal Tower in 1992.

Diehard rock fans know why Cleveland was selected, but for the others here's the story: the term rock 'n' roll is reputed to have been coined in Cleveland in 1951 by the late Alan Freed, a WJW Radio disc jockey.

"On March 21, 1952," a publicity release tells me, "the Moondog Coronation Ball, commonly acknowledged as the first rock 'n' roll concert, was held at the old Cleveland Arena. In 1955, Cleveland was the city where Elvis Presley made his first concert appearance outside the South."

Guidepost

Cleveland (population 600,000) is about 480 kilometres (300 miles) from Toronto. By car, take the Queen Elizabeth Way to Buffalo, then take Interstate 90 west.

Air Canada and USAir fly Toronto to Cleveland. A travel agent can help.

Further information: Convention and Visitors Bureau of Greater Cleveland, 3100 Terminal Tower, Cleveland, Ohio 44113; phone (216) 621-4110, or (toll free) 1-800-531-2599.

BP Riverfest, 1575 Merwin Ave., Cleveland, Ohio 44113; phone (216) 696-7700.

Great Lakes Brewing Co., 2516 Market St., Cleveland, Ohio 44113; phone (216) 771-4404.

Captain John's Seafood, 321 Erieside Ave., Cleveland, Ohio 44114; phone (216) 348-0002.

☆☆☆

The accompanying article is not intended as a comprehensive guide to Cleveland, but here are some of the other attractions a visitor should look for: the multi-ethnic West Side produce market; the Arcade (a delightful multi-storey gathering of little stores and restaurants downtown, all brass and wrought-iron, it makes you think of a Parisian arcade); the chic Galleria shopping mall (70 stores beneath a soaring glass roof); the stores of The Avenue in Terminal Tower; the convention centre; the huge (39 acres under one roof) International Exposition Center near the airport, "the largest single-building exhibition facility in the world," they tell us.

Just a short drive from downtown is University Circle, where you'll find Severance Hall, the home of the world-renowned Cleveland Orchestra, the Museum of Art, the Museum of Natural History, and the Crawford Auto-Aviation Museum, with one of the world's largest private collections of antique cars and aircraft.

A short distance southeast of the city, on Highway 43, are Sea World of Ohio and the Geauga Lake amusement park. Cedar Point amusement park is near Sandusky, on the Lake Erie shore an hour's drive west of Cleveland.

The Hartford Courant

Sunday, March 17, 1991

Established 1764, Daily Edition, Vol. CLIV No. 76

A Special Report

For the past five months, a team of Courant reporters has been looking at the city's problems and ways to address them. Led by Tom Condon, a veteran reporter and editor at The Courant who for the past six years has written a column about the city, 35 reporters interviewed area residents as well as government, business and civic leaders. They talked with national urban affairs experts. They visited nine cities across the country that faced problems similar to Hartford's. They found out how those problems were solved.

Cleveland: How it went from ruin to Renaissance

By BOB SUDYK
Courant Staff Writer

CLEVELAND — Remember all the jokes? Cleveland: The Mistake on the Lake. ... What's the difference between Cleveland and the Titanic? Cleveland has the better orchestra. ... Cleveland might not be the end of the world, but you can see it from there. ...

That tired old town was Punchline U.S.A., fodder for a string of sure-fire one-liners. But no more.

Even the old Cuyahoga River, a real knee-slapper for its periodic pollution-fueled fires, has changed. The rainbow slicks of oil that once glistened on its surface have long since dissolved, and fishermen pull black bass from its waters.

Gone too is the cemetery serenity of The Flats on either bank, where derelict 19th century warehouses, rusting and rotted, once leaned against each other like card houses. Now, on a summer weekend, as many as 800,000 people swarm over boardwalks and pack 30 riverside restaurants, discos, cafes, comedy clubs and nightclubs.

The Cuyahoga spills into another unfamiliar sight: a vast, sparkling Lake Erie, the same body of water once known locally as the Dead Sea. Disgusted environmentalists used to claim that fish had to come to the surface to breathe; now commercial fishing boats cut the clean waves, and the walleye fishing ranks among the world's best.

And no longer is downtown a blacked-out ghost town at night. Now Public Square, the heart of the city, is filled with shoppers and office workers who have quickened their steps to keep pace with a pulsing, rejuvenated, brightly lit city.

The eyes of a returning native blink in disbelief. ...

●

Sipping afternoon tea before a roasting fire and listening to the soothing strings of a harp in the elegant Victorian surroundings of the Ritz-Carlton Hotel, I pondered the changes in just 10 years since I had left my hometown for Connecticut.

One thing that hadn't changed is the wonderful familiarity that is the glue of this city. Delightfully animated traffic cops, who know the daily rush-hour drivers like old friends, were at the same intersections where I remembered them. Bus rides to work downtown were still like family outings; on rainy days, passengers were dropped at their office doors. Strangers smiled and said hello. The hometown has always been a generous one, annually leading the nation in per capita charitable giving.

But the scene is so startlingly new. Opened in December, the Ritz is the crown jewel in a $5 billion downtown renaissance of this factory town that has rolled down its sleeves, fastened a tie under a white collar and stepped into the 21st century. The Ritz is tucked into twin office towers that connect it with Tower City, the center of this downtown rebirth, and the renovated Terminal Tower, the tallest building outside of New York City when it was opened in the 1930s.

Tower City, costing $400 million, was created in the marble bowels of the city's former main train terminal, a huge, echoing cavern occupied by untended spittoons, long, dark oak benches, trash and bums. It is now a vast, glass-ceilinged three-level mall called The Avenue. The atrium, a mix of classic, modern and art deco design in gilt-edged cream and emerald marble, is filled with live plantings and dancing fountains; opening from it are restaurants, an 11-screen movie theater complex, a new commuter rail station and 120 tony shops.

Behind this mercantile mecca, a 120,000-square-foot Neiman Marcus department store is scheduled to open in 1993.

New sites surrounding flowering tree-lined Public Square include the 46-story American headquarters for British Petroleum and 57- and 60-story skyscrapers to house two of Cleveland's largest banks and two new hotels. A third hotel was refurbished at a cost of $35 million.

Just south of Public Square is the site of the $344 million Gateway Project — 28 acres of once-decaying, vacant buildings. By 1993, there will be a 58,000-seat baseball stadium for the Indians and a 20,000-seat arena for the Cavaliers basketball team.

A few blocks beyond, a $37 million restoration has just been completed at Playhouse Square, site of three 1920s movie and vaudeville theaters including the Palace, where Bob Hope launched his career. It is the nation's second largest performing arts center and attracts 750,000 people annually.

Nearby are two new office buildings, two hotels and the futuristic, $43 million Galleria, with 70 pricey restaurants and shops under glass.

Not all is new: Around the corner, I spotted an old discount furniture store displaying the same sign — *"GOING OUT OF BUSINESS SALE"* — it wore when I left town.

North of downtown, along the lake, is North Coast Harbor. The $1 billion, 176-acre development to begin this summer will include a science museum, an aquarium, two more hotels, an office tower, a floating ore-boat museum and the $48 million world Rock and Roll Hall of Fame and Museum due for completion in two years.

All of this within less than 15 minutes' walk of Public Square. All of this in just a decade since Cleveland was a national joke, a city $111 million in debt and the first city to default on its loans since the Great Depression.

Vital statistics:

		Cleveland	Hartford
Population:	City:	505,616	139,739
	Region:	2,769,000	843,300
Per-capita income:	City:	$8,690	$9,802
	Region:	$12,213	$15,604
Population below poverty level:		41%	25.2%
Public school enrollment:		72,253	26,700
City budget:	Municipal:	$325.1 mil.	$252.4 mil.
	Schools:	$380.8 mil.	$156 mil.
City employees (including schools):		18,158	6,061

Form of government:

Cleveland: Strong mayor, 21-member council (council elected by district).

Hartford: City manager, mayor, nine-member council (council members elected citywide).

SOURCES: Population of cities (1990) and surrounding counties (1988), per-capita money income (1987): Bureau of the Census. Other data from state and local agencies

The clown image had started at the top, with a string of mayors who could have put Emmett Kelly out of work.

Among the hard-to-forget *hizzhonors* was Ralph Perk and his first lady, Lucille. Ralph set his hair afire while wielding an acetylene torch at the opening of a bridge. Lucille turned down a dinner invitation to the Nixon White House because it fell on her bowling night.

After Perk came the Boy Mayor, Dennis Kucinich, then 31, a wild-eyed populist Democrat who survived a recall attempt after less than a year in office by 236 votes. He so alienated the business community that the banks refused to roll over $15.5 million in short-term municipal notes in 1978, casting the city into default. Cleveland's credit rating was suspended by Standard & Poor's. The state auditors called Cleveland's books unauditable.

Laughing with the jokesters became part of the civic psyche. When traveling, city dwellers said they were from suburban Shaker Heights, Lakewood, Pepper Pike, Westlake — never from Cleveland.

Between 1958 and 1977, Cleveland lost about 130,000 jobs as steelmaking declined and other industries moved away. Population fell from 914,808 in 1950 to 573,822 in 1980. The city's population is 505,616 today, while the seven-county Greater Cleveland area has grown to 2.8 million, becoming the 12th largest consumer market in the nation with unemployment down to 4.4 percent.

In 1975, the Brookings Institution ranked Cleveland second among 58 big cities having the worst social and economic problems. Only Newark, N.J., was ranked worse. Cleveland had become a model of urban blight, a prototype for all that can go wrong in an aging industrial community.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

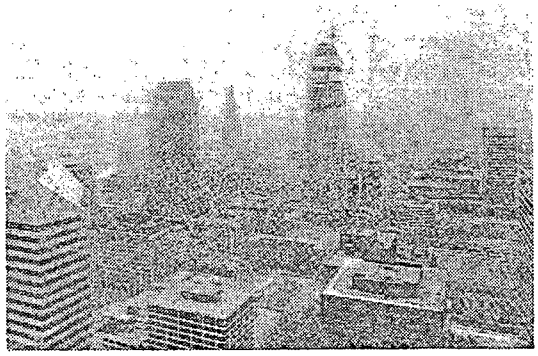
The Hartford Courant

"I remember walking down Euclid Avenue that dismal early morning after the default," recalled Richard Pogue, managing partner of Cleveland-based Jones, Day, Reavis & Pogue, the world's second largest law firm. "Retail stores were closing. Trash was swirling in the streets. It was like the city was giving up. What was I doing here? Why not move out like a lot of others?

"Enough was enough. Cleveland couldn't sink lower. It was time to pull together and change things."

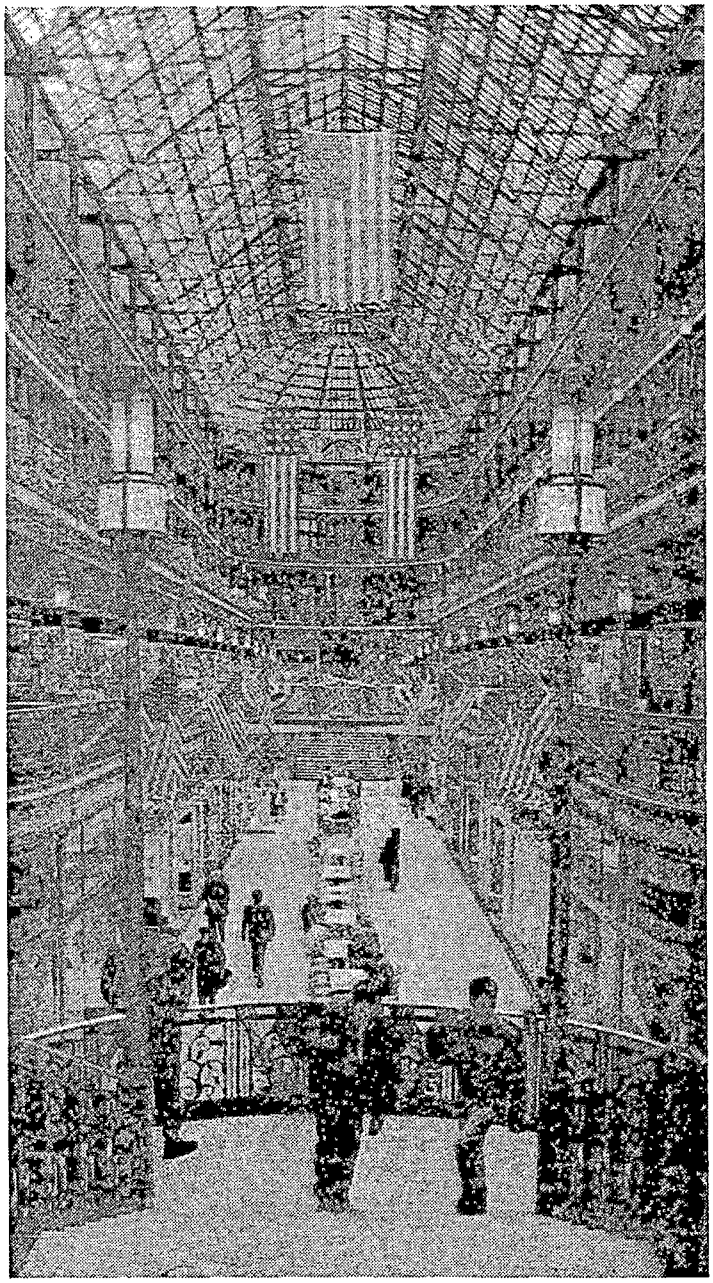
E. Mandell de Windt, the now-retired chief executive officer of Eaton Corp. and unofficial dean of the business community, called together his counterparts from the top 50 area companies — each with revenues in excess of $300 million — to pool their talents to save the city.

The business coalition, called Cleveland Tomorrow, sparked Cleveland's comeback by forging an unusually effective partnership between the public and private sectors.

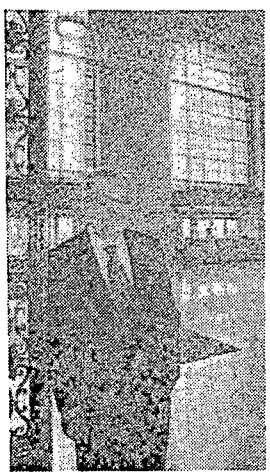


◀ Three tall buildings dominate Cleveland's skyline: the American headquarters for British Petroleum, left; the Terminal Tower; and Society Center, a combination hotel-office tower under construction.

▼ Shoppers stroll through The Old Arcade, a five-level mall with 70 shops, offices and restaurants a five-minute walk from Public Square. The arcade, built in 1890, was the nation's first indoor shopping mall.



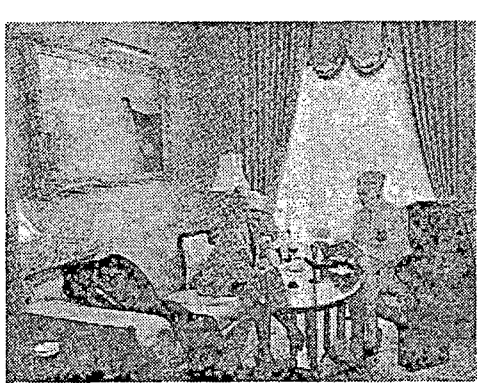
▲ Traffic officers wait for their ride back to the station after rush hour on Public Square. The art deco lamp is part of the Stouffer Tower City Plaza hotel.



▶ George N. Miller, executive director of the New Cleveland Campaign, says "the downtown core is the window of a city." He stands in the lobby of the Terminal Tower.

▼ Kathleen Vegh, left, and Friderika Drescher look over the menu for afternoon tea at the posh Ritz-Carlton Hotel. The Ritz, which opened in December, is the centerpiece of Cleveland's $5 billion downtown renaissance. The hotel is part of the Tower City project.

Cecilia Prestamo
The Hartford Courant



The Hartford Courant

Under their leadership, Cleveland was voted All-American City an unprecedented three times in one five-year period and was recently ranked ninth most livable out of 333 U.S. cities by the Places Rated Almanac. Cleveland Tomorrow and its member companies have put $92 million into projects that have generated more than $645 million from the city, state and federal governments. The coalition offered 650 recommendations to streamline city government; the 500 that have been adopted have helped the city save more than $200 million since 1982.

The first step was to find a strong city leader. Cleveland Tomorrow persuaded Republican Lt. Gov. George Voinovich, a former Cuyahoga County commissioner, to run for mayor and helped elect him. Voinovich established harmony with the business community and the entirely Democratic city council. The mayor's term was extended to four years, and the unwieldly council was cut by one-third.

At the same time, the Greater Cleveland Growth Association, working with public officials and a Washington consulting firm, identified $2 billion in federal grants for roads, sewers, bridges and land development for which the city was eligible. City and county governments produced a master plan to guide downtown development with generous tax abatement.

Cleveland-based Forest City Enterprises Inc., the nation's second-largest developer, and Jacobs, Visconsi & Jacobs, the fourth, plunged their resources into rebuilding their hometown. The latter company's Dick and Dave Jacobs bought the Indians, on the verge of leaving town, for $43 million.

Cleveland Tomorrow focused on the area's strength — manufacturing. The coalition brought management and unions together to improve quality and lower production costs, making Cleveland more competitive. Nineteen universities in the area, headed by Case Western Reserve University, set up research centers to study quality improvement and help solve industrial engineering problems.

A partnership between Case Western and the private sector helped create a "Polymer Valley" in the Cleveland area. More than 30,000 people now are employed at almost 700 companies working with polymers — high-technology plastics with a growing number of applications.

To improve race relations, education and minority economic development, Cleveland Tomorrow created the Greater Cleveland Roundtable, a partnership of executives, union chiefs and civic and church leaders. Members of minority groups now share in one-third of all jobs created under urban development grants and tax-abatement projects.

The roundtable, financed with corporate, foundation and public money, created a scholarship-in-escrow initiative in which public school students in grades 7 through 12 receive credits for good grades that can be turned into cash for college and trade school educations.

In three years, grades in core curriculum courses are up, and 70 percent of the city's eligible students have earned more than $12 million in scholarships. More than 25 area universities have pledged to match student money.

Cleveland Tomorrow's Primus Fund, a venture capital pool set up in 1982 to encourage new businesses, has grown to $150 million. In partnership with neighborhood development groups, the fund also has financed an increase in development of low-income housing units from 33 to 300 a year. This $8 million investment is the third-largest in the country behind New York and Chicago.

The fund helped local corporations invest in the new $43 million 28-acre middle-income housing and mercantile development project called Midtown. The Midtown site, once the scene of racial riots, is between downtown and 520-acre University Circle's culture center, home of the world-renowned Cleveland Orchestra, the Cleveland Museum of Art and two of the oldest repertory theaters in America.

This marriage of public-private partnerships is personified in the Gateway Project that will include the downtown baseball stadium and basketball arena. The private sector pledged half of the $344 million project and led a promotion campaign with the growth association. Last summer, voters approved new taxes on liquor and cigarettes to provide public money for the project.

At the same time Cleveland Tomorrow was organized, the New Cleveland Campaign was formed to bolster the city's battered image around the world. It took on smart aleck journalists and comedians for their disparaging remarks.

"Few make jokes any more," said Executive Director George N. Miller, whose project has become a national model. "We've received calls of help from cities who say they are concerned because they have no image. How do they get one?"

Under Cleveland Tomorrow's leadership, the public-private partnership is stronger now than it was the day it was founded. The chief executive officers meet six times a year; absent members cannot send substitutes. The group has been so effective, in fact, that some Clevelanders fear that Cleveland Tomorrow is singlehandedly setting the area's agenda.

Nevertheless, government support remains strong. Democrat Michael White, the city's second black mayor, is continuing programs begun by Voinovich, who is the new governor of Ohio. White is focusing on improving education, still a serious problem, and further developing neighborhood housing.

Relocations and local company growth have given Greater Cleveland the nation's third highest concentration of Fortune 500 industrial headquarters. Ford Motor Co.'s $2 billion expansion, including a $1 billion Ford-Nissan plant, makes the Cleveland area the second-largest producer of automobiles behind Detroit.

Although Cleveland retains its strong manufacturing base, the health services industry has become the area's No. 1 employer. The world-famous Cleveland Clinic adds $300 million to the Cleveland economy each year. Each year it handles 700,000 outpatients and 32,000 hospital admissions from as many as 80 countries and all 50 states.

On the threshold of the 21st century, the growth association and Cleveland Tomorrow are planning a new industry — tourism — by promoting the region's assets.

There has been a $28 million enlargement of the downtown convention center and conversion of a World War II tank plant into the $150 million, 39-acre International Exposition Center at Hopkins International Airport, 20 minutes from downtown by rail. It's in the Guinness Book of World Records as the world's largest single-building exhibit facility.

Remember the old contest joke? The winner gets an expenses-paid weekend in Cleveland; the loser gets a week? After a week back home, I felt I had the last laugh and could exult in my birthplace, which is doing so well without me.

How to craft a new image for an old city

CLEVELAND — Anyone commissioned to change Cleveland's clown image has to have genius, right? So what comes to George N. Miller's mind when he thinks about Hartford?

"Bland," said Miller, executive director of New Cleveland Campaign. "Most state capital cities are bland.

"Hartford is more of a functional city," he added. "It's a city because you need a city there. Insurance City? I don't know. If it has any image for me, it would be a city in an area of beautiful bedroom communities."

New Cleveland Campaign was organized in 1978 to deal with the national perception of Cleveland as a comical loser and to communicate its revitalization. Although Hartford's image problems are nowhere near as severe as Cleveland's were, Miller had some tips:

- Identify two or three influential private sector leaders who will work with municipal government on spiffing up the city's image. Top leaders tend to surburbanize themselves, Miller acknowledged, but, "If you can't create public-private partnerships, forget turning around a city."

- Focus on the strengths of the downtown. "The downtown core is the window of a city," said Miller. "It must be special in some way. Theater? The arts? Professional sports team? Recreation? You have to have a couple of them."

- Target the news media. When out-of-town reporters go to Cleveland to cover events, booklets are sent to their hotel room, telling about the city and suggesting entertainment and restaurants.

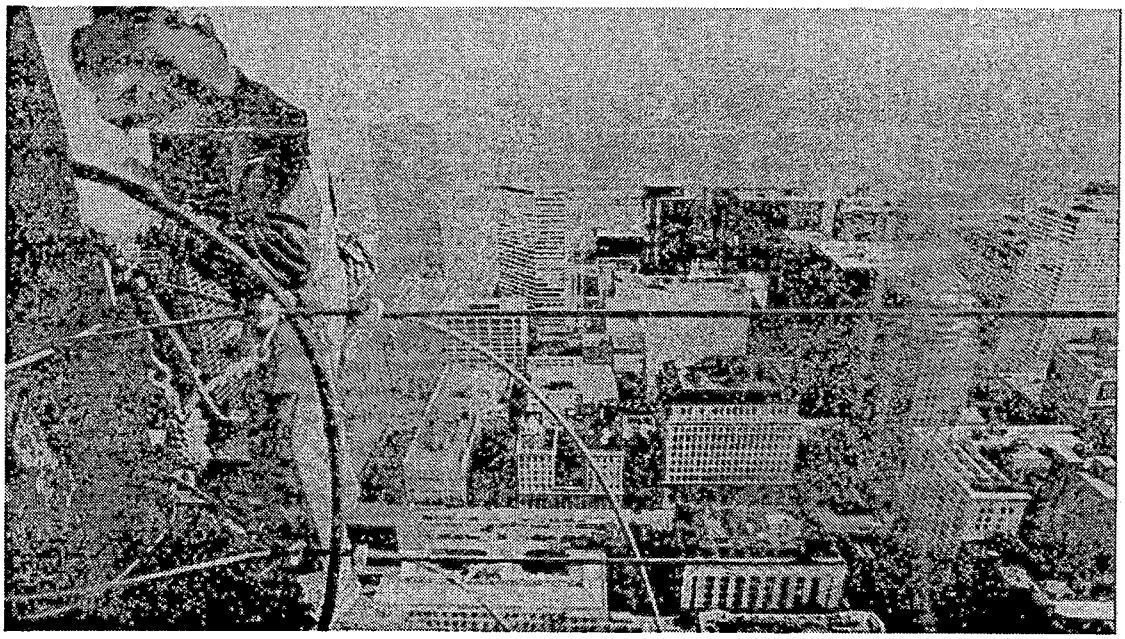
- Don't be too defensive. "If you overreact to criticism, you reinforce the negative," said Miller, whose agency has a $1 million-a-year budget. "Identify your real and emerging strengths and build on them; get the word out locally and nationally. Create confidence within the community."

"A city that doesn't have an image gets left behind," Miller added. "Out of sight, out of mind."

-Bob Sudyk

Newsday
THE LONG ISLAND NEWSPAPER
FRIDAY, NOVEMBER 30, 1990

From Butt of Jokes to Boom Town



Cleveland, yes, Cleveland thrives despite recession

By Greg Steinmetz
STAFF CORRESPONDENT

Cleveland — In Tower City, the centerpiece of this city's downtown renaissance, visitors pass by fountains and boutiques to consider an exhibit made of cardboard.

They're looking at a model of downtown Cleveland in the year 2000, a remarkable tangle of hotels, parks, public works and stunning architecture.

Some of the vision could prove to be fantasy. But judging from the cranes towering over the nation's 12th-largest metropolitan area, much of the construction is already under way. From the shores of Lake Erie to the city's Public Square, Cleveland is welding and riveting its way into the next century. As the nation slips toward recession, this gritty Rust Belt survivor actually suffers from a shortage of construction workers.

Fueling the activity is Clevelanders' willingness to spend money, bury their differences and unite around common goals. The city's experience provides a good lesson for other major cities facing hard times.

Nowhere are the results more evident than downtown, where builders are trying to catch up on decades of pent-up demand. Until recently, Cleveland was a time capsule that preserved old structures because nothing was built to replace them.

Cleveland's problems were numerous, including a crisis of confidence caused by burning ghettos, bumbling mayors, a river that caught fire and the collapse of its steel, automobiles and machine-tool industries. When Cleveland defaulted on its bond obligations in 1978, it looked as if the city might never recover.

But it fought back. Mayor George Voinovich, now governor-elect of Ohio, helped reverse the decline by getting business, political and community leaders to agree on what needed to be done.

"When you had the economic problems we had in the early 1980s, you really didn't have much choice," said Richard Shatten, executive vice president of Cleveland Tomorrow, an economic development group comprised of chief executives from Cleveland's 50 largest companies.

What followed was a combination of private and public efforts that reshaped the skyline and fostered employment. One example: A tax abatement to get LTV Steel to invest an additional $1 billion in the area. The effort preserved 6,000 jobs.

Developer Albert Ratner, a Clevelander whose projects include the 16-acre MetroTech development in Brooklyn, chipped in by taking on the Terminal Tower, the Depression-era skyscraper that dominates the skyline. He converted the old railroad station at the base of the tower into a splashy development with a Ritz-Carlton hotel and three levels of shopping.

Tower City is only the latest in a series of projects. On the opposite side of Public Square, an office tower being built has surpassed the Terminal Tower as the city's tallest structure. When completed next fall, the 948-foot bank headquarters will be the tallest building between New York and Chicago.

Then there's the $344-million Gateway sports complex, a massive project that is getting started on the edge of downtown. In an age of public financing of sports facilities, the project — which includes a stadium for the Indians baseball team and an arena for the Cavaliers basketball team — stands out because of the role played by private investors. Voters approved a tax on liquor and tobacco to pay half the cost and private investors agreed to pay the rest.

"It's just fantastic what they've done to this city in recent years," said Bill Carroll, a public affairs manager of Ford Motor Co., the city's largest private employer, with 17,000 workers. Ford contributed $300,000 to the city's schools, $250,000 for the proposed Rock and Roll Hall of Fame and is now investing $2 billion in its Cleveland-area factories.

Cleveland still has serious problems. The city's schools are considered weak, and old-line manufacturers routinely close plants. Cleveland's growth still lags behind its rivals, Columbus and Cincinnati.

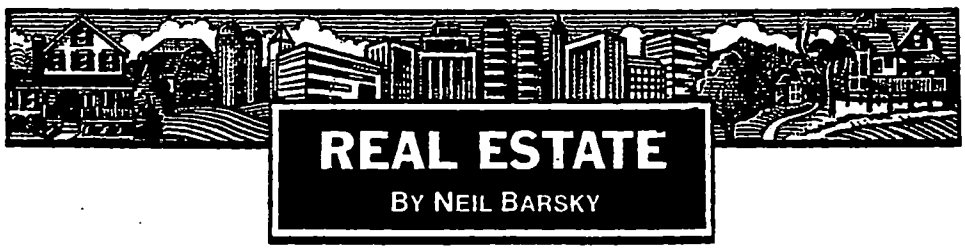
Yet in a city where one can buy a four-bedroom house in the affluent suburb of Shaker Heights for $129,900, Cleveland has an appeal that should help it over the humps. It also has vitality that comes from surviving an encounter with doom.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

THE WALL STREET JOURNAL.

TUESDAY, JANUARY 30, 1990

MARKETPLACE



Some Surprise Cities Offer Potential for '90s

BOOM MARKETS are still out there, if one just looks outside the big glittering cities to find them, or so says Clayton-Fillmore Ltd., a real estate research firm in Denver.

For starters, would you believe Cleveland? In the late 1970s, it became the first major city since the Depression to default on its loans. But in the '80s, the city stanched its job losses and population decline, and the 1990s look bright, Clayton-Fillmore says.

In a report on growing markets, the company also touts Charlotte, Cincinnati, Indianapolis, Sacramento, Seattle and Tampa. "These are the unglamorous towns that are showing pretty strong potential and performance," says Howard Treibitz, the study's author. "Strong local economies" are what they have in common.

Seattle, where the economy has diversified, and Sacramento, which has picked up the overflow from the San Francisco Bay Area development, have the strongest prospects of all for rising real estate prices, Mr. Treibitz said.

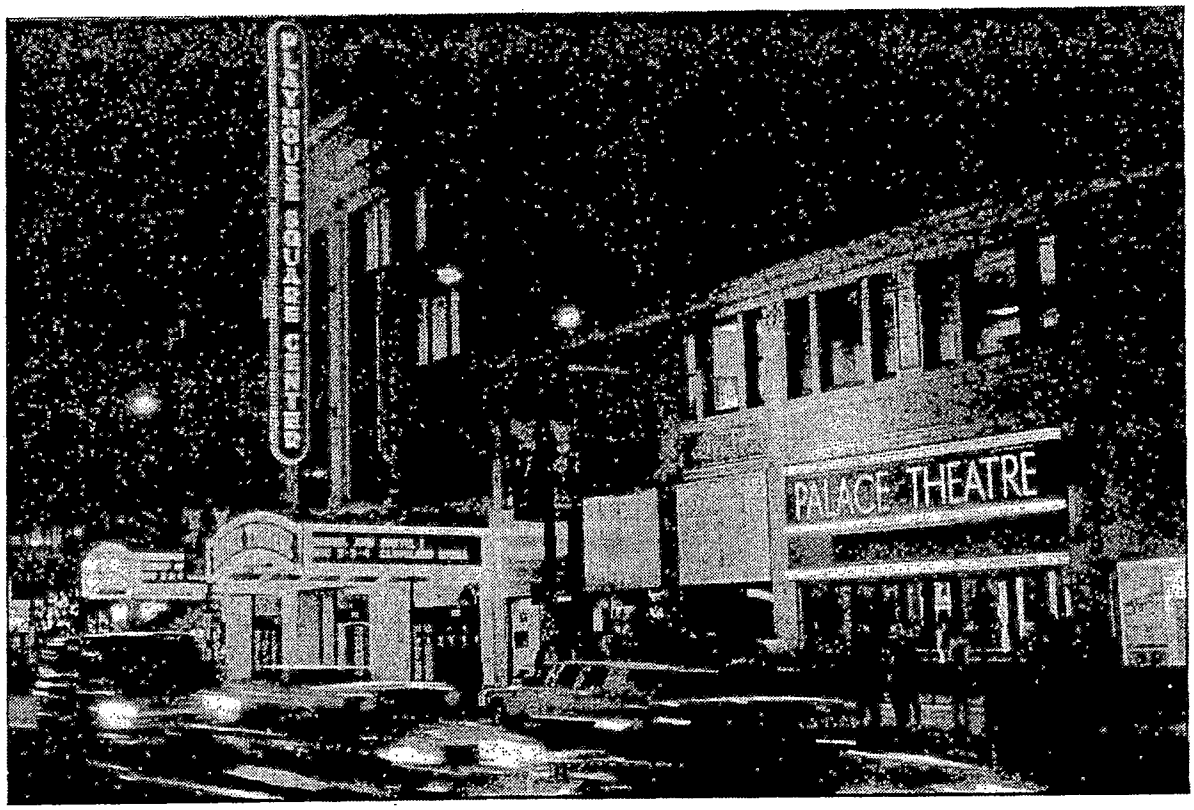
Along with Cleveland, Cincinnati and Indianapolis are cited as being the beneficiaries of a rejuvenated manufacturing sector. Charlotte, the report says, has diversified into a multi-industry town, with financial services companies joining the textile industry already there.

And Tampa, which did pretty well in the '80s, seems to have survived last decade's overbuilding and is poised for another growth spurt, the report says.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

The Detroit News

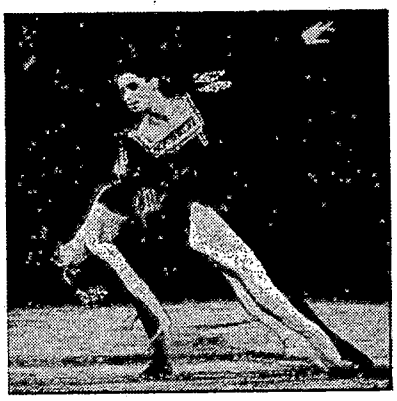
Wednesday, April 4, 1990



Above: The Playhouse Square Center is a complex of three renovated movie theaters. **Lower left:** Daniel J. Travanti appeared in January in "Only Kidding" at the Cleveland Playhouse. **Lower right:** Cynthia Gregory and Peter D. Bonaventura performed last month in the Cleveland Ballet's version of "Swan Lake."

CULTURE SHOCK

Cleveland, once a punch line, now draws long lines at its theater complex



By EDWARD HAYMAN

CLEVELAND — Yes, the Cuyahoga River really did catch fire. And Clevelanders are afraid their city will never live it down.

"It only burned for a few seconds," says Nancy Depke impatiently. "And that was almost 20 years ago. Give us a break, OK?"

Depke is marketing director of the new Cleveland Arts Consortium, an organization with a mission that might seem laughably impossible to old-time Cleveland-bashers: To sell Cleveland to the nation and to the world as a place of culture and refinement, a world-class regional center of the arts with all the accoutrements.

"You can come to Cleveland almost any weekend and have a half-dozen first-rate performances to choose from," she says. "A symphony concert, three or four plays, a ballet, maybe an opera. And all worth driving several hundred miles to see."

Trust me. She's not exaggerating. As a cultural center, Cleveland is beginning to look like Boston — or maybe a smaller version of Toronto.

The "great mistake on Lake Erie," as detractors used to delight in calling Cleveland, has enough major-league arts organizations for two or three cities. These include the Cleveland Playhouse

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

Cleveland

Former punch line draws long lines as arts center

From page 1D

and the Great Lakes Theatre Festival, two of the country's leading resident professional theater organizations; the venerable Cleveland Orchestra; the Cleveland Art Museum; the energetic Cleveland Opera Company; and the Cleveland Ballet, one of the best regional ballet companies around.

Metro Detroit dance lovers don't need to be sold on the Cleveland Ballet. The troupe was in town last month and did a *Swan Lake* at the Masonic Temple, under the auspices of the Michigan Opera Theatre, that was a huge success.

THE CLEVELAND BALLET, Cleveland Opera and Great Lakes Theatre Festival are permanent residents of the Playhouse Square complex, a group of three renovated old movie theaters downtown. Think of Playhouse Square as Detroit's Fox Theatre times three. The State, Ohio and Palace theaters aren't nearly as large or as grand as the Fox, but each has been fully restored.

Four of Cleveland's major arts organizations — the Cleveland Orchestra, the Cleveland Playhouse, the Cleveland Museum of Art and Karamu House, one of the oldest black theaters in the country — will celebrate their 75th birthdays within the next two years.

So in case you're wondering how Cleveland got to be so cultured all of a sudden — well, it didn't. These institutions have been around a long time, in a Rust Belt city that, despite its problems, has a long history of philanthropy on behalf of the arts.

Says Harriet Wadsworth, executive director of the Arts Consortium: "We started looking at ourselves a few years ago, and we realized it was time to invite the world in. We have a lot to sell."

The consortium, which is less than a year old, has 21 members, including all of Cleveland's museums and a number of art galleries and smaller music and dance organizations, like the Ohio Chamber Orchestra and Dance Cleveland.

Member organizations pay dues, but most of the funding comes from the mighty Cleveland Foundation, one of the nation's wealthiest hometown boosters.

"OUR MAIN FUNCTION is cooperative marketing," says Wadsworth. "The first thing we did was a market study. We learned that a substantial number of people who live as much as 2½ hours from Cleveland (Detroit is three hours away) say they would come here for the arts and stay overnight."

The consortium calls its promotional campaign "Bravo, Cleveland!" Last fall the consortium hosted a Premiere Week, in which critics and other writers from around the country were invited to attend premieres of major works by all the consortium's major performing arts groups — an impressive display of artistic capacity.

USA Today and a handful of other newspapers covered it. The response was good. Another Premiere Week is planned for next fall, out of which Depke hopes to garner even more national press.

Says Wadsworth: "As far as we know, we're the only organization of our kind in the country. We want to prove that the arts united can be a formidable force for economic development as well as cultural enrichment."

And indeed, the word is out in Cleveland's enthusiastic, boosterish business community.

Dale Finley, executive director of the Convention & Visitors Bureau of Greater Cleveland, gushes: "We look at the arts community as one of our major draws. And now we have things we didn't have 10 or even five years ago. We have hotel rooms. We have good places to shop and eat. We have nightlife."

The Ritz-Carlton is building a new hotel in Tower Center, a mammoth new retailing complex adjoining Cleveland's landmark Terminal Tower. Officials say the hotel is counting on the arts to bring in affluent clientele like those who stay at its sister hotel in Dearborn.

BY 1992, TOWER CENTER will hook up with the Rock and Roll Hall of Fame, which will sit on the shore of Lake Erie, the centerpiece of Cleveland's lakefront development. The hall is expected to bring millions of visitors from all over the world. Downtown retailers and hotel operators already are rubbing their hands.

This is the same lakefront that once was as offensive to the nose as it was to the eye. Mounds of gravel, deserted docks and weedy parking lots are giving way to marinas, quays and shiny new buildings. And, by the way, they don't call it the lakefront anymore. Now it's the North Shore.

The vast industrial sprawl on the banks of the infamous Cuyahoga is known as the Flats. Once a grimy, rough-and-tumble area of warehouses and longshoremen's bars, the Flats is now the pride of Cleveland after hours — full of discos, comedy clubs, boutiques and restaurants, the best of which is Sammi's at 1400 W. 10th. On weekends, double-decker buses imported from London shuttle playgoers and concertgoers from the Flats to Playhouse Square and back.

Not so many years ago, all the old movie theaters in Playhouse Square sat empty, like much of downtown Cleveland. Today the Ohio, the State and the Palace, all in a row on Euclid Avenue at East 17th Street, just a few minutes from Public Square, sport not only fresh faces but state-of-the-art backstage equipment, too.

The complex hosts all the usual touring productions of Broadway shows and pop concerts. But the theaters are more than touring houses. Playhouse Square has been an investor in such Broadway shows as *Gospel at Colonus.* And the complex's anchors are local arts organizations.

THE GREAT LAKES Theatre Festival, which began in the 1960s in a west-side suburban high school as a Shakespeare festival, makes its home in the 1,035-seat Ohio. Its artistic director, Gerald Freedman, is former associate artistic director of Joseph Papp's New York Shakespeare Festival. Great Lakes has concentrated on the classics and pleased visiting critics last fall with its production of Chekhov's *The Seagull.*

The new season begins May 12 with *King Lear*, starring Hal Holbrook. The rest of the season: Edward Albee's *A Delicate Balance*, June 9-23; Georges Feydeau's *The Lady from Maxim's*, Aug. 18-Sept. 1; Arthur Schnitzler's *La Ronde*, Sept. 8-22; and the world premiere of Horton Foote's *Dividing the Estate*, the latest in his cycle of autobiographical plays set in Harrison, Texas, Oct. 13-27.

The Cleveland Ballet and the Cleveland Opera — their seasons are finished — hold forth in the 3,098-seat State. And the newly restored, 2,714-seat Palace will offer such attractions as major folk-dance troupes and big, Las Vegas-style shows of the sort that have been so successful at Detroit's Fox.

Playhouse Square shouldn't be confused with the Cleveland Playhouse, which is located near Cleveland's other cultural hub, the University Circle, way out Euclid at East 85th Street. The Playhouse has three theaters in a fenced compound in a neighborhood that, like so much of Detroit, is getting better simply because the decaying real estate is either burning down or being demolished.

The nationally respected Josephine Abady took over as artistic director in 1988 and has brought the Playhouse out of decades-long doldrums. An infusion of new acting and directing talent has made the Playhouse one of the most exciting regional theaters in the country. Recent ambitious projects have included *New Music*, Reynolds Price's lovely trilogy of plays about friendship over a lifetime, and Budd Schulberg's stage adaptation of his novel and screenplay, *On the Waterfront.*

THE PLAYHOUSE'S SEASON is winding down now. Nancy Marchand appears in A.R. Gurney's *The Cocktail Hour*, through April 22. The American premiere of David Storey's *The March on Russia* will be April 17-May 20.

Playhousegoers these days are arriving early to visit the complex's latest tenant, the Cleveland Center for Contemporary Art, located in a spacious, second-floor space above the Playhouse's members-only restaurant, the Playhouse Club. The center was founded in the 1960s by Marjorie Talalay, who nurtured it at several smaller locations before turning it into one of the Playhouse's neighbors last month. The current exhibit includes the works of eight modern sculptors.

A few blocks north is University Circle, so named because it is the gateway to the campus of Case Western Reserve University. It's a beautiful area that, like the rest of the city, fell on hard times in the 1970s, but has made a spectacular comeback. The area now has one of the cozier places to stay on an arts foray into Cleveland — the Glidden House, formerly the home of the paint family, now a hotel with a sumptuous breakfast buffet.

Venerable Severance Hall, home of the Cleveland Orchestra, sits across the street from the Cleveland Museum of Art and its little lagoon. Nearby are most of the city's other major museums, including the Museum of Natural History, which is about to open a new wing, and the new Cleveland Children's Museum, in a former Howard Johnson's restaurant on the Circle.

Severance Hall is still one of the country's finest concert halls, a surprisingly intimate place that was full on a recent Saturday night. With music director Christoph Von Dohnanyi conducting, a reed-thin lad named Olli Mustonen played the piano as if it were his dance partner, undulating and often rising out of his seat during the soaringly romantic passages of Rachmaninoff's *Rhapsody on a Theme from Paganini.*

Beginning today, the Art Museum and its environs will be the scene of Cleveland's annual May Show, the juried exhibition of the works of Ohio painters and craftspersons. The show runs through May 27.

IF THE WEATHER allows — Cleveland's weather is as unpredictable as Detroit's — the flowers around the lagoon should bloom around the clusters of watercolors that will line the sidewalks.

Spring is arriving in the Flats, too. Joggers chug up and down the old brick streets in the shadows of the huge old iron railroad bridges that are now more decorative than functional, like giant pieces of stage scenery.

Behind them is the new skyline of Cleveland, its gleaming glass buildings creeping higher and higher, challenging the Terminal Tower's long-held supremacy in the airspace above the city.

The big lake boats still slip silently along the narrow Cuyahoga and out into Lake Erie, but now they share the gray-green water with hundreds of partying boaters under both power and sail. The river that once burned is beginning to look like the Rust Belt's version of a Venetian canal.

Ed Hayman is The News' drama critic.

IF YOU GO ...

Getting there: Take the Ohio Turnpike (Interstate 80/90) to exit 8A, follow Ohio 2 to downtown Cleveland and get off at East Ninth Street. You'll be in the heart of downtown.

Accommodations: The Glidden House, 1901 Ford Dr., is highly recommended. Call (1-216) 231-8900.

Information: The Cleveland Arts Consortium offers one-stop shopping for visitors who come to the city for the arts. For a schedule of events, ticket information and tips on other good things to do, call (1-800) 423-ARTS or (1-216) 694-2787. Or contact the Convention & Visitors Bureau of Greater Cleveland, (1-800) 321-1001 or (1-216) 621-4110.

American Demographics

NOVEMBER 1989

M I D W E S T

REBUILDING THE RUST BELT

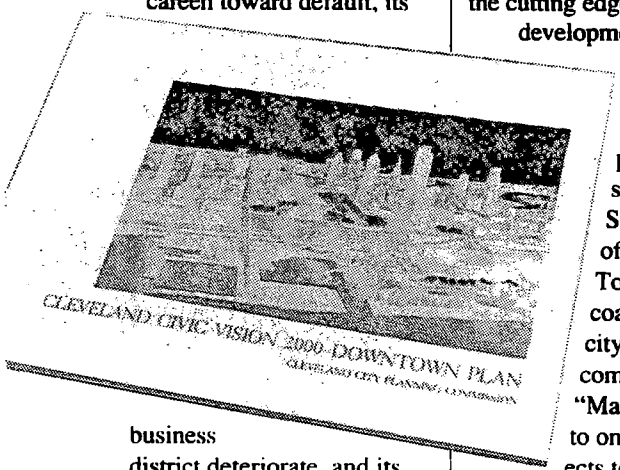
IN CLEVELAND, SLOW AND STEADY WINS THE RACE.

by G. Scott Thomas

"The mistake on the lake" is teaching us a lesson.

Scornful critics have pinned that epithet on Cleveland in recent decades. They had a lot to laugh at as the largest city on Lake Erie watched its government careen toward default, its business district deteriorate, and its solvent-laden Cuyahoga River actually catch fire. Worst of all, Cleveland didn't seem to do anything about these woes: the city remained passive as its neighbors, including nearby Toledo, began massive federally funded redevelopment projects.

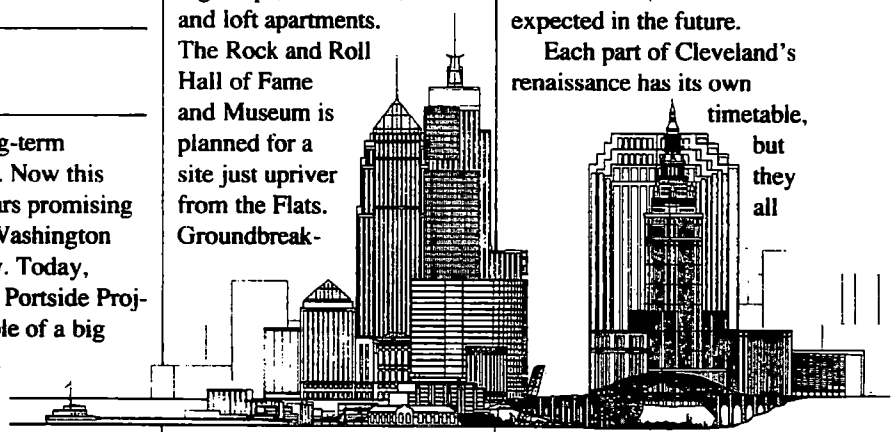
Cleveland instead opted for a slower, more diversified, long-term comeback plan. Now this approach appears promising as the well of Washington money runs dry. Today, Toledo's glitzy Portside Project is an example of a big idea that failed, and the Cleveland plan is on the cutting edge of urban development.



"There is a disease in America: panaceas," says Richard Shatten of Cleveland Tomorrow, a coalition of the city's 50 largest companies. "Many areas look to one-shot projects to bring them the good things they want, but those projects are simply not sufficient."

Diversity is the idea at work in Cleveland. The city's plans include North Coast Harbor, a 174-acre lakeshore development that may eventually add a maritime museum, an aquarium, a hotel, stores, offices, and 600 housing units to its existing harbor, lake, and surrounding park. Other projects include riverfront upgrading, an international museum, educational reform, and neighborhood-housing renovation.

Private developers are already at work along the west bank of the Cuyahoga. Vacant industrial buildings along "the Flats" are becoming shops, restaurants, and loft apartments. The Rock and Roll Hall of Fame and Museum is planned for a site just upriver from the Flats. Groundbreaking for the $48 million facility, designed by I. M. Pei, is slated for 1990. "We think the hall will enhance Cleveland's image as an energetic, spirited, youthful city," says executive director Larry Thompson.



Less dramatic but equally important to Cleveland's plans is the renovation of low-income housing. "The neighborhoods are the city's future," says Shatten. "A sparkling downtown is no good if your neighborhoods are decrepit. A situation like that would eat away at the social fabric of the community." A public-private partnership raised $4 million for the redevelopment of 300 units in 1989, and more are expected in the future.

Each part of Cleveland's renaissance has its own timetable, but they all depend on local support. Almost 90 percent of the initial funding for North Coast Harbor came from the Ohio and Cleveland governments, with the rest from the private sector. The Rock and Roll Hall of Fame and Museum relies heavily on the same sources. "We go where the money is," says Shatten. "The federal government has cut back. The state is now the key player, with the help of local government and corporations."

There is no shortage of projections for a dazzling new Cleveland. North Coast Harbor expects an eventual 12 million visitors a year. The Rock and Roll Hall of Fame and Museum estimates that it will draw 700,000 out-of-towners annually, and Thompson says many will be baby boomers who otherwise would never give Cleveland a chance. A study by Case Western Reserve University predicts the downtown work force will grow 7 percent by 2000. A Cleveland State University report says that as many as 3,300 downtown housing units might be added over the same period.

Cleveland officials say that practicality will be the key to their success. But there is nothing modest about their aims: "We want to make Cleveland the dominant city of the lower Great Lakes, the principal destination between New York City and Chicago. We want to be a regional center much like Toronto is for Canada," says Richard Shatten. ●

G. Scott Thomas is a freelance writer in Tonawanda, New York.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

FORTUNE

March 27, 1989 CITIES

HOW BUSINESS BOSSES SAVED A SICK CITY

Could this happen in your town? With local government in shambles and companies fleeing, CEOs took charge of Cleveland's fate. The turnaround is impressive. ■ *by Myron Magnet*

ONE LESSON Americans learned in the Eighties was that they had to take responsibility for their own fates. For companies, in the age of raiders and Darwinian global competition, this was luminously so—and hence the restructuring wave that defines this business era. Individuals, their jobs and expectations rattled by the corporate convulsions, discovered that they and not some institution must shape their careers, a perception that bred legions of new small businesses. Cities, especially old industrial centers, made the same discovery. With their economy, politics, and social fabric frayed by vast forces seeming to make them as obsolete as Pompeii or Atlantis, they were said to be turning ungovernable, unlivable, and bankrupt. But instead of subsiding gracefully into the dustbin of history, some cities stood and fought. And some—Baltimore, Pittsburgh, and Lowell, Massachusetts, for instance—are winning.

No city has battled more cannily than Cleveland. A microcosm—almost a caricature—of all the recent ills of urban industrial America, the nation's 12th-largest metropolitan area had much to overcome. Two decades ago it seemed a place decomposing into spontaneous combustion. In 1969, for instance, its oil-smeared Cuyahoga River—the *river*—burst into sooty flames, a presage of the inner decay of Cleveland's crucial heavy industries. In 1966 the Hough ghetto, and two years later the Glenville neighborhood, flared into wild rioting that left scores of stores charred and gutted. Today weed-grown lots mark where burned buildings were bulldozed.

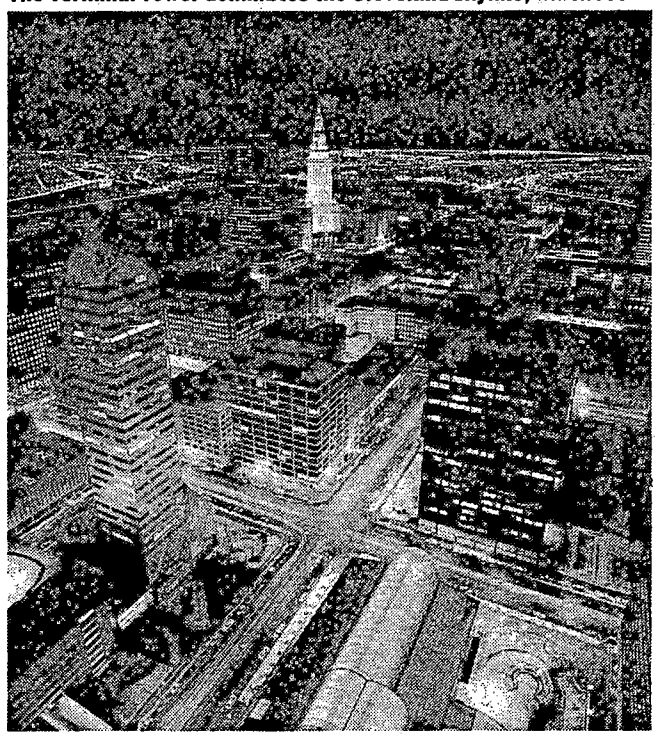
REPORTER ASSOCIATE *Constance Gustke*

The town's political framework threatened to go up in smoke too, an immolation that had more the air of farce than of tragedy. When Cleveland needed strong leaders to navigate these urban ills, its mayors seemed to have stepped out of a Three Stooges movie. In 1972, Mayor Ralph Perk —whose wife had just declined a chance to meet with President Nixon because it interfered with her bowling night—made Cleveland a national laughingstock: While wielding an acetylene torch to cut the metal ribbon at a bridge opening, he set his hair alight.

His successor, the boy mayor Dennis Kucinich, wrote the City Hall farce's last act with a wild-eyed, publicity-hungry, populist style of government that ended by bringing Cleveland into default, the only major U.S. city to have suffered that fate since the Depression. Elected as a 31-year-old to a single two-year term in 1977 and nearly recalled nine months later, he treated business as the archenemy of "the people." His business-bashing helped drive Diamond Shamrock out of town in horrified disgust.

With the city till empty and municipal services a shambles, Clevelanders decided to take their civic fate in hand. Says Richard Pogue, managing partner of Cleveland-based Jones Day Reavis & Pogue, the nation's second-largest law firm: "In a sense, Kucinich was the best thing that ever happened because he became a unifying element. People looked at him and said, 'Enough is enough here. Let's get together and change things.' " In response, Clevelanders achieved a unity almost startling in this every-man-for-himself epoch.

The Terminal Tower dominates the Cleveland skyline, which . . .



E. Mandell de Windt, the now retired CEO of Eaton Corp. and unofficial dean of Cleveland businessmen, organized the troops and devised a strategy, setting in motion a benign conspiracy of executives and entrepreneurs that still operates. The impressive feat of organizing that cabal and persuading Cleveland's most senior businessmen to take charge of the grittiest aspects of civic life was the real key to the town's turnaround. Cleveland bosses are arguably more public spirited than most, but they had hitherto focused that spirit on their especially successful United Way or their superb art museum or the world-famous Cleveland Orchestra, not on bread-and-butter civic matters. By the start of the Eighties, though, top executives realized

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

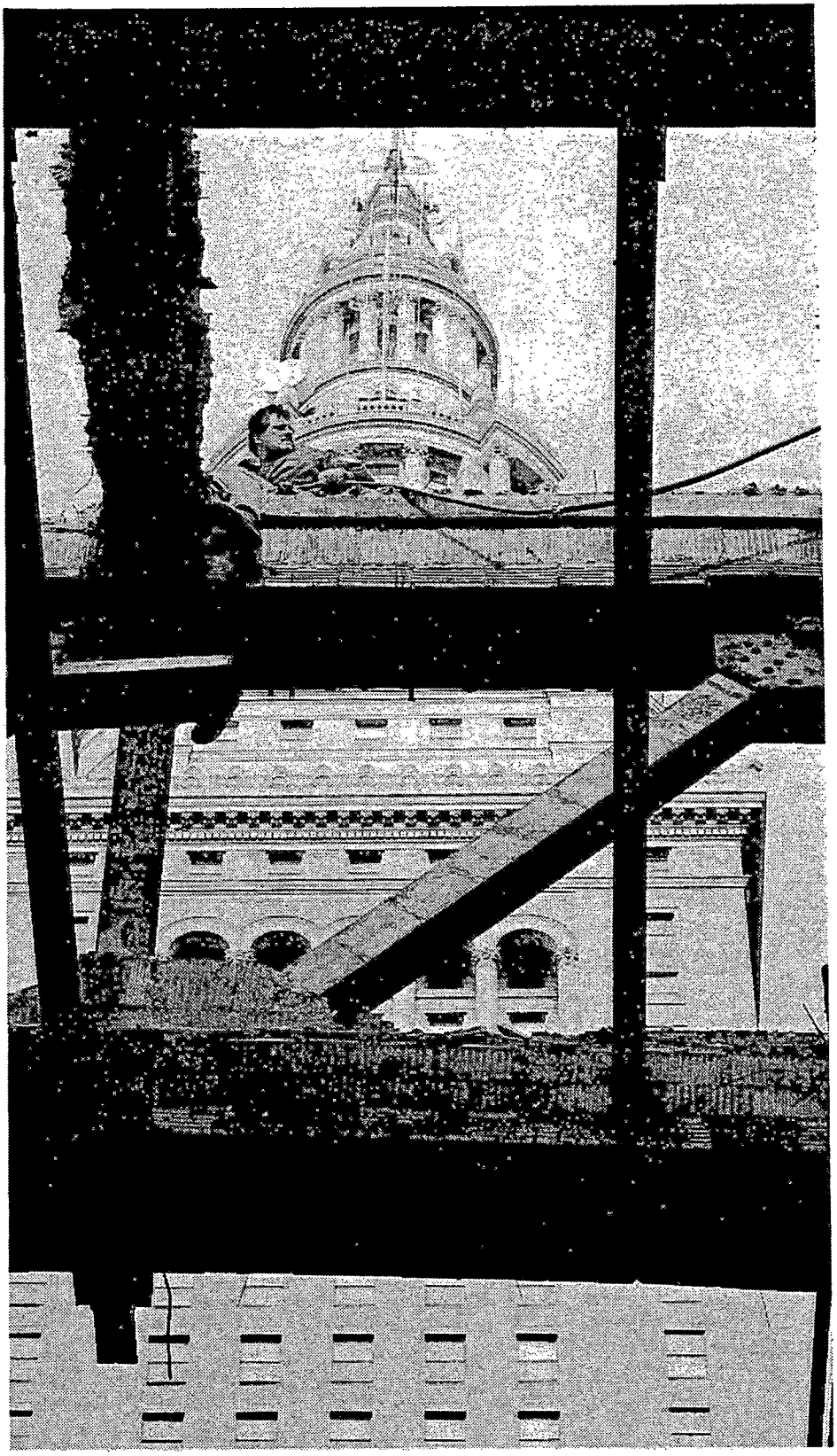
they had to get their hands dirty if they wanted to keep viable the Cleveland life they liked so much—the Cleveland of excellent cultural institutions and big-league athletic teams, the Cleveland ringed by enviably comfortable, old-fashioned, family-oriented suburbs, where $300,000 buys you $1 million worth of house by New York City or Boston suburban standards.

The civic rescue operation was more than a personal extracurricular activity for these executives. Says Del de Windt: "It was an extension of my role as a CEO of a major corporation to recognize that we had to do something about the environment in which we lived." Tackling civic problems in concert rather than singly gave top bosses the necessary confidence to invest their time and their corporations' money in Cleveland—when they could have followed Diamond Shamrock out of town. They knew they wouldn't be left alone holding the bag, like the last person in a chain letter.

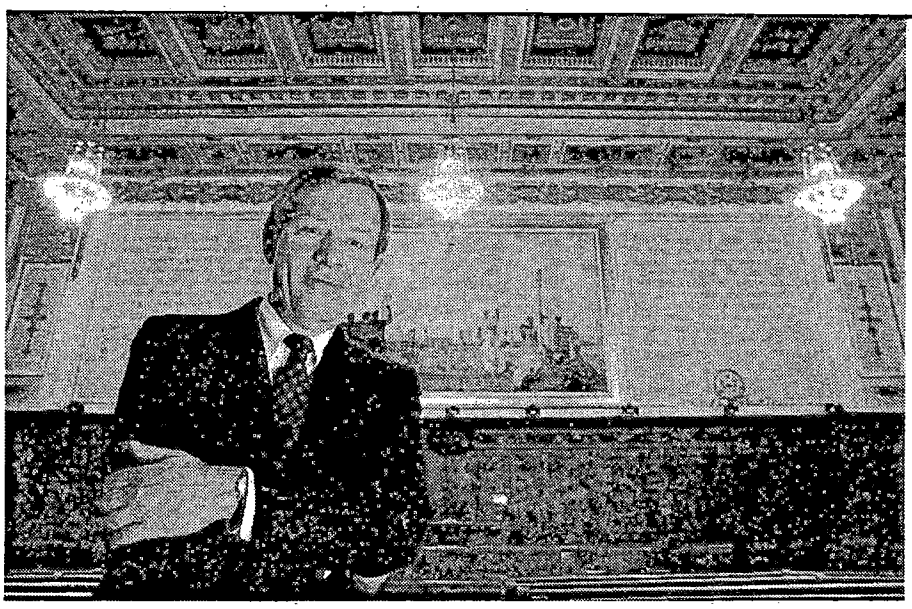
THE BUSINESS CABAL'S first campaign was political. Shortly after Cleveland defaulted in 1978, de Windt sent an emissary to implore Republican Lieutenant Governor George Voinovich, a former Cuyahoga County commissioner, to come back and run for mayor. Financed largely by the corporate leaders, he beat Kucinich handily.

"All they wanted was somebody to bring some saneness and just establish a C+ city administration, so the city would function," says Voinovich. But they got much more. They got a mayor with a gift for nurturing all the incipient impulses toward unity and cooperation that the town's revulsion for Kucinich had engendered. According to lawyer Pogue, "Voinovich always says, 'I don't like to make war. I like to make love.' "

In agreeing to run, Voinovich had extracted from the executive cabal a promise that cemented its cooperation with the city. Executives agreed to scrutinize the operations of city government with the hardnosed skepticism of a bank workout squad, looking for ways to impose corporate efficiency on city hall. Almost 90 executives took up the task. From over 650 of their proposals—ranging from a new financial management system to contracting out car and truck maintenance—Voinovich adopted about 500, saving Cleveland $200 million in his 9½-year tenure. Besides modernizing the city administration, this exercise gave business



. . . will be transformed by $2.3 billion of new construction during the next four years.



Republican Mayor George Voinovich fostered a healthy climate for Cleveland business . . .

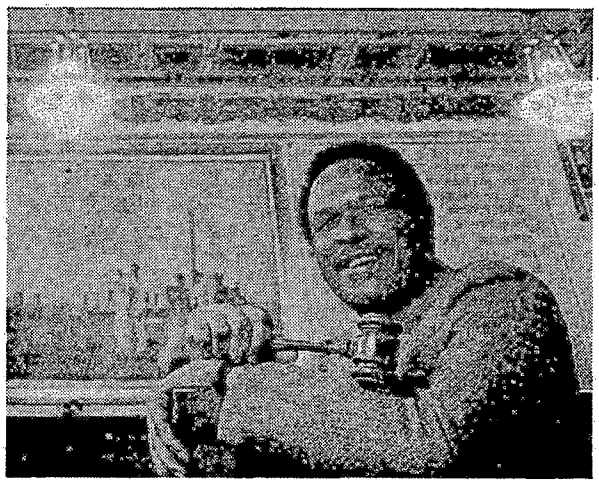
leaders a personal stake in municipal government's success. They have kept volunteering.

Voinovich also established harmony between the mayor's office and the entirely Democratic city council, in place of the Beirut-like dissension of the Kucinich era, when in two years the mayor vetoed more council measures than in all the rest of Cleveland's modern history. Council president George Forbes met the Republican mayor halfway—a potentially problematic move for a big-city black Democrat to make. But Forbes and the council were sick of all the fighting and failure. Voinovich, Forbes recognized, had a mandate to revitalize the city, doable only in concert with the business community. "I recognized that we politicians don't provide the jobs," Forbes says. "Those are the guys that provide jobs, and if we don't make them viable, we don't have jobs for our people."

Clevelanders have their differences, often sharp ones, but today's prevailing tone of cooperation gives local politics an oddly unideological character. The city's cold season of adversity has persuaded Clevelanders of the importance of economic development. Most of them agree that you have to create wealth before you can think of redistributing it. Most believe that the long-term way to help the poor is to make the local economy flourish.

For beyond its race riots or Keystone Kops former politicians, Cleveland's fundamental problem was, and is, economic. Like other Rust Belt capitals, it saw its heavy industries—steel, auto parts, iron ore—dwindle in the face of global competition. Compounding its problem, Cleveland had execrable labor relations; remote, dictatorial bosses were in constant confrontation with unionized workers, whose work rules were rigid and wages uncompetitively high. In the early Eighties recession and the strong dollar hit Cleveland companies with bewildering suddenness. They cut back and restructured with a vengeance.

AS A RESULT, unemployment in greater Cleveland, 4.7% when Kucinich took office in 1978, peaked at a vertiginous 11.3% in 1983. Manufacturing employment, from its 1979 high of 276,300, slid to a 1987 low of 200,600. But last year unemployment was only an estimated 5.5%, and even manufacturing employment had risen to an estimated 201,700. In 1988 employment finally recovered to its 1979 level.



. . . helped by Democratic council president George Forbes.

Cleveland's CEO conspiracy led the economic as well as the political turnaround. Just after Voinovich took over City Hall, Del de Windt, along with now retired TRW chief Ruben Mettler, recently deceased Harris Corp. chief executive George Dively, and other local powers, hired the McKinsey & Co. consulting firm to figure out how to brighten Cleveland's economy. The first prescription: Set up a *formal* conspiracy of CEOs to provide leadership.

The beauty of that organization—called Cleveland Tomorrow and founded in 1982—is that it unified the formerly cliquish, factionalized chief executives of Cleveland's top 50 companies into an almost irresistible force. Says Ohio Governor Richard Celeste: "Cleveland Tomorrow derives its strength from the fact that the CEO is the only participant. There's no delegating it to anyone else. He can commit real resources in a way that only a CEO can."

The CEOs didn't have the option of turning Cleveland into a heartland Silicon Valley or Route 128, as they saw it, but they certainly could help put the shine back on the heavy Rust Belt industries that, if somewhat diminished, would remain Cleveland's economic anchor for a long time. That meant improving the sorry labor relations that made Cleveland workers, despite their well-developed skills and work ethic, so uncompetitive. Like most Cleveland Tomorrow efforts, this one produced a new institution, the Work in Northeast Ohio Council.

Under the aegis of a board of union and management representatives and now heavily financed by the state of Ohio, the council's staff spreads the gospel of productivity, product quality, and quality of work life on the factory floor and in union halls. Staff members do extensive consulting, promoting the whole array of modern management techniques that get workers and managers to see themselves as partners rather than adversaries. Meanwhile the Greater Cleveland Roundtable, a separate group of CEOs, union chieftains, and political leaders formed just before Cleveland Tomorrow, fostered labor-management cooperation among the panjandrums. The result is an utterly transformed labor climate in Cleveland, where today you can find hot-metal shops managed like Silicon Valley startups.

Not just labor relations but al-

Remaking Cleveland from the ground up: developers Albert Ratner . . .

so manufacturing technology needed modernization. Cleveland Tomorrow mobilized the resources of local colleges and universities, helping Cleveland State University, for example, set up a research center that solves quality improvement and industrial engineering problems for area companies. A program at Cuyahoga Community College provides customized training for companies. For example, it taught a small, growing defense subcontractor how to choose a CAD/CAM system and then taught the company's employees how to use it.

TO FOSTER new businesses, Cleveland Tomorrow in 1984 established a venture capital fund of $30 million raised from Cleveland Tomorrow companies and the Ohio state pension system. Investing mainly in Cleveland-area startups, most based on innovations in old industries, the fund has done well enough so that it recently had no trouble raising an additional $75 million.

In Cleveland's spirit of cooperation, which makes the whole greater than the sum of the parts, small businesses have flourished by pooling know-how in the nation's largest self-help organization for small enterprises. Thousands of these firms trade expertise in how to market or computerize or do cost accounting, and their bosses regularly exchange advice on specific problems.

Without exotic cultivation, Cleveland's big law and accounting firms have prospered, with demand for their services largely unruffled by the vicissitudes of their big-corporation clients. The health services industry has expanded to become, unexpectedly, Rust Belt Cleveland's No. 1 employer. The Cleveland Clinic, which brings $300 million from out of town into the city each year, has become a center of civic improvement, joining with other institutions to restore economic vitality to their sadly decayed neighborhood.

All these happenings add up to a sea change, but it is subtle and hard to discern if you don't look attentively. Says developer Albert Ratner, president of Forest City Enterprises: "The real thing that's changed is people's heads." But Ratner and another Cleveland-based developer—Cleveland Indians co-owner Richard Jacobs, chief of Jacobs Visconsi & Jacobs—are close enough to see how profoundly the city's civic culture and economic climate have improved. These developers are just starting to give outward form to that change with big projects that in three or four years will transform downtown.

Like crocuses forlornly peeping through the snow, a few brave projects, starting with the new BP America headquarters, finished in 1984, have shown that Cleveland isn't frozen lifeless. In 1986, Dick Jacobs's son Jeffrey built a bar, restaurant, and boardwalk on the "Flats" by the newly cleaned-up Cuyahoga River, setting off a wave of recreational development that in summer produces traffic jams and boats rafted up three deep by waterfront restaurants. Neil and Myron Viny have refurbished parts of the handsome but derelict warehouse district nearby for now bustling offices and apartments. The last drop of paint dried in April on the spectacular restoration of three adjacent splendid 1920s theaters, and now concerts, plays, and ballet draw big crowds downtown.

The new downtown is springing up as rapidly, extensively, and glitteringly as if by Prospero's magical conjuration. A year and a half ago Dick Jacobs and his brother opened a suave, glass-vaulted galleria, where two levels of such tony shops as Ann Taylor and Williams-Sonoma have lured suburban matrons back into the city. This month the Jacobs brothers broke ground in the center of downtown on the first of two striking towers, designed by world-class architects, to house Cleveland's two biggest banks and two new hotels, a Hyatt Regency and a Marriott. Representing a total investment of some $750 million, they'll be finished in 1992 and 1993, and at 60 stories, the taller will be Ohio's tallest building.

Nearby, Albert Ratner is completing a $15 million renovation of Cleveland's landmark 1920s Terminal Tower office building. He is also putting up two smaller office complexes, one containing a Ritz-Carlton hotel, and constructing another office building in the shell of the old Post Office. These will all be joined to the Terminal Tower by a vast, three-level, vaulted mall containing restaurants, movie theaters, a new commuter rail station, and 120 shops. A walk through the site suggests that the $400 million project—to be finished in the spring of next year and partly built on the foundations of a similarly ambitious project aborted by the Depression—has the makings of a truly sophisticated urban forum.

All this building will take Cleveland's comeback a step further. Says managing director James Bennett of McKinsey's Cleveland office: "You need big symbols of physical progress. They are momentum-building and pride-building. You can't move the city without physical splashes."

The city is providing plenty of encouragement. It has helped builders get hefty federal grants and produced a master plan to guide development. It has also enlarged the Cleveland convention hall and offered a 20-year full tax abatement to encourage new hotel construction, hoping to turn Cleveland into a regional convention center. Attracting more revivifying downtown

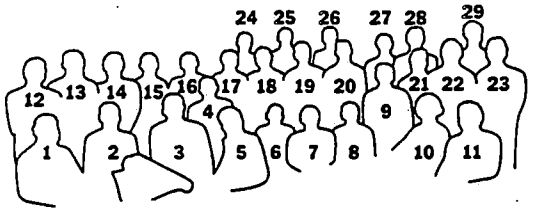
. . . and Richard Jacobs, Indians co-owner

activity is only part of the benefit a convention industry would provide. Says council president Forbes: "It means young people can be hotel managers and desk clerks and cooks and waiters. They won't be making $20 an hour, but they damn sure can make $10." A city law sponsored by Forbes ensures that one-third of all jobs created with the help of a tax abatement or an urban development grant must go to minorities.

For Clevelanders aren't kidding about wanting to spread the benefits of recovery through the whole community. The Cleveland Tomorrow companies have provided $2.5 million, for example, to help an innovative organization buy and refurbish houses to sell to poor people on a lease-purchase plan. The corporate community and local charitable foundations are putting up $16 million to motivate disaffected public school students by offering scholarship money for good grades. To keep kids in school, companies offer hiring preference to graduates of Cleveland high schools. Says BP America chief James Ross: "You've got to get to the social fabric of the city, or you have the politics of envy ruling. I don't believe that a BP can exist as a wealthy company in a society where you have such a substantial underclass that it will pull the whole structure down with it."

Listening to Clevelanders' earnest talk about how they are turning their town around, and looking at what they've accomplished, is an impressive, oddly moving experience—and not just because it's exhilarating to see people take their fate in their hands instead of complaining about irresistible, impersonal forces. Beyond that, you can't help thinking that *this* is what community is all about. Doubtless it sounds comic to speak of Clevelanders in the same breath as Athenians, but isn't this at least a little like what the Greeks meant by the civic ideal—the public life in which people achieve their fullest humanity? F

A BENIGN CONSPIRACY OF TOP EXECUTIVES



Members of Cleveland Tomorrow at a recent meeting: (1) Paul Schloemer of Parker Hannifin (2) Richard Pogue, Jones Day Reavis & Pogue (3) Governor Richard Celeste (4) Joseph Milgram, Aexcel (5) James Biggar, Nestlé Enterprises (6) Albert Ratner, Forest City Enterprises (7) Morton Mandel, Premier Industrial (8) John Opie, General Electric (9) Ralph Schey, Scott Fetzer (10) Karen Horn, Bank One (11) William Williams, Huntington National Bank (12) Dr. William Kiser, Cleveland Clinic (13) Robert Rewey, Ford Motor (14) Seth Harris, Harris Wholesale Drug (15) Thomas Vail, *Plain Dealer* (16) Robert Neary, Ernst & Whinney (17) John Cunin, Bearings (18) Thomas Quigley, Squire Sanders & Dempsey (19) James Reid Jr., Standard Products (20) M. Thomas Moore, Cleveland Cliffs (21) Richard Bogomolny, First National Supermarkets (22) Renold Thompson, Oglebay Norton (23) David Hoag, LTV (24) Joseph Gorman, TRW (25) James Stover, Eaton (26) Robert Gillespie, Society Corp. Cleveland Tomorrow staff: (27) Richard Shatten, executive director (28) Joseph Roman (29) William Grimberg.

Crain's Detroit Business

AUGUST 6, 1990

Cooperation helped Cleveland shed image as 'mistake on the lake'

BY JON CONNOLE

Special to *CRAIN'S DETROIT BUSINESS*

Cleveland used to be a joke.

Talk about fodder for Johnny Carson: A river caught on fire; a mayor's wife declined an invitation to the White House so she wouldn't miss bowling night; her husband was featured on the network news when he accidentally set his hair on fire; and the next mayor became a media star, of sorts, when he led the city into default.

But nobody's laughing now. Reporters from around the nation are flocking to Cleveland to write stories with headlines like, "Why can't we be like Cleveland?"

So how did "the Mistake on the Lake" engineer its image overhaul?

To start with, the city's enjoying a downtown construction boom with $5 billion in projects either planned or under construction. The Flats, just west of downtown, is being transformed from a grimy industrial area into a glittering playground of restaurants, night clubs and marinas. And city hall started forming public-private partnerships with the business community to get things done.

But to get the word out, city leaders launched the New Cleveland Campaign, an independent, non-profit marketing group for greater Cleveland.

Thomas Vail, president and chairman of Cleveland's major newspaper, *The Plain Dealer*, is credited with starting the campaign in 1978.

"He dragged some people kicking and screaming into it," recalled David Hopcraft, former executive editor of the paper. "My office was one door away from his; I heard it all.

"Institutions that didn't like each other much — like newspapers and utilities — had to work together.

"Everybody put their parochial interests aside for the good of Cleveland," Hopcraft added. "That's quite contrary to what's happening in Detroit where everybody's pulling at everybody and pointing fingers."

The New Cleveland Campaign has an annual budget of $1 million and a staff of three people. Funds come from local firms, governmental bodies and professional organizations. It has always retained separate advertising and public relations agencies.

"At first our posture was somewhat defensive," said George Miller, executive director of New Cleveland Campaign. "Then we were in a turnaround phase and now we are in a competitive phase. We can compete with any city who wants what we want."

In the early 1980s, the bulk of the campaign's funds were used for advertising, said Henry Eaton, CEO of Dix & Eaton, the campaign's public-relations agency.

Ad campaigns ran in national publications like *The Wall Street Journal* touting Cleveland's cost of living, quality of life and economic opportunities.

In recent years, the emphasis has shifted more to public relations, Eaton noted, in part because "Why pay when you can get it for free?"

The PR campaign includes writing a periodic newsletter about the city that is sent to media outside the city and various officials in Washington, D.C., including foreign consulates. The campaign also runs programs for so-called front-line ambassadors — taxi drivers and restaurant and hotel operators — to arm them with information to promote the city.

The effort works. A recent survey of business executives by the American Institute of CPAs picked Cleveland as the Midwest's leading "Cinderella city" — and most likely to experience the fastest growth in the next five years.

When sports reporters come to town, they get a packet of information about the city and its entertainment attractions.

And in the last two months, the campaign has hosted the Detroit bureau chief of *Time*, a writer from *U.S. News and World Report*, and 13 reporters from foreign papers. Articles about Cleveland's turnaround have appeared in *Fortune*, *USA Today*, *Philadelphia Magazine*, *Milwaukee Journal*, *Tampa Tribune* and *Orlando Sentinel*.

Miller said he gets a couple of calls a month from cities who want to know how Cleveland did it. Representatives from two Detroit advertising agencies and a state of Michigan official have called for advice on how to change Detroit's image. CDB

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

FORTUNE

OCTOBER 9, 1989

Biggar and Shatten in Cleveland: They take nothing for granted.

CLEVELAND AS INSPIRATION

■ The long-maligned city of Cleveland has become something of a Dear Abby to other municipalities that are flummoxed by urban problems. Its new role began after FORTUNE reported how local business leaders had formed the Cleveland Tomorrow group and taken responsibility for helping the city to recover ("How Business Bosses Saved a Sick City," FORTUNE, March 27).

Going Abby one better, the group's executive director, Richard Shatten, makes house calls to business and civic leaders who ask for help. He has dispensed advice in Kansas City, New Orleans, Pittsburgh, Phoenix, and Philadelphia. Next: Reno.

These cities all have different troubles. But there is a common lesson. Says Cleveland Tomorrow's head, James Biggar, the American CEO of Nestlé Enterprises, a Cleveland subsidiary of Switzerland's Nestlé: "Some of Cleveland's problems were caused by businessmen's lack of attention to politics. Then we saw that we could lose the good things we had taken for granted." – **W.W.**

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

THE KANSAS CITY STAR.

JANUARY 14, 1990 MID-AMERICA EDITION 1-I

Look to Cleveland as a guide

By Yael T. Abouhalkah
a member of the editorial staff

Cleveland—The "mistake on the lake" has a few lessons to teach Kansas City about overcoming adversity.

Bring up a current problem in Kansas City—ineffective leadership in City Hall, the struggling Downtown, the schools—and Cleveland boosters can top those woes with even worse horror stories.

Cleveland's days as a national joke peaked in the late 1970s. Its boyish mayor, Dennis Kucinich, presided as Cleveland became the first major American city since the Depression to go into default. Population dropped drastically. Downtown stagnated. Businesses left; others contemplated it. A crisis mentality hovered over all.

Today the mood is different. Good planning, led by the business community, was the key to revitalization of downtown. Cultural amenities are keeping people in Cleveland. But in the darkest days, chief executive officers of the city's largest companies realized Cleveland basically was becoming a good place from which to leave. Self-interest helped motivate action.

"The city, particularly the business community, was really driven to do something," says Janis Purdy, executive director of the Citizens League of Greater Cleveland and the Citizens League Research Institute.

A visit to Cleveland reveals the tactics used by the city to rebuild itself. Now government and business leaders in other cities around the United States—including some from Kansas City—look to Cleveland for guidance. Here is what they will find.

● Cleveland's downtown is going through a building boom. Many big corporations already in town have decided to stay put. Other companies are moving to Cleveland.

Seven major office buildings are being erected; two are over 55 stories. Five high-quality hotel chains are building downtown. The catalyst is generally acknowledged to have been the decision by British Petroleum to put its American headquarters downtown; the 46-story building was completed in 1985. The biggest ongoing project is renovation of Tower City Center, a complex that will include new office towers, a Ritz-Carlton hotel and Neiman Marcus department store, and the Rock and Roll Hall of Fame. The hall became a done deal last year when Cleveland civic groups raised $40 million to help cover most of the cost of building it.

"The climate around here is a great deal better than it was 10 years ago," says Richard Pogue, managing partner in Jones, Day, Reavis and Pogue, the second largest law firm in the nation.

In Kansas City, the going Downtown is rockier.

United Telecommunications has decided to consolidate many of its operations on a huge campus park in Overland Park. Marion Laboratories and H&R Block, two other national firms based in Kansas City, don't have their key office buildings Downtown. Hallmark has helped build the Crown Center complex into a going concern on the southern edge of Downtown. In general, it has been up to local law firms, banks and firms with regional headquarters in the city, such as AT&T, to prompt the office building boomlet Kansas City enjoyed in the 1980s.

Meanwhile, tax money has been put into the area to spur construction of the Allis Plaza Hotel and housing, such as Quality Hill. The expansion of Bartle Hall could dramatically change the picture. Civic squabbling on that matter has been muted, and an election on Feb. 6 to raise hotel, motel and restaurant taxes to pay for the bigger convention center has been set.

The public-private Cleveland Initiative for Education rewards Cleveland Public School students in grades seven through 12 with cash credits when they receive Cs and above.

Still, there is a marked contrast between the Downtown evolution here and the rebirth in Cleveland. Both were on the ropes a decade ago. But consider some of the differences:

● The cooperation among Cleveland's business, political, labor, black and neighborhood organizations is light years ahead of Kansas City.

The city's top group of chief executive officers, Cleveland Tomorrow, has been able to work together much more effectively than has a similar group in Kansas City, the Civic Council.

Cleveland is a much older city and has an edge because of its greater concentration of Fortune 500 companies. Pockets go a little deeper. An equity fund provides $4 million a year through 11 neighborhood-based groups. A profit venture fund helps small businesses get established. The public-private Cleveland Initiative for Education rewards Cleveland Public School students in grades seven through 12 with cash credits when they receive Cs and above.

"We've gotten ourselves sufficiently organized to get what's important," says Richard Shatten, executive director of Cleveland Tomorrow.

Cleveland's coalition group, known as the Greater Cleveland Roundtable, has been working for a decade. Black and labor leaders have had plenty of input on how the city would be rebuilt.

In Kansas City, the Coalition Roundtable has floundered since its founding in 1989. The largest black political group, Freedom Inc., bolted the organization during discussion of a capital improvements plan last November. Most labor leaders don't belong to the coalition. The organization's future is in doubt.

● The political scene in Cleveland has had its ups and downs since Kucinich was turned out after the default debacle.

The new mayor, George Voinovich, was an ardent supporter of public-private partnerships throughout the 1980s. He was trusted in the business community. Meanwhile, the leading black politician, George Forbes, essentially ran the City Council in a progressive mode. Set-aside construction requirements for minority-led firms were actually adhered to. Forbes believed construction of hotels and office buildings created immediate and future employment of blacks. Forbes ruffled feathers with his ho-nonsense approach. He ran for mayor in late 1989 and was upset by Mike White, a black politician who has vowed to continue Voinovich's work in rebuilding Cleveland, downtown and in the neighborhoods.

Now consider Kansas City.

Mayor Berkley has been unable to inspire much confidence from the business community. As for black leaders on the council, Emanuel Cleaver has never reached his potential—especially given his almost 11 years of experience—to prod the council members in progressive directions in rebuilding Kansas City. Charles Hazley, who knows Kansas City's political system inside and out, has been in jail on tax charges. His often abrasive personality has not helped him become a real leader, on the council or in dealings with the business community.

With all that said, it's also generally true that many similarities exist between the two cities.

● The school district in Cleveland is still bad, even though it was one of the first desegregation efforts in the country.

● Kansas City Consensus has a twin in Cleveland, known as the Citizens League of Greater Cleveland. Both are highly regarded for their non-partisan, independent research. The Kansas City Consensus report on ways to improve race relations is being touted nationwide as a model of solid work that has actually led to some conclusions being implemented.

● White flight to the suburbs has occurred in both cities. Cleveland's population loss has been even more dramatic than Kansas City's, going from 900,000 in 1950 to around 535,000 today.

Purdy, executive director of the Citizens League, said competition is fierce to set agendas to handle problems in the future. Neighborhoods need more attention. So do the schools.

Financing for a new baseball stadium has been difficult to wrap up. A property tax increase was defeated to build a new $156 million stadium, seating 45,000 people.

But hopes are high for the future.

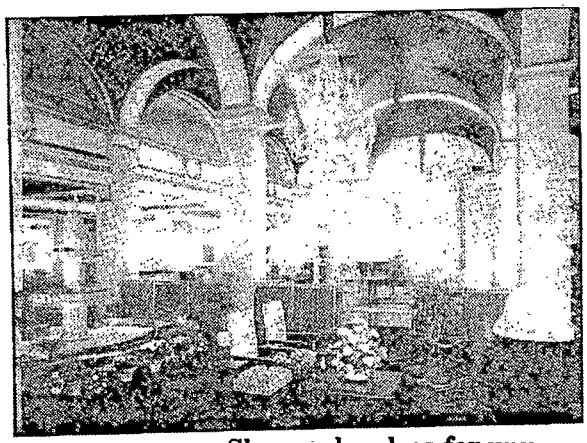
"The bitter, bitter fights of the late 1970s changed the culture of this city," says Shatten of Cleveland Tomorrow. "People on all sides said, 'This must end.'"

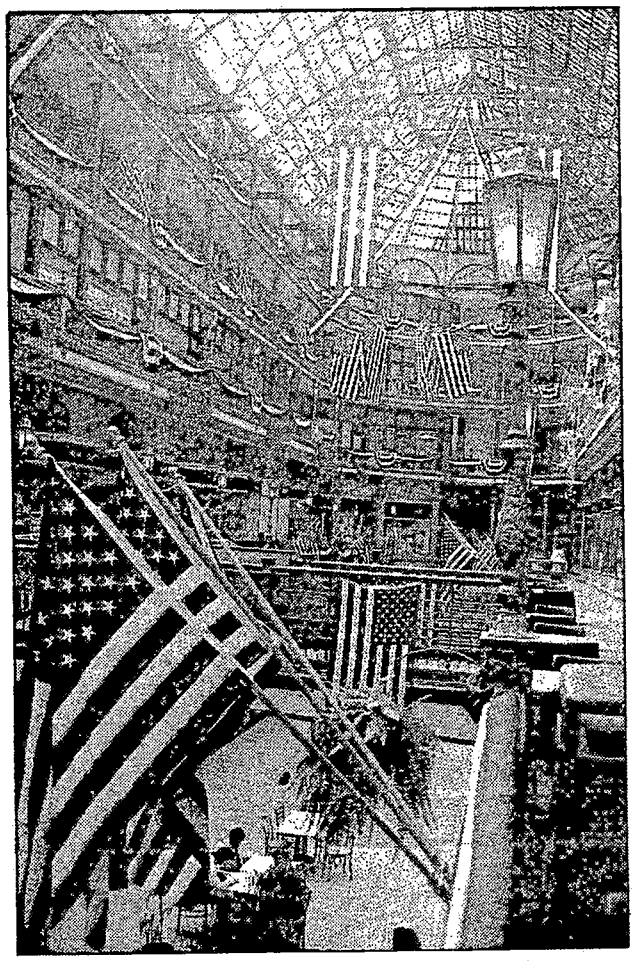
He adds: "Everybody talks to everybody, which I took for granted until I traveled around the country."

In Kansas City, where disparate groups abound, just talking to each other would help create the possibility of a better future for the city. Kansas City's civic leaders can learn some lessons from Cleveland's experience. Waiting until a crisis mentality exists makes for a tough, expensive climb back to the top.

The Columbus Dispatch

SUNDAY, JULY 15, 1990 TRAVEL





Shop under glass for unusual gifts at the old Arcade (right). Then take a break in the lobby lounge at Stouffer Tower City Plaza Hotel (above)

Spend *the* weekend *in the* Comeback City

By Lisa Reuter-May
Dispatch Travel Reporter

Pssst, fellow Columbus residents. I have found this great weekend getaway destination — an easy drive from Columbus. Great night life. Culture. Shopping that brings to mind New York and Chicago. Water sports. Major league sports. A luxurious, grand old hotel, and for less than $100 a night. You'll love it.

But we have to keep this kind of quiet. This place, well, it's *Cleveland.* Yes, you read it right. And yes, I mean Cleveland, Ohio.

I know, I know. This is hard for a Columbus resident to swallow.

But Cleveland, once the symbol of the Rust Belt, is coming around again. It's winning rave reviews, too. And it has rock 'n' roll and politics to thank for that.

Residents and civic and business leaders did all the work. In the late 1970s, when most of the country was telling jokes about burning rivers and civic default, they were dreaming up a new master development plan. New hotels and shopping centers, corporate buildings, river and lakefront development, even a few new sports complexes. Hundreds of millions of dollars worth.

Quietly, many of those plans have been accomplished. Funding for more construction is already lined up. The nation began to notice when Cleveland was named home of the $48 million Rock and Roll Hall of Fame and made the final four for the 1992 Democratic National Convention.

"Landing the Rock and Roll Hall of Fame was a real turning point," said Robert T. Ulas, communications director for the Convention & Visitors Bureau of Greater Cleveland. "The reality and the perception of Cleveland are so far apart that people are really

Please see **WEEKEND** next page

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

amazed." Ulas gets paid to say such things, of course, but he's really not making up anything, as I discovered during a recent weekend in this "comeback city."

Ideally, a weekend getaway city should offer deluxe lodging, fine restaurants, a few unusual daytime diversions, great shopping and a nightlife that just doesn't stop. Cleveland delivers.

Marvel at the bridges, blue ones and red ones, steel and stone ones, bridges that swing or part or rise like an elevator . . .

The place to stay is the Stouffer Tower City Plaza Hotel. There has been a hotel downtown on Public Square since 1815. In 1895, when Marcus Hanna announced William McKinley's candidacy for president within its walls, the place was called the Forest City House.

That historic hotel was torn down in 1916 amid preparations for landmark Terminal Tower; the new place, on the same site, was called Hotel Cleveland. The building became a Stouffer hotel in 1978, and Stouffer Hotels & Resorts has given this grand old dame — still rich with mahogany, wide hallways and high ceilings — her latest, $35 million face lift.

Today the hotel is beautiful and traditional, right down to the bellhops' strapped-on caps. Yet it is loaded with modern amenities. The rooms have three telephones, and a television and scales in the bathroom. The morning wakeup call comes with complimentary coffee and a newspaper, and hotel limos are available.

Next door to the hotel is Terminal Tower and the Avenue at Tower City Center, one of the latest developments in Cleveland's $5 billion building campaign.

The Terminal (as in train) Tower complex, once the tallest building in the country outside New York City, has been a big deal since the Van Sweringen brothers built it in 1930 at a cost of $179 million. It's aglitter once more, now that its marble floors, rosette ceiling and extravagant mural have been overhauled and spruced up with the addition of fountains, upscale shops and a movie theater.

Take plenty of plastic for such stores as Liz Claiborne and Fendi. (Serious shoppers, mark your calendars: Neiman Marcus opens here in 1992.) If you want to merely window-shop, stroll by Record Town, where there's a '57 Chevy convertible on display.

A five-minute walk away on Euclid Avenue is the Arcade, a brass and glass (5,000 panes in the ceiling) reminder of how they used to shop. The flag-draped five-story mall, 100 years old this year, is home to an eclectic mix of small shops, from an art gallery to a grocery and deli.

Gourmet shoppers should strike out for the West Side Market at W. 25th Street and Lorain Avenue, where individual grocers have been serving choosy cooks since 1912. This old barrel-vaulted building has earned a face lift, too, in recent years, so the meat and produce vendors now stand behind gleaming steel and glass display cases. But the place still smells of spicy sausage, and it's still home to Cleveland's oldest hot dog stand. Get your Johnny hot dog, now $1.35, from a stand-up counter in a corner of the market.

Around the corner, at the Great Lakes Brewing Co., you can watch how they make the beer and ale while you drink some.

The Great Lakes brewers proudly proclaim that they abide by the strict Bavarian Purity Law of 1516, which means only barley, hops, yeast and water go into these brews. That also means you're in for a full, rich flavor whether you opt for the sweet Honey, Pilsener or the untouchable Eliot Ness, the highly drinkable, "hoppy" amber lager named for a certain Cleveland law enforcement official who used to frequent the bar here.

About those bullet holes you may spot in the walls: No matter what anyone tells you, they are not the last reminders of an unsuccessful attempt on Ness' life.

That tale is just a bit of the fabricated local lore you're likely to hear. (And they do tell some tales up north to convince themselves they're better than Columbus.)

For stories that wag on the side of truth, hop aboard Lolly the Trolley for a guided tour of downtown. The comfortable, motorized conveyance whizzes by the rich museums of University Circle, the colorful Victorian homes of Ohio City, the historic theaters of Playhouse Square and the architectural marvels of the Warehouse District. All the while, the knowledgeable driver imparts all kinds of interesting, *factual* Cleveland trivia:

- The traffic light was invented in Cleveland, which took its name, by the way, from first settler Moses Cleaveland.
- An original *Spirit of '76* painting hangs in City Hall.
- The vaudeville cliche "When you've played the Palace, you've made the big time" was born in Cleveland. And you can still see a show in that famous Palace, one of three theaters in Playhouse Square.
- Cleveland is home, too, to the nation's third-largest public library and fifth-largest art museum; and it is the American city with the most marinas and yacht clubs on its waterfront.

Which brings us to the water. Lake Erie and the crooked Cuyahoga River rooted Cleveland. They are what makes her so remarkable today.

Go down to the Flats, that low-lying area where river meets lake, during the day for a boat ride or simply to look around. Marvel at the bridges, blue ones and red ones, steel and stone ones, bridges that swing or part or rise like an elevator to make way for the pleasure boats and working ships that navigate the river and the lake.

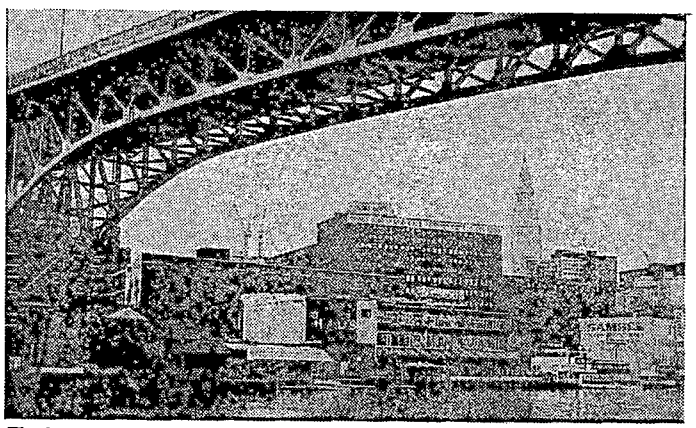
By day this is a workman's world of grain elevators and gravel piles. Come nightfall, it all gives way to neon.

A big chunk of Cleveland's comeback has taken place in the Flats, where an adult playground of clubs and restaurants has sprouted. One of the most popular is Aquilon, also called The Lift on certain evenings. A freight elevator takes you up a floor to this smallish club with the big dance floor. Depending upon the day and hour, you'll hear big band or Euro rock. It is a club for all tastes and all ages, for old prom dresses or the latest Madonna knockoff, especially on Saturday nights.

Also attracting crowds is The Powerhouse, the Flats' newest showplace. The old red brick building once powered Cleveland's streetcars. Now it has been given over to fun, housing small shops, eateries, a remarkable video arcade for grown-ups and the Improv comedy club, which hosts a rotating schedule of rising and celebrated comics.

When the laughter of the comedy shows dies away, wander on, for somewhere in the Flats you can dance or dine until nearly dawn.

Yes, indeed, everything you need for a fine weekend is in Cleveland. So go on up and have fun. Just don't tell anyone where you're from.



The Flats: Nightspots boom in the shadows of bridges and Terminal Tower

Shop outdoors for fresh fruits and vegetables at West Side Market

If you go

- **Accommodations.** The Stouffer Tower City Plaza Hotel, 24 Public Square; 1-800-HOTELS1. The Weekend Breakation package is $79 a night; add $20 for extras on the Club Floor. Dine at the French Connection.
- **Touring.** Lolly the Trolley offers two-hour tours; $9 for adults, $5 for kids. Reservations required; 1-216-771-4484.

Water tours are offered by the *Goodtime II*, rates $7.50 for adults, $5 for children (1-216-861-5110); and *Star of Nautica*, rates $20.95 to $40.95 for adults, $10.95 to $15.95 for kids, including meals, entertainment (1-216-781-STAR).

- **Nighttime fun.** The Flats. Aquilon is at 1575 Merwin Ave., 1-216-781-1575. $3 to $7 cover charge. Saturday, jacket and tie required. No jeans.

The Improv, at the Powerhouse, 2000 Sycamore St., 1-216-696-4677, presents name comedians Tuesdays through Sundays. $7 to $10 cover. Reservations recommended.

Other options: Club Coconuts, with a high-tech dance floor; Shooters on the Water, restaurant and bar; Watermark, a seafood house; and Sammy's restaurant.

- **Daytime.** Museums include the Cleveland Museum of Art, Children's Museum, Museum of Natural History, and Frederick Crawford Auto-Aviation Museum, all at University Circle.
- **Suds.** The Great Lakes Brewery is at 2516 Market St.
- **Contact** the Convention & Visitors Bureau, 3100 Terminal Tower, Tower City Center, Cleveland 44113; 1-216-621-4110.

CONTINENTAL

January 1990 CITY PROFILE Volume 3 Number 1

Dramatic Improvement

Cleveland spent $37 million to rescue its downtown theaters. Now everyone is profiting.

by Betsa Marsh

The wiry man with the shaved head slowly aligns pages of the *Wall Street Journal* in a large circle. He carries coals from a nearby pile and places some on each spread of newsprint. Then, he pours kerosene on the coals and sets 20 tiny fires. He glides to the center, removes his shoes, and gracefully turns to each compass point on the fiery halo. As he completes a full revolution, the night air crackles with gasps and applause.

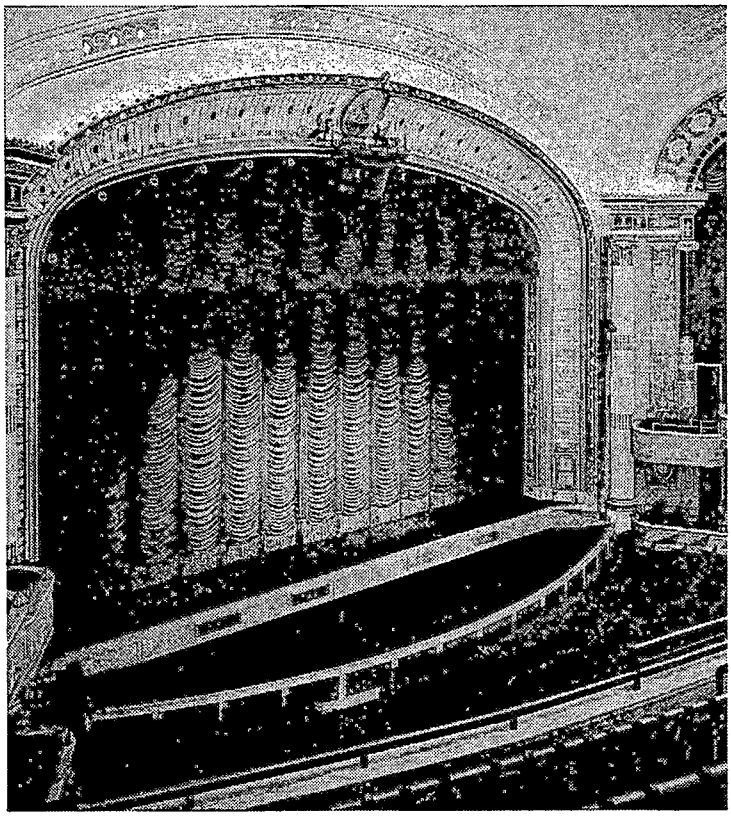
Zygmunt Pio Trowski is creating performance art at the Cleveland Public Theatre (CPT), and the sold-out audience in the theater's parking lot, flanked by the artist's fire extinguisher–toting assistants, stands electrified.

"No one had the slightest idea what he was doing, but we were enthralled," recalls Amanda Shaffer, CPT's production manager, public relations manager, and occasional actress, who has been known to pad a CPT audience of three with mannequins to make the actors feel less lonely. "He got everyone's attention."

The Polish artist, who returns to CPT's third annual (and the world's largest) performance art festival April 20–May 27, should feel especially in sync here. Suddenly, the entire country is giving Cleveland's theatrical renaissance its eager attention.

The city with the nation's oldest professional resident theater, the Cleveland Play House, and its first interracial cultural center, Karamu Theatre, is spotlighting an innovative range of productions on an exhilarating variety of stages.

From the wacky *Christmas on Mars* at CPT (January 12–28) to a production of *Fences* at the Play House (January 23–25) to Mitzi Gaynor in *Anything Goes* at the reju-



The State Theatre has been lovingly restored to its 1920s splendor.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

The Cleveland Play House is returning to its long-held tradition of premieres, with eight new works in this season's line-up.

venated State Theatre in Playhouse Square (January 23–28). Cleveland theatergoers need never face, as they say on the boards, a dark night.

Much of the excitement radiates from downtown, at the Playhouse Square Center on Euclid Avenue. Here the Palace, State, and Ohio theaters, built in 1921 and 1922 as extravagant pleasure domes, have been lovingly restored and combined to form the third-largest performing arts center in the country.

The resulting 6,847-seat center is home to nine regional performing arts companies, including the Great Lakes Theater Festival, performing May through October, and the Theatre League of Cleveland, the city's Broadway tour series.

In addition to staging current productions, Playhouse Square Center also nurtures new and lesser-known works. Some of the ideas that may hatch in the upcoming season are musical versions of *The Apprenticeship of Duddy Kravitz*, *Eating Raoul*, or *The Secret Garden*. The Playhouse Square Center nurtured and produced *Diamond Studs*, *The Gospel at Colonus* on Broadway, and the national tours of *Beehive* and *Big River*.

Farther east on Euclid Avenue near University Circle, the Cleveland Play House is returning to its long-held tradition of premieres, with 8 new works in this season's 11-play line-up. America's oldest resident theater, dating back to a 1915 production of Strindberg's *Mother Love*, has unveiled premieres by the likes of Tennessee Williams, Maxwell Anderson, Arthur Miller, and William Saroyan.

The Play House has been a boon to actors, too, helping to launch Henry Fonda, Jose Ferrer, Alan Alda, and Zoe Caldwell, as well as one-time curtain pullers Joel Grey and Paul Newman. Last year, new artistic director Josephine Abady's production of *Born Yesterday* went on to Broadway, garnering leading lady Madeline Kahn a Tony nomination.

Nearby at Dobama Theatre, in a converted bowling alley, artistic director Joyce Casey may eschew the star system for her non-Equity company, but she shares Abady's enthusiasm for regional premieres—especially by Cleveland playwrights.

Dobama company member Mary Gibson will see world premieres in January of her two one-act plays, *The Land of the Free* and *Pen Pals*. A later highlight of the theatrical calendar is the twelfth annual Marilyn Bianchi Kid's Playwriting Festival (June 6–10), open to local students in grades 1 though 12. Here's a chance to see a full, free production of *The Magic Swan*, *Elvin the Ostrich*, or other aviary tales sprung from childhood's imagination.

The high thespian energy continues throughout the season on more than a dozen Cleveland stages. In February and March, for instance, theatergoers can immerse themselves in everything from the new *Mama Drama* to the vintage song-and-dance sinking of the *Titanic*. A sampler:

- World premiere of *Mama Drama* by five actresses/mothers at the Cleveland Play House, February 13–March 18 (216-795-7000).
- *One Mo' Time*, a 20s-style vaudeville musical by Vernel Bagneris, February 1–24 at the Karamu Theatre (795-7070).
- *Still Life*, a drama about the Vietnam conflict by Emily Mann, February 9–25 at the Cleveland Public Theatre (631-2727).
- Eighth Festival of New Plays by regional playwrights March 17–31 at the Cleveland Public Theatre.
- *The Unsinkable Molly Brown*, starring Debbie Reynolds, at the State Theatre March 13–18 (241-6000).

Whether the stage sparkles impressively with fresh gilt or crumbles endearingly with old plaster, Cleveland box offices are bustling in a climate of new, reinvigorated theater. As Amanda Shaffer says of CPT's *The Persecution of Jean-Paul Marat* (June 15–30), in which patrons will stumble into an eighteenth-century French insane asylum the minute they step out of their cars, "Be warned and be welcome." □

Free-lance writer Betsa Marsh, a former theater critic, lives in Cincinnati, Ohio.

The News and Observer
October 21, 1990 Raleigh, N.C.

Nightspots keep life hot along Cuyahoga

By KATIE MOSHER
Staff writer

CLEVELAND — History runs deep along the banks of the Cuyahoga River.

But it's the splash of modern nightlife that draws the crowds to the riverside district known as The Flats.

A few blocks northwest of Public Square and the landmark Terminal Tower, the district was the cradle of the city's iron and steel industry boom in the last half of the 1800s.

Warehouse and shipping businesses still operate along the riverbanks that in the 1890s earned the city the distinction of being a shipbuilding capital.

But now the boardwalks also bustle with diners and strollers. The bridges and railroad trestles serve as striking backdrops for countless tourist photos.

This is the same Cuyahoga River that most non-Buckeyes tend to remember for its flames. A burning oil slick in June 1969 immediately spurred the ire of environmentalists and later captured the imagination in songs by Randy Newman and R.E.M.

In recent decades, cleaning up the Cuyahoga and Lake Erie has been a priority. Some city leaders still bristle at the mention of the fire.

"That was a small spot of oil that was blown out of proportion," says Bob Ulas, communications director for the Convention and Visitors Bureau of Greater Cleveland.

When visitors see the river these days they are "astounded by reality," Mr. Ulas says.

Maybe not always astounded, but first-time visitors may be pleasantly surprised with the variety to be found in this Great Lake city that boasts a renown symphony, art museum, theater district, diehard football fanatics and the future home of the Rock and Roll Hall of Fame.

Since the 1970s, The Flats has been known for a collection of restaurants and nightclubs nestled under bridges and among the warehouses along Old River Road on the east side of the Cuyahoga.

But in the mid-1980s the area took off with the addition of the Nautica complex on the river's west bank.

And in July expansion continued as The Island complex opened on Whiskey Island — named for the distillery built there in the 1830s. Located where the Cuyahoga meets Lake Erie, the complex features live music and barbecue ribs, as well as a historic Coast Guard lifesaving station.

The island is accessible only by water, so tourists need to hop the shuttle boat that runs from the Warehouse District to the Island complex.

Also, a separate water taxi service, known as the Holy Moses, takes folks back and forth from one side of the river to the other for $1 a ride during the day, $2 at night.

But the truly hip arrive by private boat.

The river and lake are still used by ore ships and other cargo vessels. But they must share the waterways with sailing sloops, power boats, bass boats, rowing sculls and even a yacht or two.

And for those who want their meals on the water, lunch and dinner cruises are available on tour boats such as the Star of Nautica.

Meals are plentiful and varied on the waterfront. Penny-pinchers delight in the Nautica boardwalk booths that offer selections to rival a state fair.

At the gourmet end of the scale is Sammy's, an upscale restaurant that features a raw bar, jazz and $6 desserts. And the Watermark — in a ship provision company building that dates to 1854 — offers a bright riverfront patio.

In between you can find the Flat Iron Cafe, a traditional Irish cafe just under the Detroit-Superior Bridge; or a few blocks farther is Shorty's Delux Diner which will take you back to the 1950s. Other choices include Mimi's Bar-B-Q and Lounge, Fagan's riverside cafe and Shooters, a restaurant and bar complete with pool for summertime dips.

Entertainment is equally varied. The outdoor Nautica Stage has seating for 4,000 and in 1990 brought the likes of Harry Connick Jr., Joan Baez and Bad Company.

Peabody's Down Under offers live bands, while the dance spots include Club Coconuts, which keeps the disco flavor with a glittering floor.

For those who prefer the high-tech age, there's a video room in the Powerhouse, a restored electrical power plant built in 1892 to provide juice for the city's first trolley system. The Powerhouse also includes an Improv comedy club.

For a fuller view of the city, guided tours are available on Lolly the Trolley. The tours include the renovated Ohio City neighborhood and the expansive West Side Market, one of the largest indoor/outdoor food and produce markets.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

The Washington Post

SUNDAY, NOVEMBER 11, 1990

Regions

Upscale Retailing Pulls In at Cleveland Train Station

By Mark Niquette
Special to The Washington Post

CLEVELAND—Downtown Cleveland hasn't had much in the way of high-class shopping—or much in the way of a high-class image. But developers and city officials are hoping that a train station-turned-shopping mall that opened last spring can help with both problems.

After nine different research projects and 67 focus group surveys, developers for The Avenue, Cleveland's glittering, new $105 million downtown shopping center, determined that many Clevelanders shopped regularly by catalogue or in other cities because Cleveland lacked the upscale stores they wanted. "We knew there was a good market here that no one was tapping," said Emerick Corsi, vice president of development at Forest City Enterprises Inc., developers of the 110-store Avenue. "Retailers believed us when we said we could bring dollars leaving the city back downtown."

Two expansive skylights overlook three levels of stores and shops in The Avenue, the retail component of a larger complex called Tower City Center. Located along the banks of the Cuyahoga River in Cleveland, the complex includes an adjacent 12-story Skylight Office Tower and Stouffer Tower City Plaza Hotel, a Ritz-Carlton Hotel and office tower, and a renovated former post office building for the M.K. Ferguson Co.

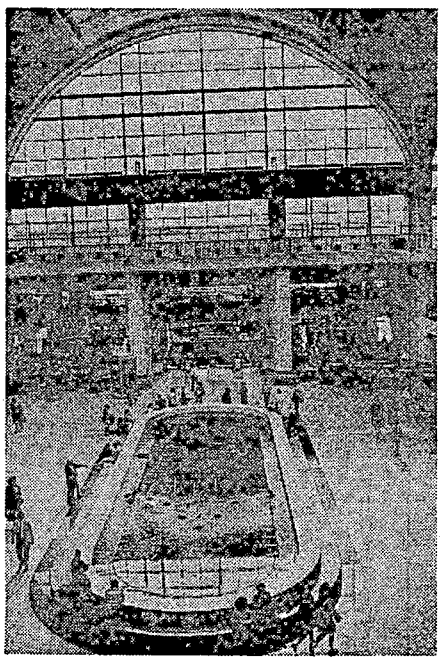
The complex also features the 52-story Terminal Tower, Cleveland's most familiar landmark, which once housed the city's main train station. The Avenue, which opened in March, is larger than either Union Station in Washington or Union Station in St. Louis, two other train depots converted into retail shopping centers.

Persuading retailers to come to Cleveland—especially national retailers who were not familiar with the Cleveland market or had left Cleveland off their lists of possible expansion sites—took some imagination.

"It was very difficult to get retailers to come here. Cleveland has been the butt of jokes for so many years," said Holli Birrer, a spokeswoman for The Avenue.

Once retailers visited the city and The Avenue complex, however, it was not difficult to sell them on the project, Corsi said.

"All we ever heard was that Cleveland was a dead, dirty city—not very attractive for starting a new business. We discovered that Cleveland is not as we had heard," said Zareh Khederlarian, executive vice president of operations for the Los Angeles-based Politix men's apparel stores. Politix chose The Avenue as the site of one of its first stores outside of California.



BY BRYNNE SHAW FOR THE WASHINGTON POST

Cleveland has attracted a number of upscale retailers and shoppers to its downtown center.

To entice people to visit Cleveland, developers told retailers if they came to the city and did not like what they saw, The Avenue would pay for their visit.

"In our visits to Cleveland, we saw a real interest on the part of Clevelanders to make The Avenue work," said Peter Cobuzzi, advertising director of Bally of Switzerland, an upscale shoe store. "We felt there was a strong commitment to the project from a city that is on the rise."

Cobuzzi said Bally had more than 3,000 Ohio customers—many of them in the greater Cleveland area—who shopped by catalogue and at other Bally stores. The developer's research showed there were only 2.3 square feet of retail space in Cleveland for every household with an income of $50,000 or more, compared with 12.5 square feet in Cincinnati and 14.5 in Baltimore, said Corsi.

"There is a pocket of opportunity here," said Michael Sturges, a retail analyst and partner in the accounting firm of Laventhol & Horwath in Cleveland.

The Avenue conducted market research to determine the specific stores to target for the project, said spokeswoman Birrer.

"Most developers do research to determine what group or type of stores they want in their project, but we asked people in Cleveland what specific stores they wanted," she said. "We then went after the Guccis and Fendis, the retailers who put only one store in a major city."

The Avenue has 93 percent of its 361,000-square-foot space leased, and officials expect to fill the remaining spots by early next year. The center's tenants seem pleased with results so far.

"Our Avenue store is one of our best performers," said Chuck Champlin, spokesman for the consumer products division of the Walt Disney Co., which operates 70 Disney stores nationwide that sell Disney-related paraphernalia.

"Business has been very good for us," said Barbara Leiblinger, store manager of Gucci's. "We're seeing Gucci customers who in the past traveled to other cities to shop, and we are also converting a lot of new Gucci customers."

Retailers at The Avenue say shopping traffic is thin on weeknights but steady during the day and on weekends. At lunch time on any given day and on weekends, there's a sizable crowd milling about and lounging near The Avenue's fountains in the main open-air concourse.

The rise or fall of Tower City and The Avenue is linked to the rest of downtown Cleveland, said Michael Bogarty, director of the Center for Regional Economic Issues, a major economic research center at Cleveland's Case Western Reserve University. "Certainly, Tower City cannot pull up the entire city of Cleveland or downtown. It has to be one of several centers of growth," he said.

Bogarty said other strong developments are necessary because the decline of downtown in the past was so substantial. The percentage of retail trade in the greater Cleveland area that was actually in the city dropped from 69 percent in 1947 to 30 percent in 1987, he said. Also, studies in 1987 showed that the city benefited from only 12 percent of the $17 billion in retail sales generated in northeast Ohio. Baltimore garners 20 percent of retail sales in its area, and Pittsburgh gets 19 percent.

"No one has an answer right now how much of an effort it will take to reverse the downtown's long-term decline," he said. "It's too soon to tell just what impact The Avenue and other downtown development projects will have."

Joseph Marinucci, Cleveland's director of economic development, said downtown is "on the verge" of achieving the "critical mass" of retail stores and sales necessary to spur substantial business development. "The Avenue has reacquainted a group of people to the downtown who had not shopped here in a long time," he said. "It's also bringing a new generation of younger people downtown."

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

THE PLAIN DEALER

FRIDAY, JANUARY 26, 1990

FORUM

ESSAY & COMMENT

City's turnaround wows pollster

By LOUIS HARRIS

What a difference 12 short years can make in the outlook and in the survival of a community!

In 1978, my firm was commissioned to do a study of how the people and the leaders of Cleveland perceived themselves, as well as how the city was viewed by corporate decision-makers outside the area.

The results were dismal, so bad that I worried the community would act like the Persians and kill the messenger of bad tidings. Politically, this city had people inside and outside shaking their heads in disbelief, and economically the city was down. The outlook for change was bleak. Worst of all, only a handful of the stout-hearted among leaders and the public had faith the old city could make it.

Now, 12 years later, we were asked by the New Cleveland Campaign to conduct a similar study across the four-county area. We found an immense difference: a quickening of the spirit, a new depth of conviction, a powerful welling up of confidence that Clevland has come out of it and now is on the march.

Once again, your leaders are bullish about Cleveland:

- Majorities of top executives in Cleveland-area companies and organizations, key journalists, and government and civic leaders rate Cleveland "pretty good" or "excellent" on at least 23 of the 27 key areas asked about.
- Majorities of top executives in local "growth companies," key journalists and government and civic leaders see improvement for Cleveland in roughly half of the 27 areas.
- When these same groups are asked to compare Cleveland with the cities it competes against, they put Cleveland in a league by itself. This was not the case 12 years ago.
- City government, far more than county or state government is given major credit for this turnaround.

These findings are critically important to Cleveland's comeback. For the first ingredient in that comeback surely must be the existence of a leadership and a people who believe in themselves and in what they do. If you believe, others will, too.

Of course, having reported all this, I must also report that you will have to persuade people in the rest of the country to believe in your city as much as you yourselves do. There are a number of important factors for which Clevelanders give the city high marks, but outsiders have yet to become believers.

One optimistic note about what others think of the city is that real estate investors, developers, location consultants, high-growth companies, and even the media outside are the most favorably inclined toward Cleveland. Still, as might be expected, the views about Cleveland are much more positive among those who live here than among those who do not.

Why the turnaround in the past 12 years? We explored 27 key substantive areas in our study among Clevelanders and those outside.

In a number of important areas, outsiders and Cleveland residents agree that the city has crucial assets. In order of importance, the survey found enthusiasm for Cleveland's health and medical facilities, its large pool of available skilled workers, its available industrial sites, its convenient airport with good connections across the country, its high-quality professional services, its convenience to rural settings, its good and well-located colleges and universities, and its top-quality culture and arts.

Taken together, these constitute the positive base Cleveland has to build upon. On these, the city has real credibility everywhere.

Areas where Clevelanders give the city substantially higher marks than outsiders are, in order of importance, the city's healthy, growing economy; its government's attitude toward business; its access to domestic markets; its economic packages for new business; its available affordable housing; its restaurants, entertainment and nightlife, and its convention and trade show centers.

It is up to the leaders and people of Cleveland to convince the rest of the country of the city's strength in these areas. You agree that on these aspects the city can make a strong case, but our survey shows you have to take that case to key decision-makers outside the city.

In six final areas, however, even Clevelanders are not prepared to give the city high marks. These are its labor-management relations, its public schools, its ethnic and race relations, its crime rate, its first-class hotel rooms, and its access to international markets. Many of the problems are shared by other metropolitan areas. But that is little solace. You still must improve. If you do, the dividends will be high.

You cannot kid yourselves about your weaknesses in these areas. Quick and easy fixes will not suffice. Real progress must be made on each of them. And you are going to have to prove that you really are making progress. You need to report progress, not a full solution, to impress those outside.

I believe we have caught a rare and important moment of change in Cleveland, when a city has looked at itself into the depths of its soul and then, in all candor, come up with an honest assessment. And that is that things are on the uptick. It's up to the city, its leaders and its citizens to make the most of it.

Harris is a public opinion analyst and founder of Louis Harris & Associates.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

Chicago Tribune

APRIL 1, 1990

Shopping center $105 million symbol of Cleveland comeback

By Stanley Ziemba

Retailing in downtown Cleveland, like in most major Midwestern and Northeastern cities, gradually deteriorated in the 1960s and '70s as middle-class residents and retailers migrated to the suburbs.

In the last decade, however, Cleveland's central business district, like some other Rust Belt downtowns, has been making a comeback. Since 1980, more than $1 billion in new construction has taken place in the heart of this city of more than 500,000 on the southern shore of Lake Erie.

With the opening last week of a 350,000-square-foot shopping center in one of Cleveland's most prominent downtown landmarks, the Terminal Tower complex, many Cleveland officials and residents believe that the city's turnaround is nearly complete.

The $105 million, three-level shopping center, carved from the bowels of Cleveland's former main train station, is part of a planned $1 billion, 83-acre project that is one of the nation's largest mixed-use urban redevelopment projects.

In addition to the shopping center, christened The Avenue, the Terminal Tower project includes renovation of the 60-year-old, 52-story Terminal Tower office building, Cleveland's most prominent skyscraper and the tallest building west of New York City until the 100-story John Hancock Center was built in Chicago in 1969.

The complex also includes a 14-story Ritz-Carlton Hotel and office building scheduled to open in July; an office building being made from a former post office; a new 12-story Skylight Office Tower scheduled to open in the fall; and a $55 million rapid transit station to be completed in July.

The new shopping center, however, is the centerpiece of the complex, the magnet that Cleveland officials hope will keep office workers downtown at night and bring busloads of suburbanites and tourists to the heart of Cleveland on weekends.

Though the shopping center is not fully developed, Cleveland residents and officials who came to the grand opening were comparing it to Chicago's Water Tower Place on North Michigan Avenue.

Photo by Jennie Jones

The centerpiece of downtown Cleveland's revival is The Avenue, a 350,000-square-foot shopping center in the Terminal Tower complex. The Avenue is being compared to Water Tower Place.

"People here familiar with Water Tower say that the Terminal shopping center will do for downtown Cleveland what Water Tower has done for North Michigan Avenue," said Albert B. Ratner, president of Forest City Enterprises, the Cleveland-based real estate development firm that is developing Terminal Tower.

Like Water Tower, The Avenue features some of the trendiest retailers among its more than 120 shops and restaurants.

It also contains an 11-screen theater complex, the first movie theaters built in downtown Cleveland in more than 20 years. In addition, a 120,000-square-foot Neiman-Marcus department store, the first between the East Coast and Chicago, is scheduled to open in the center in 1992.

Eventually, more retail space, office buildings, hotels, residential buildings and the $45 million Rock and Roll Hall of Fame are to be added to the Terminal Tower complex.

Usually, a shopping center more than 300 miles east of Chicago might generate little interest among Chicagoans. The progress of Terminal Tower, however, is likely to be monitored closely here because the developer, Forest City, is the co-developer of the 72-acre Central Station development planned for Chicago.

Central Station is a $3 billion mixed-use office, residential, hotel and retail air rights development being proposed over the Illinois Central Railroad tracks along the lakefront between McCormick Place and Roosevelt Road.

Forest City's Ratner sees several parallels between the Central Station and Terminal Tower projects.

"They're both large mixed-use developments located in areas of the city that for one reason or another were until recently perceived as wastelands, areas unacceptable for new development," Ratner said.

"Both developments, because of their large scope, are the kinds of projects that require a tremendous amount of community involvement, a public-private partnership that is absolutely essential," Ratner added.

Cleveland officials point out that Terminal Tower is a prime example of what the taxpayer and the private sector can accomplish. The complex has been helped by more than $100 million in public subsidies. In return, the development is expected to generate more than 3,000 jobs when completed.

For the Central Station project, Forest City and Chicago-based Fogelson Properties Inc. are seeking more than $200 million in public money.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

THE WALL STREET JOURNAL.

THURSDAY, JULY 6, 1989 ENTERPRISE

Cleveland's Entrepreneurial Plan Helps Offset Decline

Big Companies and Public Groups Play a Role in Encouraging Small Business

By UDAYAN GUPTA
Staff Reporter of THE WALL STREET JOURNAL.

CLEVELAND—Shuttered factories are daily reminders of the problems faced by this city's smokestack industries.

But in one part of town, **Gliatech Inc.** is creating a new business using nerve-regeneration technology. Elsewhere, **OttoSensors** Corp. is developing a catheter to monitor blood gases. And in nearby Beachwood, National Medical Diagnostics Inc. sells and services medical imaging equipment.

These new high-tech companies benefited from Cleveland's plan for encouraging entrepreneurship as a means to offset Rust Belt decline. One profited from a technology transfer, one received start-up management assistance and another was helped by an increase in Cleveland's venture-capital pool.

First of two articles on the role of entrepreneurs and regional revival.

Many cities and regions with economic troubles are trying or considering the same approach. Cleveland's experience suggests such a course can help significantly—under the right conditions. Among the key conditions: a core development strategy and major support from big business and public organizations.

Seven years after big business and local government drew up the plan to encourage small business, Cleveland is reaping the benefits. Funds managed by Cleveland venture capitalists have jumped threefold to more than $550 million. Capital provided by local investors under the plan has helped launch 63 new companies. And more than 400 new projects are being nurtured and developed in "incubators" and industrial parks. Incubators provide services as well as space to help new companies succeed.

"We haven't gone through a complete transformation but we have managed to reverse the decline," says Richard Shatten, executive director of Cleveland Tomorrow, a consortium of the city's 50 largest companies that is helping implement the plan. Nobody expects the plan to turn Cleveland's economy around single-handedly, but it has contributed. The area has added 90,000 jobs since its 1983 low of 830,000 jobs, Mr. Shatten says.

Says veteran venture capitalist David Morgenthaler, "There are more people willing to work on new businesses and more people willing to finance them."

Clearly, big-business involvement is part of the reason. "It's impossible to conceive of Cleveland Tomorrow without big business," says William Grimberg, director of the program's technology leadership council. These are the guys with the resources and the vision to support such a program over the long run."

Other cities are trying entrepreneurship as a means of revitalization. In 1984, Dallas set up a high-technology task force to mine the city's strength in electronics and computer technology. In the mid 1980s, Pittsburgh created new industrial parks on the site of former steel mills. But few have done as much as Cleveland to join private and public organizations to address long-term fundamental economic problems.

Self-Serving Catalysts

The activity began in 1982, when the city's big businesses decided to act. "We felt that we had to act as catalysts for economic development in the region," says Ralph Schey, chairman of **Scott Fetzer** Co., a major Cleveland manufacturing firm. "It was entirely self-serving," he adds. "Without a core of small businesses to work with, we ourselves would be in trouble."

A key element of the plan was creating partnerships with the state to help commercialize technology being developed in research centers at Case Western Reserve University and Cleveland Clinic, a major medical center. The plan also encouraged creation of a pool of venture capital to be invested in the region. A center for entrepreneurs was started to provide training, space and ways for entrepreneurs to work together.

Some venture funds were already based in Cleveland, but few of them invested locally. "There just weren't that many good opportunities here," says Mr. Morgenthaler. So the plan encouraged formation of the Primus Capital Fund. Local corporations such as Scott Fetzer, **AmeriTrust** Corp., **Eaton** Corp and public pension funds provided Primus's initial $30 million in funding. Since its launch in 1984, Primus has invested in 31 companies. It now has over $105 million under management. The success of Primus has helped encourage formation of several other funds, business leaders say.

Trauma Product

Venture funds like Primus have received significant help from Enterprise Development Inc. and Cleveland Advanced Manufacturing Program, organizations launched under the plan to help nurture and develop research projects leading to commercial products. An Enterprise Development incubator, for example, aided a Case Western neuroscience project in developing a product that can treat acute trauma. Gliatech was formed to bring the product to market.

One reason for the success of Cleveland's strategy is that it didn't try to remake the city's economy. By tapping into the area's strengths in medicine, manufacturing and aerospace, "we have created businesses that wouldn't have existed four to five years ago," says Lewis Schwartz, a Cleveland-based consultant.

Companies such as **Cimcast** Corp., for example, are taking techniques that are already available and improving them with computer-aided processes. The company is applying advanced manufacturing methods to traditional foundry techniques. Cimcast began as a pilot project at **British Petroleum** Co.'s BP America Inc. in 1984 but Mr. Baker purchased the unit last year with a group of investors. This year, Cimcast expects to have sales of $500,000 or so and to be profitable by early 1990.

Untapped Strengths

Mr. Baker says Enterprise Development officials worked closely with him and BP America before the spinoff. "It's been through the encouragement and prompting of [Enterprise Development] that big corporations like BP America are willing to spin off units to entrepreneurs. In years past, such units [outside the corporation's main line of business] would simply be shut down," he says.

Investors also are focusing on Cleveland's large but virtually untapped research strengths in medicine and biotechnology. Primus and several other funds have invested about $3 million in OttoSensors, a start-up that is developing products to monitor blood gases. And Mr. Morgenthaler's fund is the biggest investor in National Medical Diagnostics, a big suppliers of imaging equipment.

Mr. Morgenthaler, who just a few years ago complained that there weren't too many opportunities close to home, says he is encouraged by the rapid changes in Cleveland's entrepreneurial economy. To be sure, he warns, the pace may slow if financing dries up. Moreover, the price of investing in a newly entrepreneurial economy might yield returns lower than that of investments in Silicon Valley and Boston's Route 128.

Nonetheless, he is confident the Cleveland model can work for others "as long as it's a process of slowly building up." Otherwise, he warns, "cities that try for a quick big boom could easily end up with a big bust."

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

JUNE 1989

BUSINESS MONTH

CLEVELAND: MIRACLE ON THE CUYAHOGA

If there was a moment Cleveland's mayor, George Voinovich, savored, it was the June day in 1987 when he invited reporters to watch him start a bonfire in his office. Up in smoke went the last of the financial obligations that had haunted Cleveland since its 1978 default, when it became the first city in the United States to go bankrupt since the Great Depression.

Voinovich inherited a managerial nightmare when he took office in 1979. Cleveland was $111 million in debt and couldn't borrow any more money. Its accounting system was so fouled up that the books couldn't even be audited. When ambulances and fire trucks broke down, they stayed that way.

The new mayor's first step was to enlist the corporate community. Deeply concerned about their city's future, the business leaders, led by E. Mandell de Windt of Eaton Corporation, were willing to do just about anything Voinovich requested. And he wasn't shy about asking. Less than 24 hours after he was elected, Voinovich put together a 90-member volunteer business task force that spent three months working on the city's tangled finances.

The task force came up with 650 recommendations, including creating an economic-development office and streamlining community development. Voinovich implemented almost all of them. The new mayor surrounded himself with capable managers borrowed from the private sector and got rid of the political hacks who had traditionally run the city's major departments.

The city emerged from bankruptcy in 1980 and began paying off its accumulated deficit. Voinovich imported top-notch management talent to replace executives on loan from business, and developed a financing package for rebuilding Cleveland's decrepit bridges, streets, sewers and water system.

Today, the municipal work force is 10 percent leaner, and Cleveland has a consistently balanced budget and an investment-grade bond rating that has been raised several times. Remarkably, Voinovich pulled off this miracle after the Reagan administration had reduced Cleveland's federal aid by half and the recession of the early 1980s delivered the coup de grace to what remained of the city's old industrial base.

Voinovich burns Cleveland's once defaulted notes: management's triumph over politics.

Running an aging industrial city like Cleveland will never be easy. But George Voinovich is living proof that with good management even the most battered city can come back from the grave.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

NOVEMBER 13, 1989

Forbes

The Money Men

Name-brand venture capital firms tend to be in Boston or San Francisco. Here's a little-known Cleveland firm that's investing in some nifty companies in the heartland.

Diamonds in the Rust Belt

By Ruth Simon

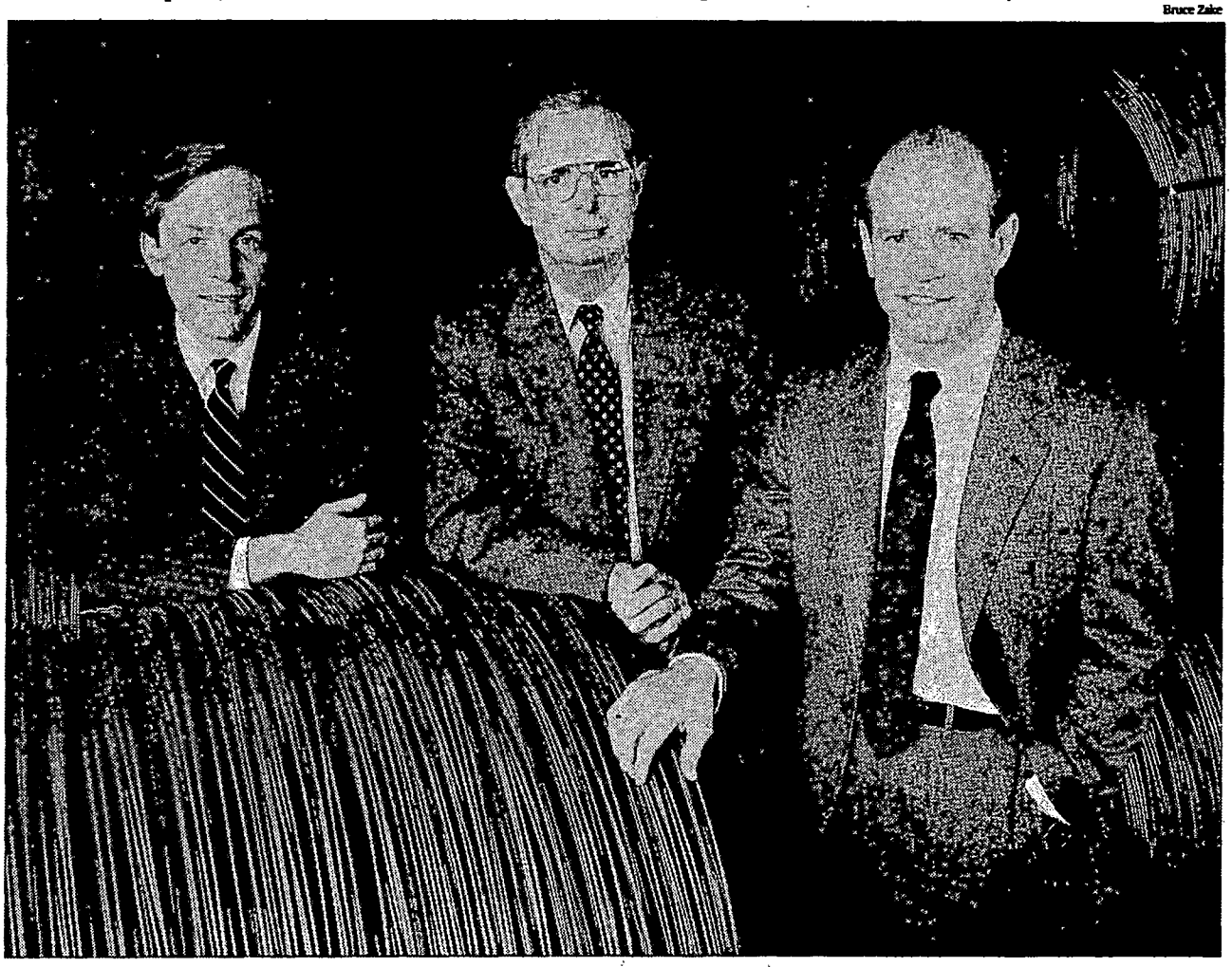
WHEN WILLIAM MULLIGAN first visited USX' Cuyahoga Heights, Ohio rod mill back in 1986, it was a nightmare. Not only was the steel industry in trouble but the plant, which had been closed in a 1984 labor dispute, was boarded up. Water was dripping from its ceiling.

"It was the most grotesque facility I ever saw," recalls Mulligan, a general partner in Cleveland-based Primus Venture Partners, a manager of two venture capital funds with $105 million in assets between them. "USX was within a gnat's eyelash of selling it to a scrap dealer."

A bad first impression didn't stop Mulligan and Primus general partners Loyal Wilson and James Bartlett from putting up $1.5 million to help a former Bethlehem Steel executive buy the mothballed facility and two others for just 10% of their replacement cost. Today the three plants are known as American Steel & Wire Corp., a maker of high-quality steel rod for seat belt fasteners, engine bolts and lug nuts. If that sounds unexciting, this won't: American Steel & Wire should earn $8 million on sales of $230 million in fiscal 1990 (ending June 30).

"This wasn't a deal for the faint of heart, but we got all our money back," says Mulligan, who figures Primus' investment has yielded more than $7

Bruce Zake



Venture capitalists William Mulligan, James Bartlett and Loyal Wilson at American Steel & Wire Corp.
"This wasn't a deal for the faint of heart, but we got all our money back."

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

million in cash and stock in American Steel & Wire Corp., which went public last year.

Finding diamonds in the Rust Belt is the goal of Primus. The firm was created in 1983 by a group of Cleveland business executives who wanted to foster entrepreneurial ventures in their backyard. Some 85% of the firm's investments are in Ohio or other parts of the upper Midwest. They range from turnarounds such as American Steel & Wire to communications industry buyouts to medical startups.

"Our strategy was to invest in a part of the country that hadn't received much focus from venture capitalists," explains general partner Wilson, who joined Primus from First Chicago Venture Capital.

A midwestern focus may have seemed novel at Primus' inception, but it's finding more adherents at a time when increased competition is pushing down venture capital returns on both coasts. "Some of the best opportunities in venture capital today are in dealing with outdated organizations like American Steel & Wire," says Robert Whyte, who evaluates venture funds for Mitchell Hutchins Institutional Investors, a subsidiary of PaineWebber.

The two Primus funds are still too young to have proved their mettle, but investors say that the early results look promising. "If things continue as they have, Primus I will exceed the 15% return we expect from venture capital funds, making it a very good investment," says Edward Button, president of TRW Investment Management, which has already received $707,000 in distributions on its $1 million investment.

Primus' investments tend to the prosaic. Among them are Inverness Partners, a Cleveland-based aluminum die casting company, and Prestolite Electric, a Toledo-based maker of motors and other automotive components. Ohio Business Machines is a Cleveland-based distributor of Sharp copiers and other office products that doubled its sales after Primus helped managers buy the company from the estate of its former owner.

"For us the trick is to find an industry that may be mature, but where by combining new management and capital we can create a successful competitor," says general partner Bartlett. He brings to Primus strong operating experience, which he gained as president of Acme-Cleveland Corp., a machine tool maker.

So far Primus' biggest winner has been Cleveland-based Action Auto Rental, which rents autos to insurance company policyholders whose own cars have been stolen or damaged in an accident. Started in 1984 by four executives from a rival rental company, Action is number three in its field, with sales of $100 million and 235 rental offices in 35 states. Primus funneled $1 million into Action and distributed $18 million worth of cash and stock to its investors over the past two years.

Primus may have another winner in LCI Communications, a provider of long-distance service that was first financed by four telecommunications companies. Primus anted up $6 million and brought in Warburg Pincus as a coinvestor. That allowed LCI's management to buy out the initial investors, who were engaged in a tug-of-war over the company's direction. With a 1,200-mile fiber-optic network stretching across the Midwest, LCI expects to turn profitable on some $300 million in revenues next year.

Bruce Zake

Bill Sanford of Steris
Desktop purifying.

Primus has entered the magazine publishing business, financing the buyouts of *Purchasing World, Tooling and Production* and other titles from Cahners Publishing and International Thomson. Isn't publishing a high-multiple, glamour business far from Primus' diamonds-in-the-rough philosophy? Not necessarily.

"Conglomerates in publishing have lost touch with their business," says Thomas Corcoran, formerly group vice president for International Thomson's industrial magazine division and now president of Corcoran Communications and Huebcore Communications, two publishing companies in Primus' portfolio. Corcoran has instituted profit sharing to foster an entrepreneurial attitude among employees and put ad salesmen on a commission schedule with no ceiling on earnings.

A midwestern focus hasn't kept Primus out of the technology business. Steris Corp., for instance, is a maker of countertop chemical sterilization units that make it possible to sterilize endoscopes and other heat-sensitive medical equipment in a doctor's office or an operating room. Primus arranged financing. It also brought in Bill Sanford, who has 22 years of health care experience, to run the company, which was founded in 1985 by a microbiologist and a mechanical engineer.

"Steris has developed a radically new product that could become an industry standard," explains Wilson. Another medical technology investment is OttoSensors, which is developing sensors to measure a patient's blood gases in an operating room or critical care unit.

And now, sir, tell us about your losers. Primus, like all investors worth talking about, has had its share, and Bartlett doesn't mind talking about them. The firm expects to lose most of the $2.5 million it invested in Transportation Technology, which purchased 36 truck tire retreading centers from Firestone and Fruehauf. "The guys backing it had a big-company mentality and overran their resources pretty severely," says Bartlett. Crippled by high overhead, it's now in liquidation. "It's our biggest loss," Bartlett adds.

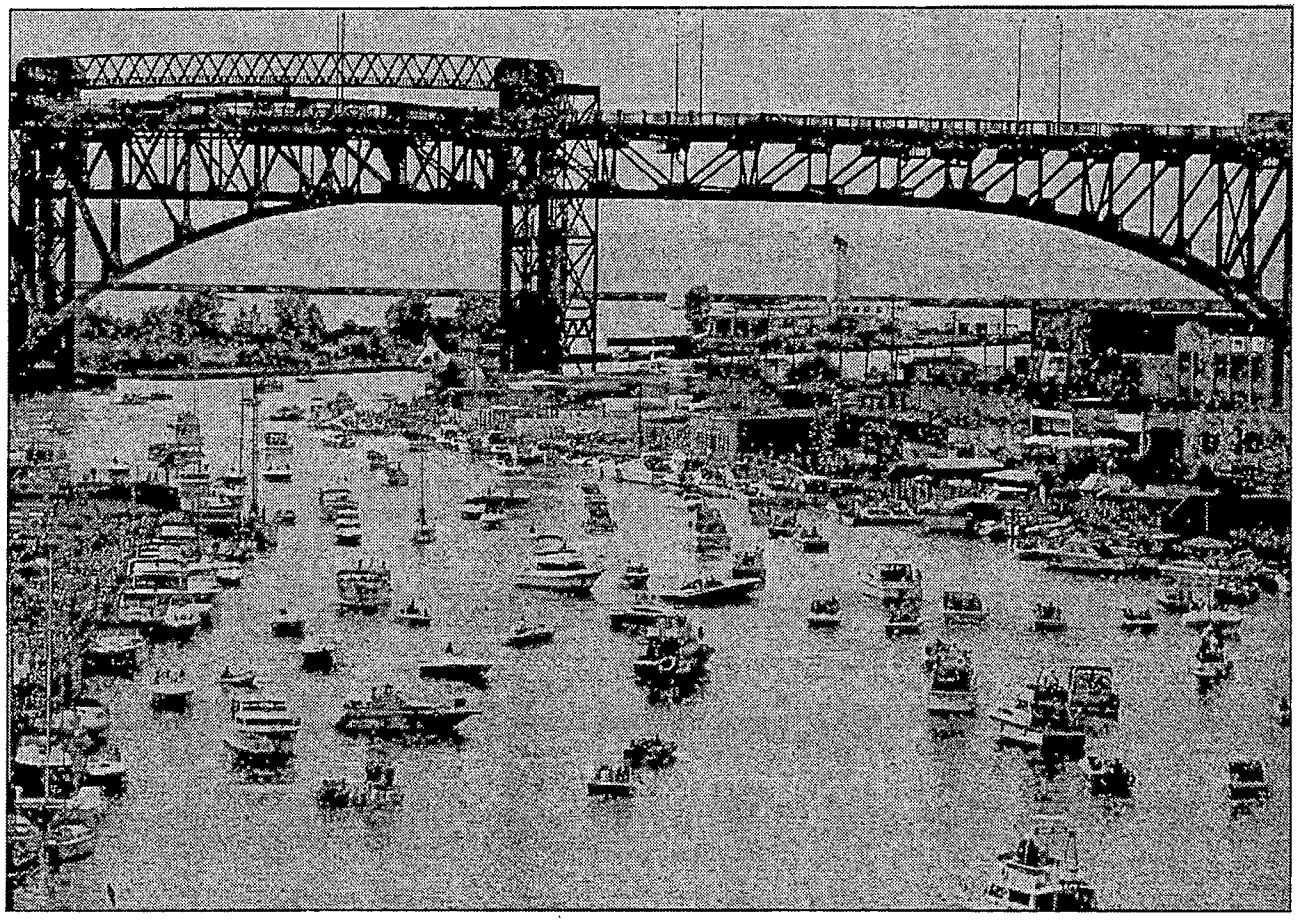
Primus also lost about 80% of the $1 million it invested in Muller Food Products, which built a state-of-the-art plant in Elyria, Ohio to blend dry food products such as flour and sugar, only to discover that there was little demand for the plant's services. Muller was sold to International Multifoods two years ago.

What lesson have Primus' partners learned from their failures? Replies Wilson: not to let someone learn his job on your money. "We've been unsuccessful where we've said this concept or business is so simple that we don't need someone with experience in this industry," he says. "There's no business like that."

Primus Venture Partners. It's a name you're likely to hear more about in the years ahead. ■

SUCCESSFUL MEETINGS

MAY 1990 SITE SELECTION



When the weather is fine, visitors and locals alike flock to the waterfront entertainment area known as "the Flats."

Cleveland

BY ANN HUGHES

Maybe Cleveland's been the butt of all those jokes because funny things have a way of happening around there—the Cuyahoga River goes up in smoke, the mayor sets his hair on fire with an acetylene torch, the mayor's wife declines an invitation from the President of the United States because the date falls on her bowling night . . . (Yes, it all really happened, a while back. The river was smoking with chemical waste, the hapless mayor was attempting to torch the ribbon at a dedication ceremony, and the bowler marched to a different drummer than most political wives do.)

David Letterman and Johnny Carson, among other contemporary wits, have gotten a lot of mileage out of poking fun at Cleveland, but they weren't the first. Years ago, W.C. Fields is reputed to have said, "I went to Cleveland the other day. It was closed." Not any more. Cleveland today has what it takes to be regarded very seriously indeed.

Well set on "America's North Coast," the city boasts that it has "the best location in the nation," says Dale R. Finley, president of the Convention & Visitors Bureau of Greater Cleveland. It's within 500 miles of 45 percent of the U.S. population, not to mention seven of the top domestic and six of the largest Canadian markets. And the city is "very compact. It's easy to get around in—everything's within 15 minutes of downtown," he says.

While Cleveland now has the nation's third-highest concentration of Fortune 500 company headquarters, things have not always been so rosy. Back in the mid-1970s, the city fell victim to the urban blight that laid waste so many other old industrial cities. (See "Past and Future Perfect," page 163.) Today, thanks to the bootstrap efforts of community groups, Cleveland is reborn. More than $5 billion worth of construction is under way in the downtown and waterfront areas, bringing new hotels, office buildings, shopping complexes, and an outdoor sports arena to the city landscape.

REDEVELOPMENT

Reshaping The Downtown Skyline

Downtown Cleveland today is studded with tower cranes, sidewalk barricades, and skyscrapers

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

under construction—graphic testimony to the city's massive investment in reshaping its skyline.

The signature landmark on that skyline, however, is still the Terminal Tower on Public Square. When it was completed in 1930, the 52-story tower was the tallest building between the east and west coasts. Union Station, part of the original Terminal Tower complex, was the nation's first underground railroad station and the largest construction in the Western Hemisphere, except for the Panama Canal.

Terminal Tower has been refurbished and will be the focus of the new $400-million Tower City Center complex, opening this year with a Ritz-Carlton. Other projects destined to cast long shadows in the downtown area include the 28-story Bank One Center corporate complex, scheduled to open in summer 1991; the 57-story Society Center, whose main tenants will be a Marriott and the Society Corporation, one of Ohio's big banks, both promised for 1992; and the 60-story Ameritrust Center, new home of a Hyatt Regency and the Ameritrust Company, a $10-billion financial institution. When completed in 1993, it will be the state's tallest building.

HOTELS

One Down, Four Coming Up

As part of the redevelopment effort in the downtown area, one of Cleveland's oldest and largest hotels—the 510-room Hollenden House—was demolished to make way for Bank One Center. But a number of new properties, now in the pipeline, will soon make up the room deficit.

This spring, the 252-unit **Radisson Suite Hotel Cleveland** will open in the $27-million Reserve Square development, two blocks from Playhouse Square. All of the richly appointed, 800-square-foot two-room suites will have minibars, work stations, refrigerators, and microwave ovens. In-house conference facilities will include a 2,160-square-foot grand ballroom seating 180 for banquets, three 720-square-foot breakout rooms, and two executive boardrooms, each seating up to 12 people.

The **Ritz-Carlton Cleveland**, a 207-room luxury property, will open this fall in the Tower City Center complex, where it will occupy the top nine floors of a 14-story building. The hotel will offer such amenities as honor bars, twice-daily maid service, terry cloth bathrobes, airport shuttle service, and an executive fitness center with a heated swimming pool. Meeting space will include a 4,500-square-foot ballroom, five meeting rooms, and two boardrooms.

Farther down the line, the 424-room **Marriott at Society Center** is slated to open in early 1992 and the 484-room **Hyatt Regency at Ameritrust Center** in 1994. When all four new properties are up and running, the city will have more than 3,200 hotel rooms within one and a half square miles of the Cleveland Convention Center.

Currently, planners have a range of meetings options in existing downtown and suburban properties. For starters, the 470-room **Sheraton Cleveland City Centre** (formerly the Bond Court Hotel), the property closest to the convention center, completed in January the first phase of a $7-million renovation that upgraded ballrooms, meeting rooms, guest rooms, and lobby areas, and added a full-service restaurant called Avenue St. Clair. Another $3 million will be spent by this spring to renovate guest rooms and the hotel's lower-level lounge and restaurant, the City Centre Grille. The Sheraton can host groups of up to 1,000 theater style in its grand ballroom; smaller meeting rooms accommodate 50 to 180 people classroom style.

Another downtown property, the

SM SiteScore™

Name: **Cleveland**

Date: **May 1990**

Convention bureau	83
Accessibility	82
Friendliness *(local people)*	80
Costs *(transportation, food, accommodations, etc.)*	77
Shopping	76
Transportation *(in and around town, including to and from airport)*	76
Helpfulness *(service people)*	75
Restaurants	75
Hotels	74
Convention center	71
Services *(AV, printing, catering, etc.)*	67
Sightseeing attractions	67
Recreational facilities	66
Safety	65
Destination mgmt. firms	63
Promotional appeal	60

☐ 90-100 Exceptional

☐ 80-89 Excellent ☐ 70-79 Good

☐ 60-69 Satisfactory ☐ Under 60 Below par

Planner Comments

PLUS:
- Accessible—location right for our members.
- General climate of support, with good services.
- Our group has a strong core of members in northeast Ohio.
- Costs are very reasonable.
- Hotel accommodations were good and prices reasonable.
- We have a strong local support group in Cleveland.
- We were pleased with the facilities.
- We had an excellent reunion.

MINUS:
- Hard to sell.
- Top-notch service not available.

KUDOS:
- The subway from the airport is excellent.

The findings in this SM SiteScore™ report reflect the results of a recent SM survey of 100 association planners who held meetings in Cleveland during the 12 months prior to January 1990. Twenty of them completed the questionnaire, rating the city as a convention destination based on 16 factors. Each factor was rated on a scale of 1 to 10, with 1 representing "totally unsatisfactory" and 10 "extremely satisfactory." The average of responses received was multiplied by 10 to create a 10-to-100 scale.

492-room **Stouffer Tower City Plaza Hotel** (formerly the Hotel Cleveland) has undergone a $35-million renovation. Its grand ballroom can host up to 3,000 for receptions, and its 21 meeting rooms—five of which have conference phones—can handle groups of 50 to 700 theater style. A new tower, currently under construction, will expand the hotel's inventory by at least 300 rooms. Completion is targeted for 1993.

The **Holiday Inn Lakeside**, near Cleveland's downtown shopping and entertainment as well as the Cleveland Stadium, offers 380 guest rooms and nine meeting rooms. Over the past eight years, the property has spent $8 million to upgrade its facilities and can now accommodate groups of 10 (in its 12th-floor executive boardroom) to 600 (in the Lakeside Grand Ballroom).

The 348-room **Clinic Center Hotel**, connected by skywalk to the world-famous Cleveland Clinic Foundation medical center, is also worthy of note. Its Founders Ballroom seats up to 500 theater style and up to 320 for banquets; three smaller rooms each accommodate up to 35 for conferences. For private VIP meetings, the 10-person chairman's boardroom, on the penthouse level, has a wet bar and a private telephone line.

A regal property, which counts royalty and celebrities among its frequent guests, the Clinic Center has decorated its public areas with Oriental-patterned carpets, crystal chandeliers, and fireplaces. Its six palatial two-bedroom penthouse suites come staffed with personal butlers to unpack luggage and prepare meals. The hotel's Classics restaurant, by many accounts, offers one of the city's most exquisite fine-dining experiences.

Heading out of town, the 378-room **Cleveland Airport Marriott** is just five minutes from Hopkins International Airport and the mammoth International Exposition Center. Though the hotel has a glitzy glass-and-concrete exterior, its interior furnishings are quietly traditional. For meeting groups, the Marriott offers a total of 35 conference rooms with 12,000 square feet of flexible space, and can seat up to 500 people theater style and 400 banquet style.

The 115-room **Clarion Hotel & Conference Center Cleveland East**, a self-contained suburban property with a fitness center, a restaurant, a luncheon club, and a nightclub, is farther afield—about 15 minutes from downtown Cleveland and 35 minutes from the airport. (Limousine service from the airport is available daily for a nominal fee.) Its 19 meeting rooms, including five parlors, contain 30,000 square feet of space and can accommodate from five to 600 people.

About half an hour east of downtown Cleveland on Interstate 90 is the 169-room **Quail Hollow Resort** and corporate learning center. A recreation-oriented meeting site,

continued

HISTORY

Past and Future Perfect

Cleveland's not a city to talk much about its past; it would much rather talk about the future. The facts about Cleveland's past are, after all, pretty straightforward, paralleling those of many other Midwestern cities along a path of boom, bust, and renewal. To fully appreciate today's resurgence, however, it is first necessary to develop a nodding acquaintance with the past.

The city was named for Moses Cleaveland, a surveyor with the Connecticut Land Company. In 1796, Cleaveland, along with 40 other investors, bought this tract of Western Reserve land from the state of Connecticut for 40¢ an acre. The Yankee group chose a site on the banks of Lake Erie at the mouth of the Cuyahoga River for their capital, platted it like a New England village around a public commons (today's Public Square), and named it for their leader. (In 1831, a newspaper printer dropped the first "a" from Cleaveland so the word would fit into a headline.)

Not much happened in the new town until 1832, when the Ohio Canal connecting Cleveland with the Ohio River was completed, launching the growth of the city as a commercial and industrial center. Cleveland got another big boost in 1851 when the railroads hooked it up with Columbus.

The following year, when the first boatload of iron ore from the Lake Superior region reached Cleveland, the city was off and running into the Industrial Age. The Pennsylvania oil boom also helped, making this Ohio port one of the nation's chief refining centers.

For the next hundred years, Cleveland was a textbook case of growth and development. A lot of its people—the likes of John D. Rockefeller and Marcus A. Hanna—grew very rich. Then, several things came to pass that make Cleveland a classic example of the urban degeneration wrought by the demise of heavy industry in the so-called "Rust Belt" states. In the mid-1970s, it was plagued by deadly riots, strained labor relations, business defections, environmental problems, and incompetence at City Hall.

By 1978, city coffers had run dry. Cleveland was the first major U.S. city since the Depression that couldn't pay its bills. Residents now regard Dennis Kucinich, the business-bashing flower child who occupied the mayor's office at that time, as a blessing in disguise. Kucinich's municipal mismanagement drove the city into a bankruptcy that galvanized civic leaders into action.

Cleveland, they reasoned, was worth saving. Its symphony, museums, and professional sports teams all play in the major leagues. In addition, it has a world-renowned medical center. It has suburbs where an upscale house can be purchased at a down-home price. And the cost of doing business in Cleveland is approximately three-fourths what it would be in, for example, New York or San Francisco.

Realizing what was at stake, the city's most-senior CEOs "put their egos aside and gave up turf," as CVB President Dale R. Finley puts it. They banded together to help revitalize local industries and establish a $30-million venture capital fund that would invest largely in Cleveland-area business startups.

Today, more than a decade later, the city is reaping the rewards of those efforts. Cleveland has an A-minus bond rating, a $550-million venture capital pool, and 44,000 new businesses, many of them related to the polymer industry. It also has one of the world's greatest concentrations of polymer scientists, thanks to Case Western University and the University of Akron, two of this nation's largest polymer research institutions. *—A.H.*

the resort offers Nordic skiing in winter and an 18-hole championship golf course for summer fun. There's also a complete year-round fitness facility.

In 1989, Quail Hollow completed a total renovation that included the addition of a lighted driving range and a new 4,000-square-foot outdoor pavilion that seats 250. The property has theater-style seating for up to 400 people and can handle up to 350 for banquets. Four breakout rooms can accommodate groups of 16 to 100 in various configurations.

MEETING SITES

From Singular To Superlative

Every city has its superlatives. Cleveland has the **International Exposition (I-X) Center**, which made it into the *Guinness Book of World Records* in 1988 as the largest single-building exhibit facility in the world. At the five-year-old center, adjacent to Hopkins International Airport, exhibit space is quantified in acres (39) rather than square feet (1,633,000).

The I-X Center's 80,000-square-foot High Bay exhibition hall has an 80-foot ceiling. On-site parking can accommodate 10,000 vehicles. There are also three off-site auxiliary lots with shuttle buses to the exhibit area, and a railroad spur that provides access directly to the center.

What sets the facility apart from others of its kind are the escort, medical, security, and support services it provides. There's even a post office and a mini-City Hall at the center where one can acquire such items as a vendor's license without leaving the premises.

Cleveland has several smaller exhibit facilities in addition to the I-X Center. The **Cleveland Convention Center**, in the heart of downtown, recently completed a $30-million renovation. Its exhibit level, with 375,000 square feet of flexible space, can accommodate up to 1,500 booths. The center also has three theaters (a 10,000-seat auditorium, a 3,000-seat Music Hall, and a 600-seat Little Theatre), 37 state-of-the-art meeting rooms for groups of 10 to 1,000, and a ballroom that can serve up to 3,500 for sit-down dinners.

The convention center allows exhibitors to do their own setups—provided they use their own employees and register them with show management prior to the event.

The **Coliseum**, home hardwood of the Cleveland Cavaliers basketball team, is in Richfield, 30 minutes south of downtown on Interstate 77. Its 31,000 square feet of exhibit space accommodates up to 294 booths and its flexible theater-style seating can handle between 5,000 and 20,000 people. In addition, there are banquet facilities for up to 300 and parking spaces for nearly 7,000 vehicles.

Grays Armory, a smaller, quite intimate meeting site in downtown Cleveland, offers the oak-paneled and leaded-glass environment of "a 19th-century military gentleman's social club." The full-service facility has one of the largest ballrooms in the downtown area, with a capacity of 1,000 people.

ATTRACTIONS

World-Class Entertainment

In 1972, the **State Theatre**, east of Public Square, was marked for demolition, but 18 years later it's still standing. Along with two other 1920s vaudeville and movie palaces—the Ohio and the Palace—it is part of the **Playhouse Square Center**, a nationally celebrated performing-arts complex. Home to the Cleveland Ballet and Cleveland Opera, the Playhouse hosts a variety of concerts, dance performances, and theatrical revues on a year-round schedule.

The **Cleveland Play House**, nearby, is home to the nation's oldest regional professional theater company. The building, which resembles an elaborate medieval fortress, was designed by Cleveland-born Phillip Johnson.

The world-class Cleveland Orchestra, which has cut more records than any symphony in the United States, is another cultural delight. During the season, the orchestra plays in majestic **Severance Hall**, and in summer, it moves to the rustic **Blossom Music Center** south of the city.

Just east of downtown is University Circle, a 500-acre spread that boasts the **Cleveland Museum of Art** as its centerpiece. Opened in 1916 and one of the nation's top museums, it houses 45,000 works of art, including paintings by Rubens and Picasso. Admission is free.

Shopping fans will also find ample opportunity to pursue their interests in Cleveland. The five-level Arcade, a colorful downtown historic landmark, was built in 1890 and features glass skylights, marble stairs, brass railings, and gargoyles. One of the nation's first shopping centers, it has served as the prototype for many others around the country. It still houses shops, offices, and some dozen small restaurants.

The $43-million Galleria, a modern-day variation on the Arcade theme, houses more than 70 upscale shops and restaurants.

The Skylight Concourse in the new Tower City Center complex, featuring another 120 upscale stores and restaurants, will open a **Neiman Marcus** department store by 1992. (The $48-million **Rock 'n' Roll Hall of Fame Museum**, designed by architect I.M. Pei, will be housed in the center, too. It is also expected to open by 1992.)

On the waterfront, which encompasses the bottomland district commonly called the Flats (along the banks of the Cuyahoga River), there's Nautica—the mixed-use complex of riverside restaurants, cafes, nightclubs, and shops plus a boardwalk, a dinner-cruise ship, the new Powerhouse entertainment center, and the 4,000-seat **Nautica Stage** open-air amphitheater. Once an industrial area, now reclaimed, the Flats has developed into the city's primary entertainment district, the warehouses lining its riverbanks now converted to more colorful use.

North Coast Harbor, a recently completed inner-lake harbor and park next to **Municipal Stadium** (home of the Indians baseball and Browns football teams), is being developed to include an aquarium, a theater, a maritime museum and historic shipyard, restaurants, offices, and an as-yet-unnamed hotel. It is estimated that the cost of the 176-acre project will run to more than a billion dollars.

Land has also been cleared for a new 45,000-seat outdoor sports stadium near Public Square, to be used at first only for baseball, but later, after expansion to 75,000 seats, for football as well. No opening date has been set.

The **Metroparks Zoo**, fifth-oldest in the United States, houses more than 3,100 animals. A man-made tropical rain forest, scheduled to open in mid-1991, will be the largest such facility in the world.

While Cleveland might not be one of the first places that springs to mind as a winter sports destination, there is ample opportunity in the area for cross-country and downhill skiing, ice skating, tobogganing, and snowmobiling. For summer meeting attendees, the Greater Cleveland area also offers a varied menu that includes boating, swimming, hiking, horseback riding, tennis, and golf.

AIR ACCESS

As Good as It Gets

Air service into Cleveland today is as good as you'll get. Every week, some 1,900 flights to more than 350 destinations take off from Cleveland Hopkins International Airport, which now serves as a hub city for Continental and USAir airlines. Passenger traffic at Hopkins totaled 8.2 million in 1989, up 7.4 percent over 1988 and an impressive 57 percent over 1982.

Rapid transit rail service from Hopkins to downtown costs just a dollar for the 22-minute ride.

Cleveland also has two general aviation airports, Burke Lakefront Airport downtown, and Cuyahoga County Airport on the east side.

A SAMPLING OF

Meeting Facilities in Greater Cleveland

Note: *This section lists many meetings properties in Greater Cleveland. (The final number in parentheses refers to the theater-style capacity of the largest meeting room.) For more information, see the 1990 edition of* Successful Meetings' SOURCEBOOK.

WHAT'S NEW

Beachwood: The new 216-unit Embassy Suites had its grand opening in October 1989. • The 411-room Marriott East Cleveland will open a concierge level next month. **Cleveland:** Sleeping and meeting rooms received an $8-million upgrade at the 380-room Holiday Inn Lakeside, where a new sports bar and restaurant called "Winners" opened recently. • The 252-unit Radisson Suite Hotel Cleveland will open this spring as part of a $27-million Reserve Square renovation. • The 207-room Ritz-Carlton Cleveland will open this fall in the Tower City Center complex. • The 470-room Sheraton Cleveland City Centre (formerly the Bond Court Hotel) will complete a $10-million renovation this spring. • The 492-room Stouffer Tower City Plaza Hotel (formerly the Hotel Cleveland) has undergone a $35-million renovation. **Concord:** Last year, the Quail Hollow Resort, 30 minutes east of Cleveland, completed an extensive renovation that upgraded all 169 guest rooms and common areas, and added a driving range and outdoor pavilion that seats 250 people. **Independence:** The 186-room Harley Hotel Cleveland South has remodeled 75 percent of its sleeping rooms. **Middleburg Heights:** At the Harley Hotel Airport West, all 234 guest rooms, 12 meeting rooms, and public areas have just undergone major renovation. • The 245-room Holiday Inn Middleburg Heights, near Hopkins International Airport, began a guest room refurbishment in January.

GREATER CLEVELAND

BEACHWOOD

EMBASSY SUITES BEACHWOOD
3775 Park E. Dr., 44122
(216) 765-8066
Fax: (216) 765-0930
Suites: 216
Meeting Rooms: 10 (450)
Total Sq. Footage of Mtg. Space: 4,680

MARRIOTT EAST CLEVELAND
3663 Park E. Dr., 44122
(216) 464-5950
Fax: (216) 464-5950, Ext. 509
S&D Rooms: 403
Suites: 8
Meeting Rooms: 17 (900)

SHERATON BEACHWOOD
26300 Chagrin Blvd., 44122
(216) 831-5150
S&D Rooms: 200
Suites: 2
Meeting Rooms: 7 (100)

CLEVELAND

CLINIC CENTER HOTEL
2065 E. 96th St., 44106
(216) 791-1900
Fax: (216) 791-7065
S&D Rooms: 348
Suites: 14
Meeting Rooms: 5 (500)
Total Sq. Footage of Mtg. Space: 5,000

CLARION HOTEL & CONFERENCE CENTER
35000 Curtis Blvd., 44094
(216) 953-8000
S&D Rooms: 115
Meeting Rooms: 19 (600)
Total Sq. Footage of Mtg. Space: 30,000

HOLIDAY INN LAKESIDE
1111 Lakeside Ave., 44114
(216) 241-5100
Fax: (216) 241-7437
S&D Rooms: 380
Suites: 22
Meeting Rooms: 9 (600)

SHERATON CLEVELAND CITY CENTRE
777 St. Clair Ave., 44114
(216) 771-7600
Fax: (216) 566-0736
S&D Rooms: 470
Suites: 64Meeting Rooms: 22 (1,000)

STOUFFER TOWER CITY PLAZA HOTEL
24 Public Sq., 44113
(216) 696-5600
S&D Rooms: 492
Suites: 35
Meeting Rooms: 21 (2,500)

CONCORD

QUAIL HOLLOW RESORT
I-90 & Rte. 44, 44077
(216) 352-6201
Fax: (216) 352-6201, Ext. 3578
S&D Rooms: 169
Suites: 6
Meeting Rooms: 14 (400)

INDEPENDENCE

HARLEY HOTEL CLEVELAND SOUTH
5300 Rockside Rd., 44131
(216) 524-0700
S&D Rooms: 184
Suites: 2
Meeting Rooms: 13 (250)
Total Sq. Footage of Mtg. Space: 7,770

HILTON CLEVELAND SOUTH
6200 Quarry Ln., 44131
(216) 447-1300
Fax: (216) 642-9334
S&D Rooms: 192
Suites: 3
Meeting Rooms: 14 (600)

HOPKINS INT'L AIRPORT AREA

CLEVELAND

CLEVELAND AIRPORT MARRIOTT
4277 W. 150 St., 44135
(216) 252-5333
S&D Rooms: 378
Suites: 5
Meeting Rooms: 35 (500)

DAYS INN & SUITES
16501 Brookpark Rd., 44142
(216) 267-1700
Fax: (216) 267-3734
S&D Rooms: 260
Suites: 2
Meeting Rooms: 10 (200)

SHERATON HOPKINS AIRPORT HOTEL
5300 Riverside Dr., 44135
(216) 267-1500
S&D Rooms: 414
Suites: 6
Meeting Rooms: 17 (500)

INDEPENDENCE

HOLIDAY INN CLEVELAND INDEPENDENCE
6001 Rockside Rd., 44131
(216) 524-8050
Fax: (216) 524-9280
S&D Rooms: 363
Suites: 9
Meeting Rooms: 19 (1,000)

MIDDLEBURG HEIGHTS

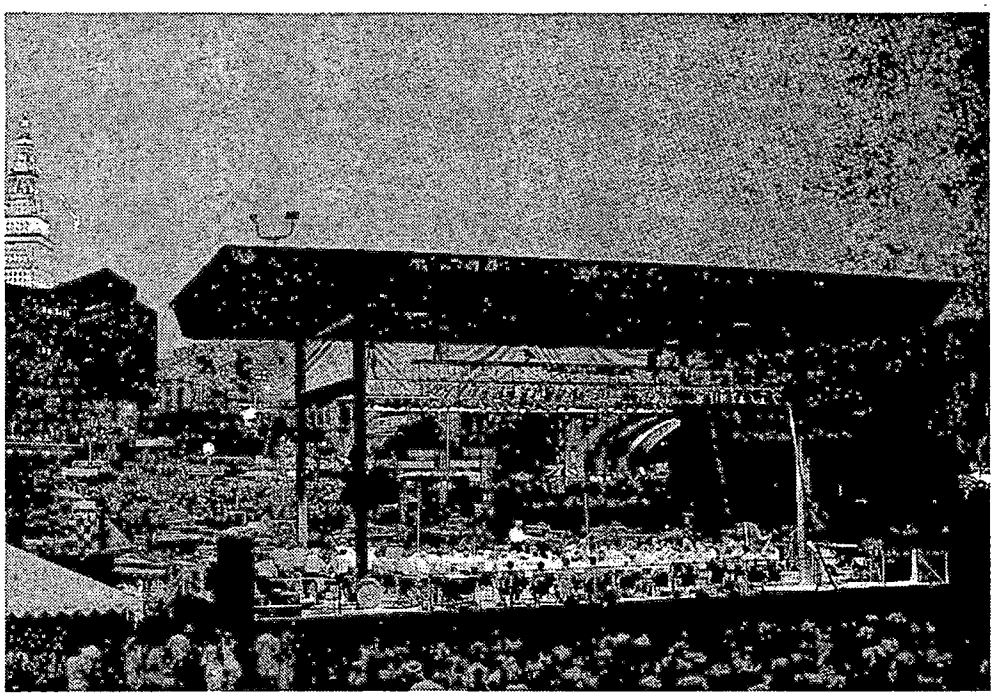
HARLEY HOTEL AIRPORT WEST
17000 Bagley Rd., 44130
(216) 243-5200
Fax: (216) 243-5200, Ext. 740
S&D Rooms: 234
Meeting Rooms: 12 (300)

HOLIDAY INN MIDDLEBURG HEIGHTS
7230 Engle Rd., 44130
(216) 243-4040
Fax: (216) 243-5319
S&D Rooms: 243
Suites: 2
Meeting Rooms: 12 (600)
Total Sq. Footage of Mtg. Space: 6,858

USAir

SEPTEMBER 1989

Cleveland's Culture



The Cleveland Orchestra performs under the stars at Riverfest.

Sometimes it takes an outsider to set things straight. For example, when *Baltimore Sun* columnist Elise Chisolm wrote an article last year describing the pleasures of a Cleveland visit, she got right to the point about the city's cultural life: "Cleveland," Chisolm wrote, "has class."

That Cleveland is an important regional arts center might astonish anyone whose freshest impressions of the city are based on *Major League* —a movie about the ragtag Cleveland baseball team who finally captures a championship. According to Richard G. Anter of the Greater Cleveland Growth Association, even for Clevelanders the arts "have always been a quiet, subtle element of our society."

But, says Anter, amidst Cleveland's burgeoning economic revitalization, the area's culture is finally being recognized for what it is: an essential ingredient in the city's quality of life—and a major-league draw for new residents. Not only does Cleveland have a symphony orchestra and an art museum that show up on any aficionado's list of world champions, but it's also home to an abundance of other superb arts programs for all ages. There is little wonder why Cleveland notched a ninth place on *Places Rated Almanac*'s most recent ranking of cities for their cultural facilities.

Cleveland culture is easily accessible, clustered primarily in two areas of the city. Simply remember the Circle and the Square: University Circle, which is five miles east of downtown Cleveland; and Playhouse Square, located downtown on Euclid Avenue. At the turn of the century, University Circle was the neighborhood of choice for wealthy Clevelanders—many of whom were benefactors for the cultural institutions there. Today, "the Circle" is a one-square-mile expanse of green space and urban streets that hosts museums, performing-arts groups, hospitals, social-service agencies, religious groups, schools, and Case Western Reserve University, for which the area is named.

By Rebecca Ensligh

One of those early industrial barons, Western Union Company founder Jeptha H. Wade, donated to the city land he designated as the site of an art gallery for the public. In 1916 the Cleveland Museum of Art opened its doors, and—just as Wade would have wished—it remains one of the nation's few major private museums with free admission to all programs.

The Museum of Art is known worldwide for its distinctive and complete collections, with especially strong holdings in Oriental art and American and European painting. Recent traveling exhibitions that lured record crowds featured impressionist masterpieces from the Courtauld collection; classical bronze statuettes; and ceramic sculptures from the People's Republic of China. This fall, gallery-goers will be treated to a first-time United States show of religious icons and frescoes from Byzantine and post-Byzantine Greece.

Just around Wade Oval is a popular family attraction, the Cleveland Museum of Natural History. In addition to boasting a planetarium and an observatory, the Museum of Natural History has a major permanent exhibit on human ecology and a fascinating collection of dinosaur skeletons. The museum will celebrate the opening of a new wing next spring with a gem show complete with gem cutters at work.

The new kid on the Circle, the Cleveland Children's Museum, opened in 1986 in a converted Howard Johnson restaurant—a truly imaginative adaptation of American road-

Photograph by Roger Mastroianni

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

side architecture. A hands-on discovery and learning place for children ages 3 to 12, its recent exhibits include *Little House Under Construction,* in which kids discover through teamwork how their homes are built; and *Millions,* an exhibit on high numbers and probability.

And if you've never seen an 18-foot-high tooth, you can do so at the Cleveland Health Education Museum, another hands-on facility and the oldest health museum in the country. Half museum and half educational setting, all 200 of its displays relate to the human body; subjects of permanent exhibits include AIDS, cardiovascular fitness, and Cleveland medical pioneers.

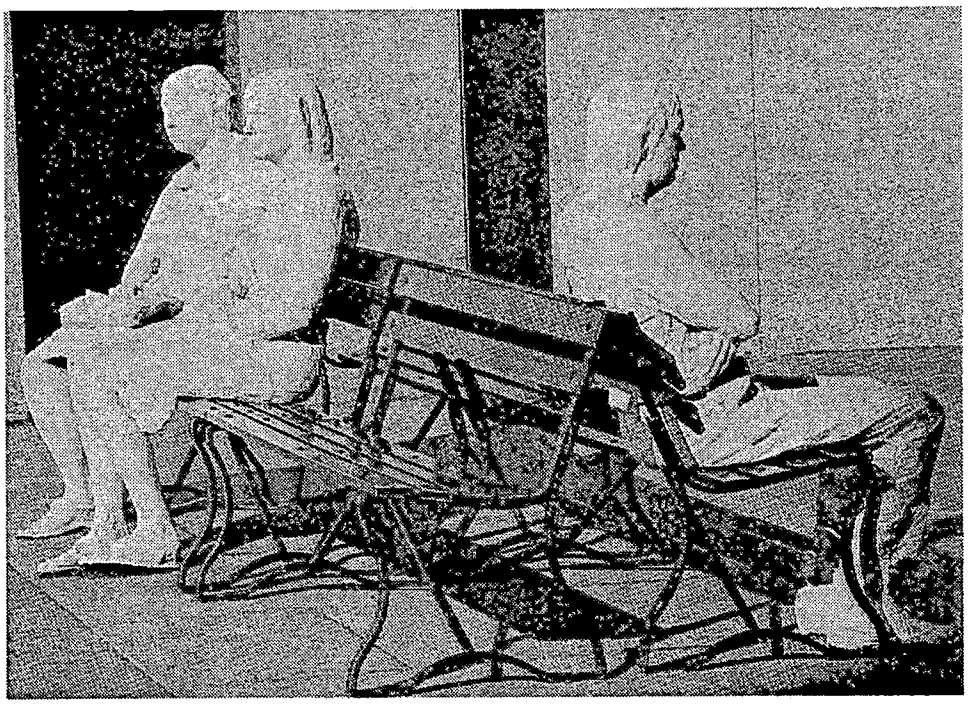
Anyone in northern Ohio who has traced their family tree has surely made a pilgrimage to the Western Reserve Historical Society, which holds one of the nation's largest genealogical collections. The Society's University Circle complex also includes exhibits of furniture, costumes, airplanes, and automobiles (from the days when Cleveland vied with Detroit for the title of Motor City). The Western Reserve Historical Society also operates three historical properties, all within easy driving distance from Cleveland: Lawnfield, home of President James A. Garfield; Hale Farm and Village; and Shandy Hall, a pioneer home.

For a delightful respite from museum-going, look no further than the Garden Center of Greater Cleveland, stretching over seven acres of Circle property. Besides cultivating the largest herb garden in America, the Garden Center features outstanding rose, perennial, wildflower, and Japanese meditation gardens, as well as elaborate floral displays at Christmas and springtime.

When you are ready for the evening's entertainment, Severance Hall—the palatial beaux-arts home of the Cleveland Orchestra—is just a short stroll away. Led by the baton of music director Christoph von Dohnanyi, the orchestra performs at Severance Hall from September to May, then plays under the stars in the summer at Blossom Music Center, located between Cleveland and Akron.

Acclaimed as one of the world's great orchestras, "The Cleveland" is renowned for its distinctive mix of traditional, neglected, and contemporary classical music. And for additional musical events, there are concerts at the nearby Cleveland Institute of Music and the Cleveland Music School Settlement.

A few blocks farther down Euclid Avenue is the nation's oldest professional resident theater, the Cleveland Play House. Within a three-theater postmodern complex designed by Philip Johnson, the group offers performances from September through June under the artistic direction of Josephine R. Abady. Last season's highlight was the premiere of Garson Kanin's play *Born Yesterday* starring Madeline Kahn and Edward Asner, which later enjoyed a successful Broadway run.



This George Segal sculpture decorates a Cleveland sidewalk.

Both the Play House and the Karamu House—the nation's oldest metropolitan center for the arts—were founded in 1915. Among the popular recent productions on Karamu's two stages were *Dreamgirls, Ain't Misbehavin',* and the annual sellout production of Langston Hughes' *Black Nativity.* And for film buffs, the Cleveland Cinematheque screens international, classical American, and just plain interesting movie fare three nights a week year-round in the Cleveland Institute of Art's spacious auditorium.

Art groups of increasing import are alive and well in Ohio.

After sampling University Circle's offerings, you'll want to visit Playhouse Square, whose restoration has sparked renewed development of the downtown area around Euclid Avenue and 14th Street. The third-largest performing-arts center in the United States, Playhouse Square is composed of three meticulously restored old vaudeville and movie palaces: the State, the Ohio, and the Palace, the complex's crown jewel.

Though this award-winning restoration has proved to be a solid success, for years the theaters' survival was dubious. From their heyday in the '20s and '30s—when "playing the Palace" meant an entertainer had truly arrived—they sank into disuse and disrepair as city dwellers moved to the suburbs and television entered American living rooms. All three theaters closed in the '60s and came close to demolition in the early '70s.

But a group of determined Clevelanders refused to let downtown nightlife perish without a fight. They stayed the wrecker's ball, continued to stage performances at

Playhouse Square, and began to raise funds for its restoration. The Ohio reopened in 1982, the State in 1984, and the Palace in 1988. Today, Playhouse Square Center acts as landlord for several arts organizations, presents major touring companies, and has begun to produce new musical theater works including *Big River, Gospel at Colonus,* and *Beehive.*

The Ohio Theater is home to the Great Lakes Theater Festival—one of few American theaters dedicated to producing the classics—under the artistic direction of Gerald Freedman. Among the Great Lakes productions that have gone on to New York and other cities are *Arsenic and Old Lace* and George Abbott's *Broadway.* Fall highlights will include *Threepenny Opera, The Sea Gull,* and *A Christmas Carol.*

In October, the opulent State Theater will be the venue for Cleveland Opera's world premiere of *Holy Blood and Crescent Moon,* a $1 million production of a new opera written by Stewart Copeland of the rock group The Police. This marks the first time since George Gershwin wrote *Porgy and Bess* that a major figure from popular music has composed a grand opera. In the meantime, the Cleveland Opera—the nation's 10th-largest opera company—presents a full range of musical theater from grand opera to American musicals.

This month on the State stage, the Cleveland Ballet is presenting the premiere of its version of *A Midsummer Night's Dream*—the 14-year-old company's most lavish production to date—choreographed by Dennis Nahat. The Cleveland Ballet performs fall through spring in Cleveland, in addition to presenting several concerts in San Jose, California, under a sister-city arrangement. Cynthia Gregory, lauded as "America's prima ballerina," is the company's permanent guest artist.

Beyond the Circle and the Square, there is much more to discover. Cleveland Public Theater, five minutes from downtown on the city's near West Side, is an off-off-Broadway-style playhouse dedicated to staging alternative theatrical works. In May, the theater—a funky second-floor warehouse space—becomes the venue for the Cleveland Performance Art Festival, the largest annual program of performance art between the two coasts.

Cleveland's answer to the Cannes Film Festival, the Cleveland International Film Festival, will screen its 14th annual series next March. The festival takes place at the Cedar-Lee Theater in Cleveland Heights, offering the usual eclectic menu of features, short subjects, and documentaries. Last year's festival opener was, of course, *Major League.*

Spring is also the season for the Tri-C JazzFest, an important annual music event. A near-nonstop program of concerts, workshops, and community-outreach activities involving jazz artists from all over the world, JazzFest is entering its 11th year. After its 10th anniversary, *down beat* magazine called it "one of the top handful of national-level jazz fests."

Art mavens in search of new and non-traditional art will want to seek

A group of determined Clevelanders refused to let downtown nightlife perish.

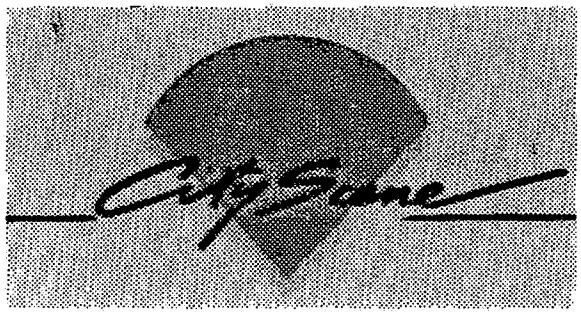
out SPACES, Ohio's only artist-run alternative gallery, located in Cleveland's historic Warehouse District. The Cleveland Center for Contemporary Art's two galleries in University Circle and the Galleria shopping mall downtown also present monthly changing exhibits.

In an effort to organize and publicize all of the cultural events in the area, Cleveland became very innovative. Offering information on all events and printing free quarterly calendars listing daily offerings, the Cleveland Arts Consortium—the only one of its kind in the country—was formed by 21 Cleveland arts groups to increase cooperative marketing and programming, and thereby to expand their audience. "This is a major arts center," says Harriet Wadsworth, the consortium's executive director. "There are fabulous things here." □

Rebecca Freligh is a staff writer for the Cleveland Plain Dealer.

Courier

June 1989 Volume 16, Number 6



A New Image For Cleveland

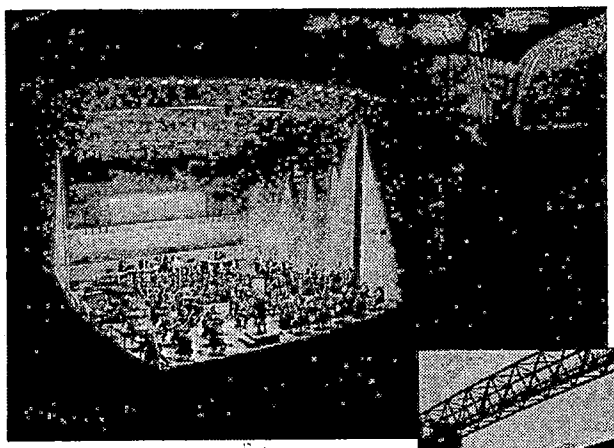
Downtown and waterfront developments add to city's established attractions, creating new reasons to see 'America's North Coast'

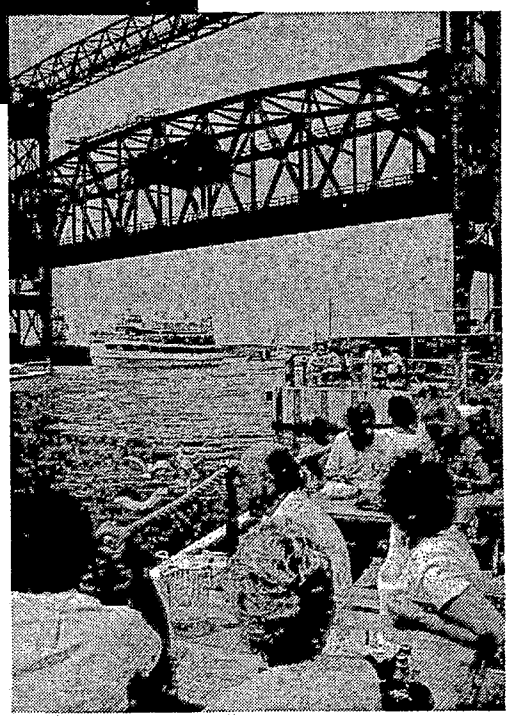
By BILL BOWDEN

The Cuyahoga River that snakes its way along the eastern edge of downtown Cleveland was at the center of an industrial area, known as the Flats, for much of the city's history. Recently, however, the shores of the Cuyahoga have been transformed into a prime downtown riverfront entertainment, shopping and dining district that attracts natives and visitors alike.

The Flats has a far different image than it used to have, and is a handy symbol for what has been going on in other parts of the nation's 12th largest city in recent years. From the renovation of three grand old theaters of the 1920s, to a $12 million renovation of downtown's Public Square, Cleveland is undergoing a surge of development that has made it a very attractive city for the visitor.

The rehabilitation of older areas, and the brand new construction that has taken place, are icing on the cake of Cleveland's many other attractions that were never in need of any salvage work. A world class orchestra, outstanding art and history museums, major marine-life park, interesting historic sites, exciting special events, and scenic Lake Erie are reason enough to spend some time in the city that is billed as being on "America's North Coast."





ON THE WATERFRONT

Cleveland's waterfront — including both the Cuyahoga River and Lake Erie — has been the scene of much development over the past few years. The Flats, once the city's manufacturing hub, now sports fine restaurants, stores, park areas and condominiums that retain the special character of the area. Many restaurants feature waterfront views and patios for summer meals and cock-

continued

The Cleveland Symphony is one of America's leading orchestras. The Flats is a redeveloped area of Cleveland's waterfront.

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

tails. The relaxing river, converted warehouses and labyrinth of bridges give the Flats a unique backdrop.

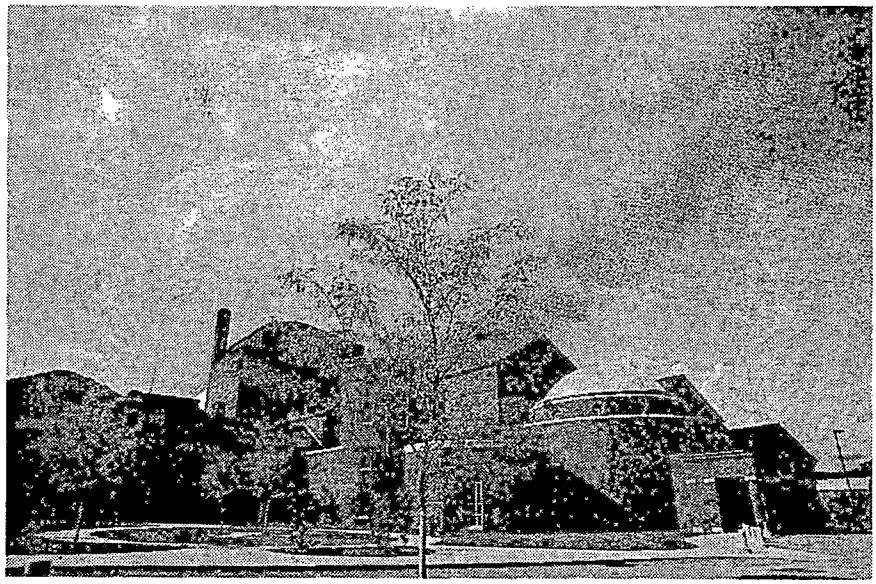
Nautica is a $65 million rejuvenation of 28 acres of the Flats, along the west bank of the river. It includes restaurants, a nightclub, picnic facilities, an amphitheater, office and retail space, and 500 riverfront dock spaces.

Also serving the visitor are water taxis and excursion boats. The Pride of Cleveland is a paddlewheel riverboat while the Star of Nautica is a dining/cruise ship featuring live entertainment.

Clean, sparkling Lake Erie gives Cleveland 90 miles of urban coastline. One of the attractions along the lake front is the U.S.S. Cod Submarine Museum. Here you can enjoy a self-guided tour of the last completely intact World War II American Gato-class submarine.

A unique downtown attraction is the Arcade, a five-level Victorian shopping mall with marble staircases, brass railings, and a glass skylight covering its 112 shops and offices. Built in 1890, the Arcade connects two downtown avenues, Euclid and Superior.

Also downtown is Playhouse Square Center, the largest theater restoration project in the nation. Three grand theaters from the 1920s — the Ohio, State, and Palace — have been lovingly restored and now host a variety of events, from major Broadway touring shows to local arts company productions.

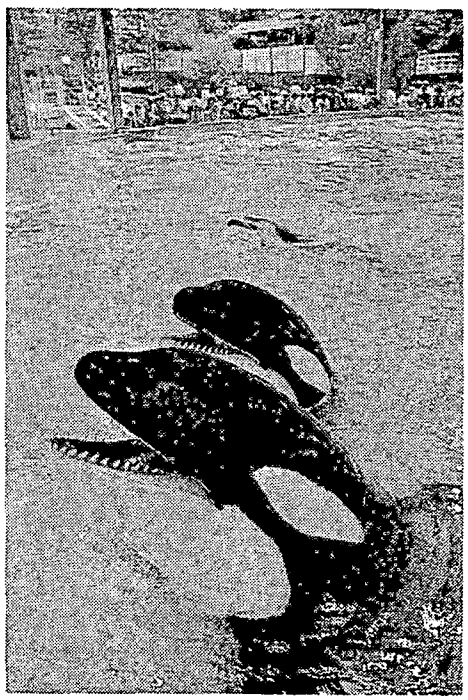


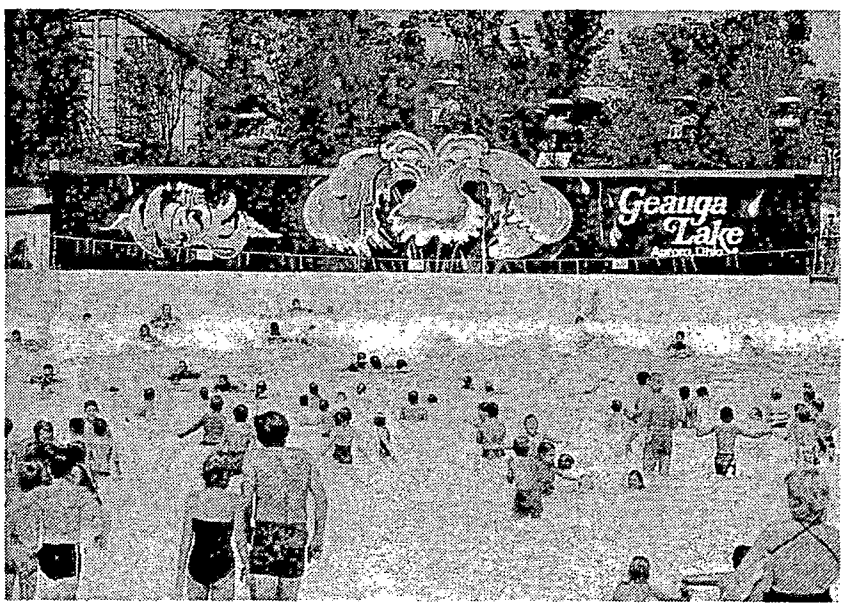
The Cleveland Play House is one of many cultural attractions in the University Circle area.

A $12 million, nine year project to renovate the four quadrants of Cleveland's Public Square is completed. As the "front door" to the city, these quadrants feature a park-like setting and fountains that make downtown Cleveland a more inviting place to visit and relax.

HUB OF CULTURE

Just east of downtown is University Circle, a 500-acre area with one of the largest concentrations of cultural attractions and institutions in the nation. Highlights include the Cleveland Museum of Art, Museum of Natural History, Western Reserve Historical Society Museum, and the Crawford Auto-Aviation Museum. University Circle draws 2 million visitors





Sea World of Ohio (left) features killer whales and other marine animals. The Wave Pool at Geauga Lake is but one of many attractions at this family-style amusement park.

a year to its prestigious museums.

The Cleveland Museum of Art houses one of the world's most impressive collections, and is ranked among America's top five art museums. The collection is especially rich in works of art from Asia and medieval Europe, as well as Old Master, Impressionist, and modern masterpieces.

Exhibits at the Museum of Natural History begin with the creation of the solar system in the Hall of Earth Sciences and continue to today's world. There are fossil remains of huge dinosaurs and plants that lived millions of years ago. The museum has the distinction of having the world's only specimen of Nanotryannus, known as the "Pygmy Tyrant" dinosaur. You can also travel to distant galaxies through the technical wizardy of the planetarium projection and sound system.

Indian and pioneer life are recalled at the Western Reserve Historical Society Museum. There are also period rooms with American decorative arts and antiques from the 18th to the 20th century. Special collections highlight glass, pottery, musical machines, and costumes.

The Crawford Auto-Aviation Museum is a nationally recognized transportation museum with more than 200 historic vehicles on display. Included are vintage automobiles, carriages, bicycles, motorcycles and aircraft, dating from 1895 to the present.

Nearby is the Cleveland Health Education Museum, the only museum of its kind in the western hemisphere. More than 200 participatory exhibits and walk-through models explain how the human body works. Highlights include a giant tooth and Juno, the transparent talking woman.

THE PERFORMING ARTS

Cleveland has a rich tradition in the performing arts. The Cleveland Orchestra features renowned guest conductors and internationally acclaimed soloists in performances at Severance Hall. Summer home for the orchestra is Blossom Music Center, set amid 800 rustic acres where patrons find seating in an acoustic pavilion or on the adjoining lawn.

Cleveland's resident ballet company is recognized as one of America's top companies and offers a repertoire that explores all styles of dance, from classical to contemporary.

The new $12.5 million Cleveland Play House is home to the nation's longest running professional resident theater. The theater itself was designed by Cleveland native Philip Johnson, the renowned architect who also designed Kennedy Center in Washington, D.C., and Lincoln Center in New York City.

SEA WORLD OF OHIO

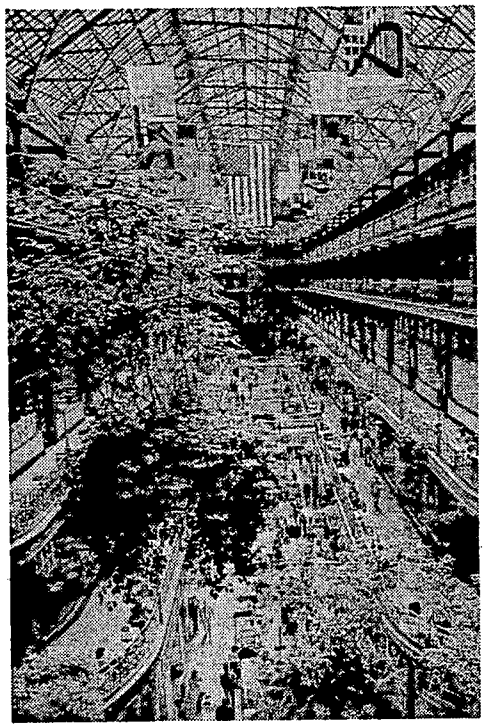
Chief among Cleveland's many other attractions is Sea World of Ohio, a marine-life entertainment park with eight live shows and 20 attractions and exhibits. Performing marine animal shows star "Shamu" the killer whale, sea lions and dolphins, while humans take center stage for exciting water ski shows. Audience members can meet the killer whales up close to appreciate these powerful and gentle marine animals.

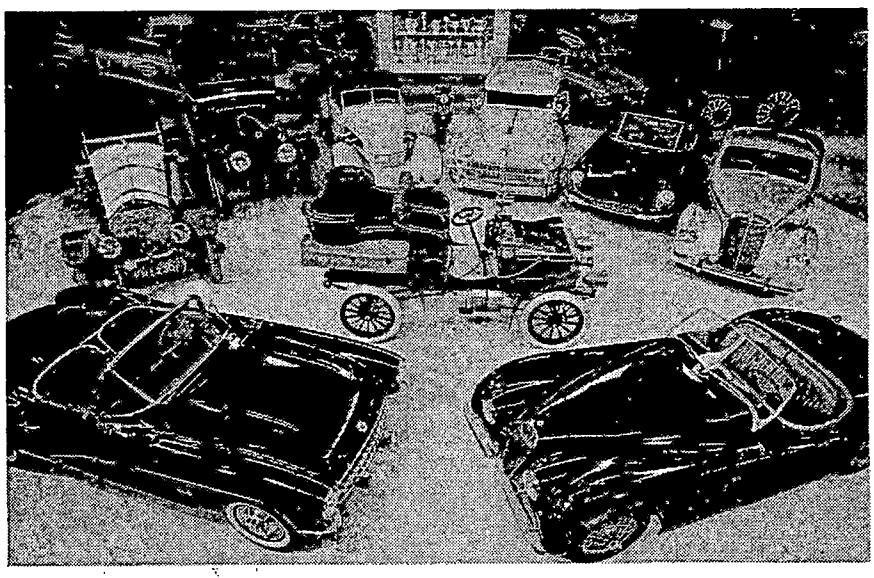
More entertainment is found at The Nautilus Theater as Sea World showcases maneuvers that win Olympic medals and world championships in the "Great American High Dive Show." A team of 10 athletes blends humor, skill and danger in a breathtaking performance of individual and synchronized high dives.

Sea World's Penguin Encounter is a faithful reproduction of the Antarctic environment that penguins thrive in, including icy seapools and daily snowfalls. More than 200 penguins representing six species frolic about, unknowingly entertaining visitors for hours. At the nearby World of the Sea Aquarium, two tanks contain colorful sea anemones, starfish, crabs, eels, and a Giant Pacific octopus.

Geauga Lake is an amusement park not far from Sea World with more than 100 rides and attractions, including five live shows. Visitors can take an old fashioned paddlewheel boat ride on Geauga Lake and enjoy

continued





The Arcade (right) is a Victorian shopping mall built in 1890. The Crawford Auto-Aviation Museum has more than 200 historic vehicles on display.

scenic views from a lakefront boardwalk. A view from on high is offered on the Skyglide. Shopping is found in the Lighthouse Landing Nautical Village.

Geauga Lake has four roller coaster rides, including the classic 1924 "Big Dipper" wooden coaster. The Western Village area has a hand-carved carousel and live shows at the Country Western Theatre. Broadway Shores is a water park within Geauga Lake with a two million gallon pool that creates six-foot waves, plus other water rides.

One of Cleveland's historic attractions is Hale Farm and Village, an authentic Western Reserve restored farm and village of the mid-1800s. There are craft demonstrations and special events such as sheep shearing. For savings up to 70 percent on a wide variety of name brand items, stop by Aurora Farms Factory Outlets with over 25 shops offering unique shopping experiences. There's even a farmers market and flea market on Wednesday and Saturday.

Holden Arboretum, one of the world's largest, showcases Ohio natural history through 3,100 acres of trees, shrubs, display gardens, lakes, flowers, and wildlife habitats.

CLEVELAND FESTIVALS

Cleveland has a myriad of festivals and special events to add spice to any visit. In late February and early March, the Cleveland Home and Flower Show in the Convention Center is Ohio's largest indoor event, featuring two floors of premier gardens and model homes. In June, the Stroh's All Nations Festival is a celebration of Cleveland's ethnic heritage and pride. Over 50 countries are represented through singing, dancing, bands, concerts, costumes and arts and crafts. There is international cuisine from over 100 seasoned concessionaires, a nationality folk art exhibit, continuous entertainment, and various theme nights.

The Budweiser-Cleveland Grand Prix takes place at the end of June and first of July as C.A.R.T. sanctioned Indy race cars follow a 220-mile road course on the runways of Burke Lakefront Airport.

In July, the Sohio Riverfest is a family-oriented celebration with entertainment on five stages in the Flats. Highlights include a Parade of Lights, water ski show, continuous entertainment, fireworks, water-related races, and food and drink.

In early September, the Cleveland National Air Show, one of the best and largest in the country, takes place at Burke Lakefront Airport. Featured are military jet teams, top civilian performers from across the country, and displays ranging from hang gliders to the latest military jets.

Cleveland is also a great sports town year around. In the summer the Cleveland Indians compete in the American League, while the Browns take the field for National Football League action in the fall. The Cleveland Cavaliers of the National Basketball Association are the featured team for winter sports.

SEE HOW IT'S MADE

A number of special tours are offered by businesses and manufacturing concerns in Cleveland. Bonne Bell offers a look at cosmetic manufacturing, while the General Motors Corporation-Inland Division will give you a plant tour to see how interior and soft trim parts for automobiles are made. More than 900 sewing machines are used at the plant.

At the NASA-Lewis Research Center visitors can tour the facilities and see display and exhibit areas on space exploration, propulsion, materials research, flight, power systems, satellites and space transportation. United Musical Instruments offers a tour of the manufacturing plant for brass instruments.

If you haven't been to Cleveland for awhile, it's time to take another look at this vital city that is undergoing a transformation in areas that have great appeal to visitors. Taking advantage of its waterfront, the city has created leisure and entertainment areas that are framed by Cleveland's industrial past. Museums and the performing arts have simply gotten better with the passing years. Add sports and special events, and Cleveland gives you many reasons to spend a few days exploring its numerous attractions.

Cleveland Supplier/DMO Members

DESTINATION MARKETING ORGANIZATIONS
Cleveland Convention & Visitors Bureau

ATTRACTIONS
Aurora Farms Factory Outlets
Geauga Lake
Sea World of Ohio

HOTELS AND MOTELS
Aqua Marine Hotel & Resort
Bond Court Hotel
Concord Hotels
The Continental Companies
Harley Hotels
Holiday Inn Lakeside City Center
Holiday Inn Strongsville

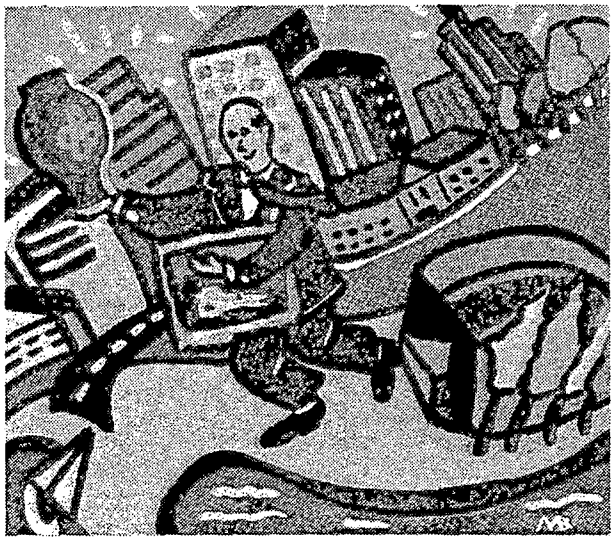
SIGHTSEEING/RECEPTIVE OPERATORS
Tour Brokers International

SUCCESSFUL MEETINGS

SEPTEMBER 1990

Places Making a Comeback

by Mauri Edwards



Cleveland, Ohio, and St. Thomas, the key American Virgin, may seem to have nothing in common. But wait. I recently dropped in for brief peeks at both, each time the guest of the Stouffer people, and I learned—happy surprise—that Cleveland and St. Thomas both are candidates for the title "Comeback of the Year." Though for entirely different reasons.

Cleveland, over time, had faltered and failed as the consequence of recession, financial fiasco, and political foolishness. The city had become every late-night comic's guaranteed guffaw getter. I wasn't above a jibe or two myself. But that's all past tense now.

Cleveland vibrates with vigor. It was even high in the running to host the 1992 Democratic National Convention. "But we got lucky," a city official confided to me. "We lost."

Unlike Cleveland, St. Thomas was Boom Island, the mandatory stop-and-shop paradise where every other cruise ship plying the Caribbean dropped anchor for a day, while conferees flew in to meet and play. Hurricane Hugo changed the mix. Shoppers continued to wade in. Meeting-goers scrambled for other, unscarred, destinations. Stouffer's posh Grand Beach Resort was all but shut down for repairs last winter, normally peak season.

Well, St. Thomas is back.

And so is Cleveland, bursting with more projects than I can list in this space. Most significant to meeting planners, five new hotels are being built downtown while two others are being updated. I stayed in one of the latter, Stouffer's Tower City Plaza, smack in mid-city. Though updated in exquisite detail, the hotel retains the grandeur that makes me say, on entering, "They just don't build 'em this way anymore."

I somehow found time to spend an hour at the truly eclectic Cleveland Museum of Art, racing from Ming to Manet. The museum is the fifth largest art trove in the world and the only one of the five that's free. (The city also sports one of only a handful of world-great symphony orchestras.)

To single out a project that speaks for the new Cleveland, I point to The Avenue, a grand collection of shops, food emporia, movies, a new Ritz-Carlton Hotel, and transit hub, extending along an architecturally brilliant, multi-level concourse anchored in the elegant old Terminal Tower.

The comeback of Cleveland really is something. Maybe the Democrats missed a bet.

Without missing a beat, Stouffer took over the former Wyndham resort on St. Thomas two years ago and planned some changes. Hugo's 200-mile-an-hour winds sped up the timetable by spreading water damage everywhere.

For days after the storm, employees couldn't reach the resort, but stranded guests pitched in to help with the clean-up. The employees were paid. The guests got everything on the house. Now a $17-million improvement program has brought the resort all the way back. Along with the rest of this pleasure island.

During my visit late in March, I sampled a couple of small hilltop restaurants in Charlotte Amalie, both worth mentioning. Neither hotel is convention-sized. Hotel 1829 has, I believe, a total of 15 rooms, and The Mark St. Thomas, which I especially enjoyed, just eight.

Three years ago, owner-manager Jack Hepworth, a former New York stockbroker, chucked it all and bought The Mark, a rambling old place steeped in local lore. Hepworth was abroad when Hugo hit, shut out while others were shut in, and didn't see his hotel for a week, when the airport finally reopened. He says he was surprised and delighted to find his inn essentially undamaged.

So much for my twin peeks at Cleveland and St. Thomas, which I must say leave me a little unfulfilled. I know that even a peek is a perk, and I'm not ungrateful. Still, now and again, I'd like to see more of a place I visit. Maybe St. Thomas won't change. That's its charm. But Cleveland . . . Things are happening so fast, I may not know it next time. ■

ILLUSTRATION: MARY BELL

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

DECEMBER 1990

MEETING NEWS

Cleveland makes progress getting much-needed downtown hotels

A Downtown Upswing

Cleveland's mixed blessing has long been a big convention center and a small number of downtown hotel rooms. That may change soon, as plans for several new hotels move forward.

Currently, Cleveland markets itself to planners who need no more than 1,250 rooms peak night (most average no more than 700), according to Joe Zion, vice president of marketing and sales for the Convention & Visitor Bureau of Greater Cleveland. By 1993, Cleveland will be able to offer 2,000 committable rooms.

Although the $30 million overhaul of the Cleveland Convention Center in 1987 gives the center 375,000 square feet of exhibit space, it has been slow to produce the hotel rooms that officials said downtown so desperately needs. Now, however, several new downtown hotels are on the horizon.

Cleveland's first new hotel since the 1987 center expansion is the 252-unit Radisson Suites, which opened in July. Converted from an apartment building, the hotel offers a 2,300-square-foot ballroom and suites of at least 800 square feet.

The 208-room Ritz-Carlton opened last month with almost 8,000 square feet of meeting space. Other hotels with definite plans include a 400-room Marriott at Society Center (to open in winter 1992), and the 500-room Hyatt Regency Cleveland (to open in mid-1993).

In addition, Stouffer plans to build a 362-room tower addition to open in 1996, according to Zion. And the owners of Playhouse Square, a complex of performing arts theaters, continue to seek financial support and an operator for a 200-room property there.

Beyond the new hotels sprouting, city officials are also talking about other developments:

•The emerging $400 million Tower City Center redevelopment includes Stouffer Tower City Plaza Hotel, Ritz-Carlton, the 110-store Avenue mall and office space. The Rock and Roll Hall of Fame, slated to break ground next spring for a 1993 opening, is located behind Tower City on the riverfront.

•A 14,000-seat convocation center is under construction on the campus of Cleveland State University. The center will be used primarily by the university, but will also be available to groups.

•Development is ongoing at the Cleveland/Hopkins International Airport, where 15 airlines offer 312 daily departures to 60 destinations. In 1989, the airport reported 4.99 million enplanements, about 8 percent above the year before, according to John Osmond, manager of air trade development. Officials expect a 5-6 percent rise in enplanements this year.

Continental, the major carrier with 35 percent of total passengers, is in the midst of a $75-100 million expansion that will include the addition of five gates and upgraded facilities, Osmond said. ■

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

FORTUNE

August 15, 1988 THE ECONOMY

THE RESURRECTION OF THE RUST BELT

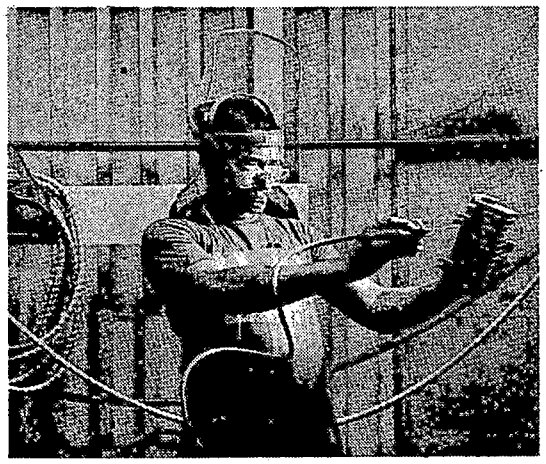
Deindustrialization? Economic violence? The heartland says humbug. When the going got tough, its industries shaped up. Now they're more competitive than ever. ■ *by Myron Magnet*

YOU EXPECT HUMBUG in a campaign. But have you ever heard humbug like what they've been saying about America's industrial heartland? As some candidates tell it, the center of the Rust Belt—from the industrial Midwest eastward to the steel valleys of Pennsylvania—is a hopeless disaster area. "Deindustrialization" has turned it into an eerie, almost post-nuclear wasteland. "Economic violence," like some malign enchantment, has forever frozen unemployed workers in despair and drink.

The reality is quite different. After global economic changes of epochal significance steamrolled the region earlier in the Eighties, the heartland has begun to rebound strongly. A few numbers provide eloquent testimony. Unemployment, a dismaying 12.6% in Indiana in the depths of the 1982 recession, now runs at 4.8%; in the same period, Ohio went from 12.5% to 5.9%. Over the past year, in almost every state in the region, not just service employment but also manufacturing employment has jumped. Iowa has 5% more manufacturing jobs than a year ago and 10% more than two years ago. Wisconsin's industrial employment is up 4% this year, Minnesota's 3.7%, Indiana's 3%.

New businesses are crowding in. Last year 26,000 sprouted in Ohio. Startups produced 15% of the employment growth from 1984 to 1986 in the four-state Federal Reserve district that centers on Cleveland. Says Cleveland Fed economist Randall Eberts: "That means you have a dynamic economy."

The real estate boom that has already swept most of the nation is lapping at the Midwest. In the past year, median house prices have risen 9% in Detroit, 3% in Milwaukee, and 2% in Chicago. This year surging demand caused President Frank Marvin to expand employment 14% at his family-owned wood-window factory in remote Warroad, Minnesota, six miles from the Canadian border. Almost all his new business came from homebuilders in the 16 states stretching from Ohio west to Montana. The result: Warroad (pop. 2,000) is having a housing boom too, with typical prices soaring from $40,000 to $55,000 or even $60,000, and all 192 new apartment units are full.



Getting a cable-TV part just right at Castite

The region's rise isn't simply the product of the dollar's fall, which automatically makes U.S. goods more competitive. More important, a deep, company-by-company restructuring is making the Rust Belt's industry fundamentally stronger, more competitive, more able to withstand the next economic downturn or rise in the dollar. Says Paul Ohman, engineering vice president of Deere & Co. in Moline, Illinois: "We're right in the middle of an industrial revolution that's probably going to be as big as the first one before it's all over."

As revolutions do, this one began with upheaval. Because smokestack America had grown so bloated and slow, Rust Belt companies first restructured by slashing costs with Cossack ferocity. That meant not just junking tired capacity but also slashing workers' and managers' lives. As Ohio Governor Richard Celeste observes: "You are watching in manufacturing what has happened in agriculture—you need a much smaller work force to maintain your level of production."

A dramatic case in point, the steel industry boasts of cutting operating costs 35% and boosting labor productivity 38% since 1982. These impressive numbers should be written in blood; it took carnage to reach them. For example, USX shut down the seven least efficient of its 12 steel mills and chopped its 75,000-person steelmaking work force to 20,000. The number of salaried employees—from executives in the Pittsburgh headquarters to foremen in the plants—shriveled from 30,000 to 5,000.

Two rounds of contract concessions from the union, the second bitterly won after the longest strike in the company's history, extended the law of gravity to steelworkers' wages. These steps, along with the installation of continuous casters in the two mills that didn't already have them, reduced the number of man-hours needed to produce each ton of steel that USX ships from 10.8 only five years ago to 3.8 today.

Now, for the first time in a quarter century, USX can export steel profitably. With domestic demand strong, it currently exports very little. But, says President Thomas Graham, boss of USX's steel business: "It's going to be terribly important, because the domestic market won't always be as strong as it is now, and this gives us an anchor to windward that wasn't available to us heretofore."

One company's restructuring often brings big changes to others. When world aluminum prices fell below their cost of

REPORTER ASSOCIATE *Mark Hamilton Mosher*

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

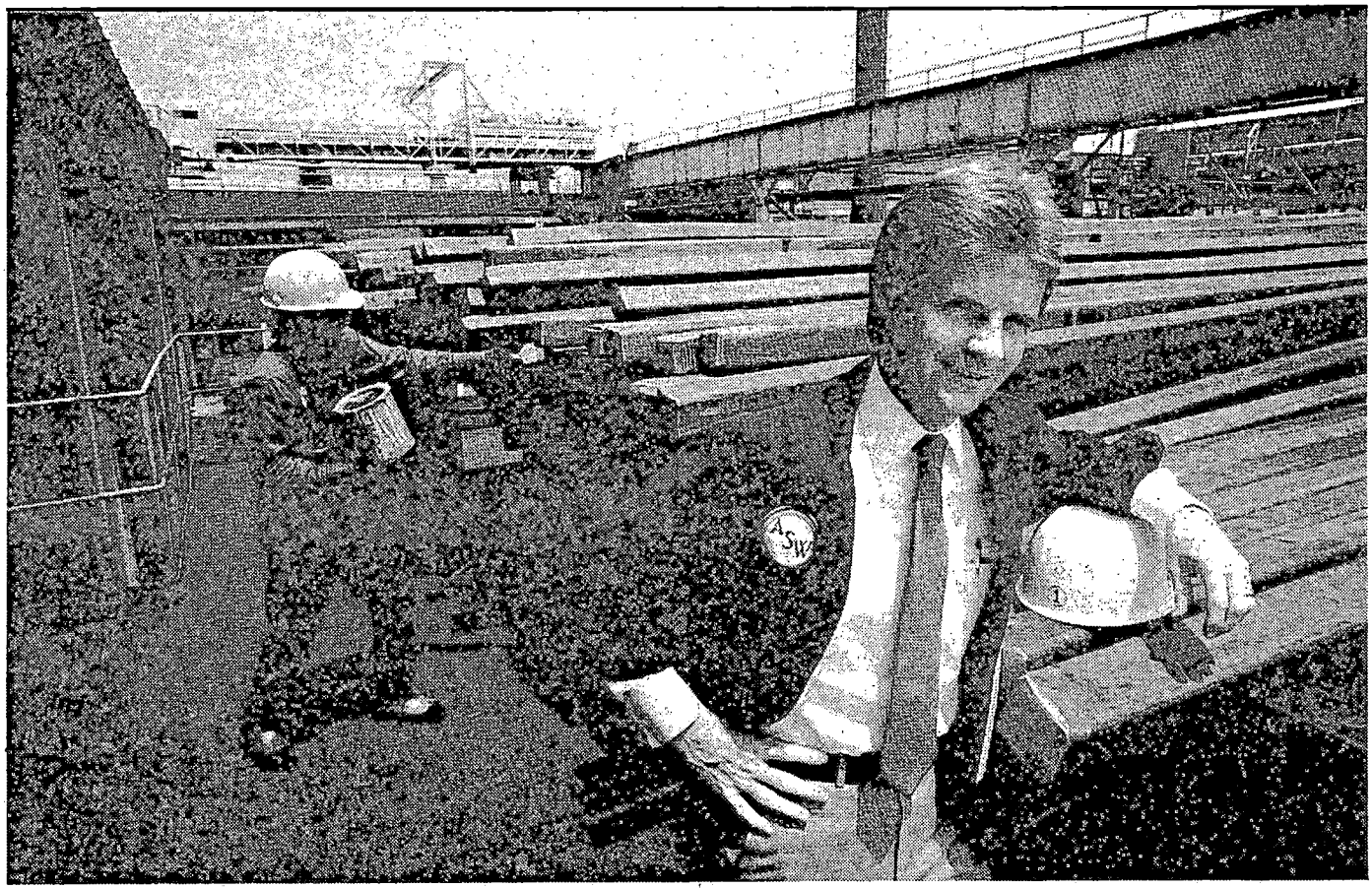
production, the new owners of Ormet, a small, privately held aluminum producer in Beechwood, Ohio, told suppliers in late 1986 that the company needed price reductions to keep operating. Most obliged. But reducing the biggest cost, electricity, took Ormet's managers far afield. Ormet is the sole customer of a power plant run by a regulated utility obliged to set prices according to a non-negotiable, cost-plus formula. Only by cutting its own costs could the utility legally lower its price to Ormet. So Ormet's bosses went to the utility's coal supplier to point out that the power company would be buying less coal if high electricity costs forced Ormet out of business. The utility got its cost saving, which it passed along in turn.

Ormet's workers took their lumps less graciously. Though the Steelworkers International examined the books and agreed that the company needed wage concessions to survive, the union local balked at givebacks and struck for four months before accepting a 23% wage and benefits cut. Part of that will be restored as the company's fortunes mend. In the weekend before the workers returned to work, management reasserted control—with a vengeance—by introducing a hierarchical parking order, painting the administration building a different color, changing the company's logo and slogan, and for the first time requiring workers to wear identification badges. The message: It's a whole new company, fellas, doing business in a whole new way.

MORE OFTEN than not, the spreading ripples of restructuring revitalize the companies they touch. After its markets collapsed in 1982, Peoria-based Caterpillar followed the usual cost-cutting script, shrinking employment from 89,000 in 1979 to 53,000 by 1985 and closing around a third of its plants. But managers also looked outward, and often turned up high-quality parts for less than it cost Caterpillar to make them. The suppliers of such parts are overlooked heroes of the Rust Belt's renewal. Not just lower-cost labor makes these mostly non-union companies efficient. Increasingly they collaborate closely with customers to save money, and they invent ways their behemoth customers hadn't thought of to make parts efficiently.

Wrayco, a 50-person company in Stow, Ohio, is one of Caterpillar's certified suppliers, meaning that Caterpillar trusts it to assure quality and doesn't inspect its parts. Wrayco ships on a just-in-time schedule tied in to Caterpillar's computer system. It also prints bar codes on its parts, so that soon Caterpillar workers, by passing an electronic wand over them, will be able to notify the computers in the receiving and accounting departments and

With new technology and enlightened management, Joan Lamson (seated) is making Castite flourish in the Cleveland ghetto.



"We're building a new culture," says American Steel & Wire CEO Tom Tyrrell, who runs his vintage steel mills like Silicon Valley startups.

to order payment to Wrayco by wire transfer.

On its own initiative, Wrayco found important savings by reengineering the fuel tanks it makes for Caterpillar so they could be fabricated of lighter steel. And instead of using different fixtures—huge, expensive vises—to hold each model of tank exactly in place while it is being made, Wrayco found that only one fixture, suitably adjustable, would do. This reduces the capital investment needed. Wrayco now makes for $950 one gas tank that used to cost Caterpillar almost $5,000 to build.

Impact Forge of Columbus, Indiana, with sales of around $12 million, similarly took the initiative to save money. In offering to make forgings for Atlas Industries of Woodville, Ohio, a company that supplies finished parts to equipment manufacturers, Impact's managers noted that Atlas had to remove huge amounts of very hard metal from one model of crankshaft it was selling to compressor makers, quickly wearing out its expensive machine tools. Impact came up with a crankshaft that needed far less machining, won the contract away from the Japanese firm that had been forging the part for four years, and brought jobs back to the Rust Belt.

In an almost Darwinian way, some Midwestern companies have adapted to the struggle for survival by hoisting themselves one step up the evolutionary scale. With the primal pond too crowded, they grew legs and lungs and lumbered indignantly onto land. Chief Executive Leo Ladehoff took Dayton-based Amcast, one of the nation's largest independent foundries, through one such metamorphosis. As brake calipers, steering gear, transmission housings, and the like grew lighter, he gloomily observed that three million tons of iron were getting progressively designed out of cars—iron that companies like his cast. Worse, foreign foundries increasingly were casting what iron remained, not just for foreign cars but for domestic ones as well. Ladehoff decided there must be a better life.

STARTING IN 1980, he sold a couple of his foundries to their employees—they are still straining to keep them going—and wrote off the rest. He then issued additional stock and leveraged his debt-free balance sheet to buy seven companies that make pipe and plumbing valves and fittings, along with four that cast aluminum and specialty steel parts for missiles, planes, and cars. These were sound, private companies whose managers were ready to retire. Says Ladehoff: "They just couldn't handle expansion requirements." So not only did Amcast boost itself into vigorously growing industries, but also it boosted the competitiveness of the companies themselves by pouring in capital for modernization and expansion. "Sales are up, earnings are up, penetration is up, new products are up," Ladehoff says. "The prior management couldn't do it."

During three weeks in 1982, the entire M.A. Hanna Co. of Cleveland had literally nothing to do. With steel and energy both in depression, robber baron Mark Hanna's old firm—a major iron ore producer, with holdings in oil, gas, coal, and other natural resources—had been forced to shut down every one of its operations, either temporarily or indefinitely. Management knew that an evolutionary leap was in order—fast. So between 1982 and 1986, the company shed most of its natural resource businesses, taking write-offs of $400 million and watching $500 million in sales dwindle to $130 million.

Like a paradigm of industrial history, Hanna no sooner stopped being an iron company than it became a plastic one. From late 1986 to late 1987, it bought five companies that sell plastics and make materials for the plastics industry. Four were fast-growing private firms that could use Hanna's access to capital to fuel uninterrupted expansion. The fifth was what remained of scandal-scarred Dayco after

Armitech bought its belt and hose business as part of the consolidation now taking place in the auto parts business. With these acquisitions, Hanna expects revenues this year to approach $1 billion. Says Chief Executive Martin Walker: "The common thread in the Midwest recovery is that you have to recognize that life in the future is not like life in the past. You have to be ready to accept change."

To the sharp eyes of former bank president Charles Walton and retired Alco Standard CEO Tinkham Veale II, opportunity aplenty lurked in the Rust Belt's misfortunes. Solid private manufacturing companies, with ample assets to secure bank loans, were selling cheap, priced at only six to ten times their after-tax earnings. With additional capital to fix up plant and equipment, they could flourish whenever recovery came—as it surely would. Starting with the $200,000 acquisition of bankrupt American Beef Packers in 1983 as a publicly traded vehicle for further acquisitions, Walton and Veale have turned their theory into Sudbury Inc. It is a half-billion-dollar-a-year miniconglomerate of 31 acquisitions, including a foundry, four waste-disposal equipment manufacturers, and nine auto component manufacturers.

Unlike growth-hungry Sudbury, the old private owners of these companies, with a 10% or so annual profit, had little incentive to invest much for modernization. So over time, observes Chief Executive Walton, their businesses threatened to deteriorate. "I don't care how good your machinists are," says Walton. "If they don't have equipment that can hold millionth-of-an-inch tolerances, it isn't going to work." To take just one example of the new approach: With added investment, a Sudbury subsidiary near Chicago now makes precisely machined components for IBM computers and for Bosch antilock brake systems. As Walton says: "They couldn't have done this with their old machinery."

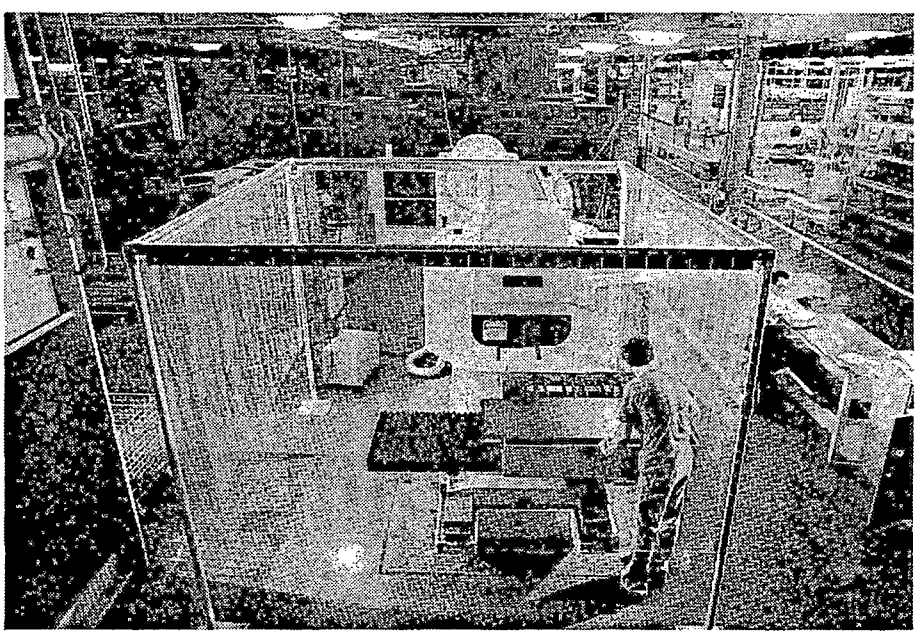
AT THE HEART of the Rust Belt's resurgence is a revolution in the way companies manage workers. "You make labor-management cooperation a religion," says executive director Richard Shatten of Cleveland Tomorrow, a civic group. This precept sounds as trite as the advice of marriage counselors. Either you think you're doing it already—or that it's silly. Nevertheless, properly understood, it is powerful stuff.

With it you can revitalize a mediocre company. That's something Ralph Ketchum, the retired senior VP who ran GE's lighting business, now does as a venture capitalist acquirer of companies. "Along the Ohio and Pennsylvania valleys, there's been a lot of union-management bitterness," he notes, "so there's plenty of opportunity." It takes no magic to do it. Says Ketchum: "I saw that the GE lighting plants in Ohio could be turned around using almost any method you tried, and we experimented with many different ones."

The invariable problem is that managers and workers form two separate tribes who scarcely ever talk to each other. Says Ketchum: "When you start talking, which is tough, you can accomplish a lot." From the day he bought the company, Ketchum opened up communications at Apex Corp., a small manufacturer of jet engine parts in Indianapolis; even second-shift workers didn't hesitate to call him at home for reassurance that their jobs were secure.

Ketchum chairs a collaborative union-management outfit, the Work in Northeast Ohio Council, that successfully spreads the gospel of cooperation throughout the region. One of the many converts among the 60-odd companies to which Winoc has ministered is Diebold, the maker of automated teller machines, point-of-sale terminals, and bank vaults in Canton, Ohio. "A basic adversary environment doesn't wash if you want to be a competitive global organization," says Chief Executive Robert Mahoney. He called in Winoc to help sweep away ingrained labor-management distrust at one plant. Winoc advised the plant to set up a committee of managers, supervisors, and hourly workers. "They meet once a week, prioritize an agenda, solve problems to-

MICHAEL L. ABRAMSON (2)



John Psarouthakis (left) buys heavy industrial companies that have lost their fizz and recharges them with retrained workers and new machinery, like the $325,000 laser gasket cutter below.

gether," Mahoney says. In other words, they talk. Adds Mahoney: "These employees really know what we need to do to improve product quality, reduce scrap, become more efficient. But they were never really given an opportunity to express themselves." Now quality is up, and so are profit margins—significantly.

John Psarouthakis is one of those Rust Belt entrepreneurs who prosper by buying underperforming companies and making them hum. His J.P. Industries—an Ann Arbor–based conglomeration of 14 companies and cast-off divisions acquired over ten years, making such durable goods as engine parts and plumbing products—now takes in over $500 million a year in revenues. Like other managers of the Rust Belt resurgence, he upgrades his operations not just by listening to his workers but also by training them and reorganizing the way they work. "We have high-tech manufacturing processes to make low-tech products," he says. But the worker in such an environment needs to know what he is doing. "You don't bring in a computerized, numerically controlled milling machine without training the operator, because you waste the money for the machine and frustrate the operator."

If you do train him, you can get spectacular results. One day Psarouthakis walked into a gasket plant and saw a man in a tie and jacket running a new milling machine. The vendor checking out his product? Psarouthakis thought so, but no. It was the regular operator, who used to run the manual machine. I love it, he told Psarouthakis. You just push the buttons and program it. Do you like my necktie? "A tremendous change of attitude," says Psarouthakis.

In the same factory, Psarouthakis replaced the assembly line, where each worker does only a single operation, with manufacturing cells, where each worker completes a whole product. Adam Smith himself, and the 19th-century critics of industrialization after him, had worried that the division of labor characteristic of the new factories would make each worker miraculously dextrous—and almost brutishly stupid. It would require no thought and would overdevelop the tiniest slice of his talents at the expense of the rest of them. But in cellular organization, says Psarouthakis, "the person is doing more than one operation, so is really using his or her brains. Because the production process changed, people got upgraded. They learned. So we use brainpower along with technology."

No company could be more enthusiastic about cellular manufacture with computerized machinery than Deere & Co., which responded to the manifold catastrophes that blighted its farm customers by cutting its breakeven point in half and by trying to become more efficient on every front. Deere managers join Psarouthakis in liking what such an organization of manufacturing does for their workers. Says James Lardner, vice president for tractors and components: "It takes the least valuable part of man's mind that we've been renting, and lets the computer do that, and frees people to do the things that people's minds do well."

CEO John Stevens's Impact Forge beat the Japanese.

A proprietary stake in their output gives workers a new outlook on quality. When a piece of sheet metal gets cut in one department, punched in another, bent in another, and spot-welded in yet another on its way to becoming a finished subassembly, no one person has—or feels—any accountability for its goodness. But it's different when one man does the grinding, both rough and smooth, on the raw casting for a wheel hub, then mills it and installs the bearings that make it a complete subassembly. Says Lardner: "There's no way to blame Charlie, or the first operation, or the tenth operation. There's no way to say, 'It wasn't right when I got it,' because you did it."

Deere managers found that simply juxtaposing formerly separate operations boosted quality and productivity. For instance, when a worker was far from the assembly area welding accumulators for the oil in a hydraulic system, a quarter of them always leaked and had to be sent back for rework. That changed when he welded them as needed right by the assembly bench. The assembler, when the first one failed and sprayed him with hydraulic fluid, turned to the welder with a wrench in his hand and said, "The next time you do that, you son of a bitch, I'm gonna

bend this over your head." The problem stopped.

"Here were two guys working together," says Lardner, "and to the guy that did the welding, the other person was until then a disembodied experience. There was no feeling of responsibility." All the changes have let Deere do away with many separate inspections and put the worker himself in charge of measuring and checking his part. Says Lardner: "If you know there is somebody to catch your mistakes, you're not nearly as concerned as if you're the only one, and nothing is going to affect the quality downstream except you."

For inventories, too, cellular manufacture has worked wonders. In the old order, each worker had a pile of parts awaiting his attention, and the parts waited in storage between steps for up to 90% of the time they were in the factory. Consequently, inventories were huge and required voluminous paperwork. Now, once materials are out of inventory, they get worked on until they're incorporated in the finished product. Says Lardner: "If you could double the velocity of throughput—double the percent of time that raw material is actually being transformed into your product instead of sitting in storage—you could produce the same amount of goods with half the capital investment."

ENLIGHTENED management is becoming so firmly rooted in Rust Belt industry that startup companies often open their doors already complete with highly sophisticated ways of organizing and managing labor. Consider three illustrations:

Since even the tiniest companies can teem with managerial wisdom, start with Castite. This eight-year-old firm, just reaching for its first million in annual sales, employs 17 people, nearly half of them blacks from inner-city Cleveland, where the company is located. Castite's business is filling with an epoxylike resin the tiny holes that gas bubbles make in molten metal as it is cast. Thus treated, transmission housings won't leak oil, and outdoor cable TV junction boxes won't let water through to the wires. President Joan Lamson founded the company after her previous employer fired her for proposing adoption of the new technology Castite now uses.

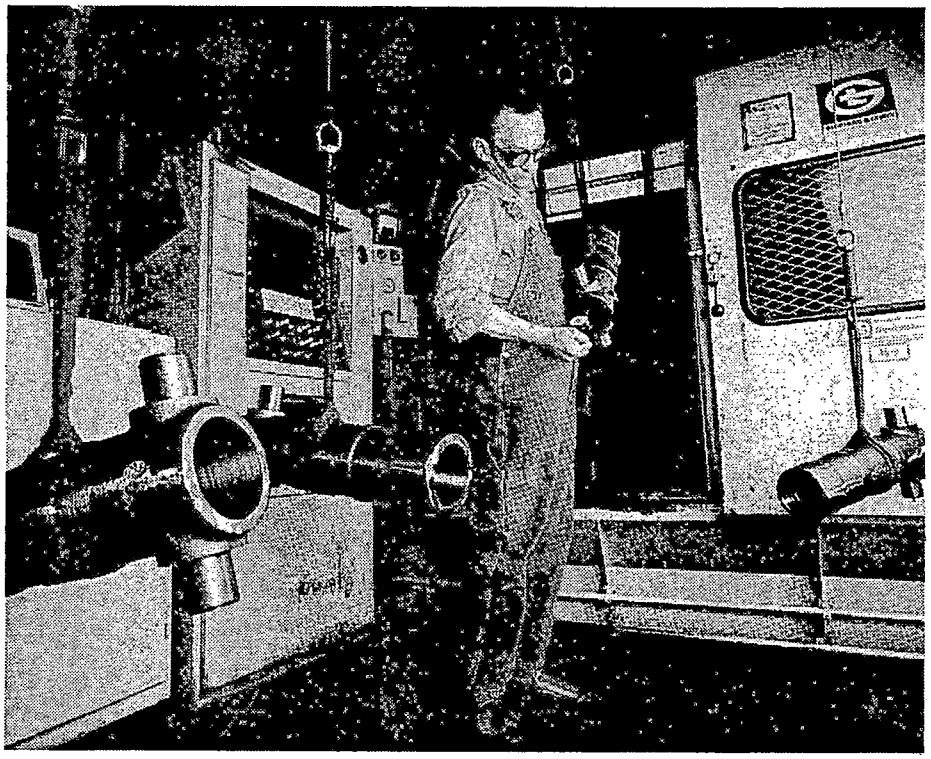
Says Lamson: "You'd think it doesn't have to be said, but the key to getting good quality parts to the customer is to have a plan for doing that." Accordingly, every time a new kind of part comes in from one of her customers, which include the Big Three automakers, she has a salesman, a quality assurance person, and a production worker sit down together. They figure out what exactly the customer wants, how to do the job in the best possible way, and how and when to inspect to keep up quality. Lamson has even set up a simple statistical process control system, charting such variables as resin gel time and viscosity, so that her workers can readily see what variations harm quality.

William Willoughby, who heads another inner-city Cleveland startup, organizes his work force like a troop of commandos. His four-year-old Cleveland Track Material Co. will have about $7 million in revenues this year, thanks to an irrationality of the American railroad system. Because rails originally were made for many different companies and were laid down over many years, they aren't uniform. Instead, a rail may have one of about 30 different cross sections. When, as often happens, worn-out track is renewed with a mixed bag of used rail, unlike rails have to be connected with "compromise joints," which Willoughby makes, along with normal rail joints. His is a labor-intensive business whose product specifications continuously vary, and he has made it grow rapidly by managing his workers to do it right, fast, and cheap. Says West Pointer Willoughby: "I liken what is going on in business today to changes in land warfare. In World War I, you had relatively static lines in two dimensions. Since then the battlefield has become highly mobile, three dimensional, and oriented toward guerrilla warfare. We in the small companies can react to what is becoming a very fast-moving marketplace, where the big companies haven't been able to respond."

He organizes his 103 guerrillas in a way that, he says, "strikes at the heart of the union philosophy, which is a high degree of specialization." The non-union workers, mostly hot-metal veterans, have to be flexible enough to switch from their primary jobs to a secondary one if need be. To produce a part that a customer needed the next day, for instance, Willoughby set his painter and shotblaster to do welding, while two forgers, who didn't know how to weld, took over the painting and the shotblasting.

You might think that Willoughby gets his $7- to $9-an-hour enlisted men to do this by order-barking discipline. Not so. He succeeds by talking with them continually,

At Deere, when workers themselves check what they've made, quality goes up.



at their machines or in meetings of the elected advisory committee. He speaks about how the business is doing, where it is going, what the successes or failures have been, how theirs is a little business that can succeed only if every worker pulls his weight in both his primary and secondary jobs, how he trusts them, knows they are responsible, and welcomes their suggestions. "If I learned anything from the Army," he says, "it was that any group of privates in the back rank can defeat any lieutenant."

Then there is two-year-old American Steel & Wire in Cuyahoga Heights, Ohio. It is a steel company run like a high-tech Silicon Valley computer outfit, and it takes modern management about as far as it will go. Composed of three plants acquired from USX in a leveraged buyout—including the famous Cuyahoga works, then shut down for two years by a labor dispute—the company produces high-quality rod and wire for makers of such can't-fail products as bolts for wheels and seat belts. Quality is the key to this niche; if management can't motivate workers to produce it, the business won't last.

CEO Thomas Tyrrell makes new hires plunk down at least $100 cash on their first day of work to buy company stock, even though some of them are steelmakers who have been unemployed for up to a year. Says Tyrrell: "We wanted people to have a vested interest in running this business." Inspired by a practice of John D. Rockefeller's, Tyrrell has every employee up to his office for a get-acquainted chat. He visits each plant for one day a month to tell workers in small groups how the business is doing, with tips on how employees can save the company money. Each quarter he shuts down the plants for a companywide stockholders' meeting. His profit-sharing plan will add around 15% to each worker's base pay this year and probably 25% next year.

AS IN PALO ALTO or Cupertino, it's all first names at American Steel & Wire, and of course no one punches a time clock. You park where you want in the lot, and all employees have identical vacations and benefit plans. Last year, thinking it unfair that he or his secretary should get paid for days missed due to sickness while workers on the shop floor don't, Tyrrell put all his hourly workers on salary. Absenteeism went from 1.2% to 0.8%. Teams of workers often suggest major ways to cut costs or gain efficiencies, which management regularly adopts. The team chairmen meet monthly with top management to review all aspects of the business and to discuss policy.

Management evangelists talk about how difficult it is to persuade old-school executives to swing to the enlightened modern beat, but veteran Rust Belt workers don't have such an easy time either. Says Tyrrell: "The hardest part is breaking down old taboos. We're building a new culture. Shift managers have to draw our people out to do things they used to be disciplined for. Maybe the shift leader says, 'This is what we ought to do,' and the production guy doesn't like it—or can't. Then the production guy has got to stand up and say, 'Why? Tell me why we have to do this.' "

"There's a lot of leverage in basic manufacturing that gives you competitive strength. The Japanese have done plenty in sexy areas—but more in unsexy ones. We're just beginning to recognize the power of that."

The revivifying industrial culture of the Rust Belt includes an awakened repect for up-to-date technology. Some of the new technology yields new products, like a polymer that speeds healing when put into bandages or a chemical sterilizing machine suitable for proctoscopes and other intrusive doodads made of plastics that melt in conventional heat sterilizers. Funded by a state of Ohio technology development program, along with one of the many new Rust Belt venture capital funds, a Painesville, Ohio, startup company, Steris, is making these sterilizers for a potential $1 billion market.

In parts of the Rust Belt, entrepreneurs are planting new high-tech businesses in the ruins of yesterday's industry. Like English country house builders who cannibalized nearby ruined abbeys for their beautiful materials, these entrepreneurs incorporate valuable human resources left behind by the old industrial order. Around 650 companies of this kind—300 of them software outfits—employ almost 77,000 people in the Pittsburgh area. Here they can draw on the expertise of the big law and accounting firms that grew up to serve the region's now shrinking heavy industries. Most important, because of the big computer installations at the old industrial companies, entrepreneurs can tap the skilled technical community that has long flourished in Pittsburgh.

BUT THE TECHNOLOGY that counts most in the Rust Belt is grittier stuff, the refinement that improves old processes. Says management consultant Richard Hervey of Southfield, Michigan: "There's a lot of leverage in basic manufacturing that gives you competitive strength. The Japanese have done plenty in sexy areas—but more in unsexy ones. We're just beginning to recognize the power of that."

The foundry industry, for instance, has cut its reject rate from 2.5% to under 1% with such improvements as laser-controlled pouring cups that make sure the molten metal flows evenly and the mold doesn't get overburdened. State-supported efforts like Ohio's Thomas Edison Project or Pennsylvania's Ben Franklin Partnership promote joint industry and university research into bringing magic to the ordinary. Along with companies like Ford and McDonnell Douglas, the state of Ohio helps support a welding institute that does research on such dull-sounding but essential areas as laser welding and the joining of composites for the aircraft industry. The Edison Polymer Innovation Corp. run by the University of Akron and Case Western Reserve is developing a technique to make compounds for plastic injection molding more malleable by jiggling their molecules with ultrasound. The result: Machines can squeeze out hoses, window frames, or tire treads in half the normal time.

The renewal is unquestionably under way. But, cautions Governor Celeste: "Every day some young businessperson in Singapore or India, in Brazil or Italy or Germany, is writing a business plan in which he is determined to export one-third and probably one-half his product to the U.S. marketplace. Nobody is going to lay down because we are rediscovering what it takes to be productive." The challenge will be to keep the resurgence surging. F

CLIPPINGS · CLIPPINGS · CLIPPINGS

Cleveland: No 'Mistake'

BY RANDALL SAMBORN

CLEVELAND — It's been called the "mistake by the lake." But that description of America's polka and rock 'n' roll music capital is out of tune. Today, Cleveland touts itself as "hot lakefront property," and that's not a reference to the infamous image of a blazing oil slick on the Cuyahoga River a generation ago.

Cleveland is booming — as evidenced by $5 billion being invested in downtown development — and so are seven of the nation's largest law firms that are based or have their biggest office here. Five of them, along with local businesses, are participating in a national advertising campaign to help the city shed its dismal reputation. Although it's no secret here that they captivate a revitalized local client base and are bursting into other markets, many outsiders are unaware of the prowess of Cleveland law firms...

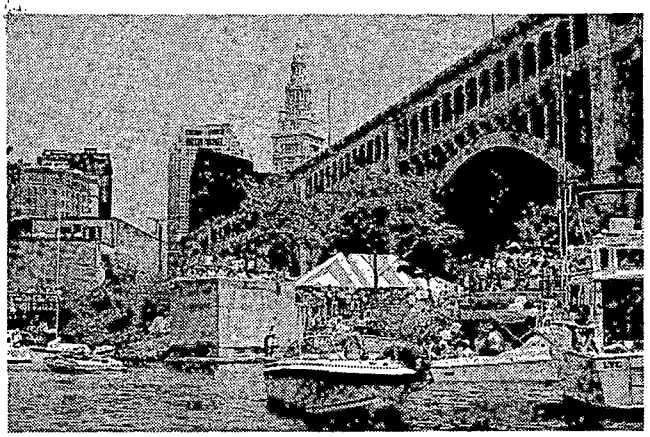
—THE NATIONAL LAW JOURNAL
Monday, April 16, 1990

Washington Wire

A Special Weekly Report From The Wall Street Journal's Capital Bureau

DEMOCRATS SEEKING a site for their 1992 national convention were "knocked off their feet" during their visit a few days ago—to Cleveland. "They put on a mock convention, served us wonderful food, did everything," says one awed insider. Biggest plus: a perfect-sized convention hall. Biggest liability: Some delegates might have to sleep in Akron.

— THE WALL STREET JOURNAL
FRIDAY, MARCH 23, 1990



The Cleveland waterfront, once decaying, is now full of pleasure craft and people.
INSIGHT / SEPTEMBER 3, 1990

ERIE & ONTARIO

By Bob Rosenbaum

A funny thing happened when they took 1,600 miles of shoreline and stirred in the ingredients of heavy industry's decline. Smokestack cities on the shores of lakes Erie and Ontario drew back their curtains of smog to reveal lakes that bear the title "Great" with ease...

Cleveland, for example, has added several recreational features to its shoreline, including a basin in the shadow of Cleveland Municipal Stadium. The Cuyahoga River, so polluted 20 years ago that it once caught fire, has become a Venetian Canal at the center of what may be the nation's most exciting nightlife district for boaters and landlubbers alike.

— SAILING • 1990 APRIL

LAKE ERIE An inspirational example of a great comeback. Environmentalists sometimes don't realize – or perhaps won't acknowledge – when real progress has been made in pollution abatement or how quickly nature can heal itself, given the opportunity to do so. A number of American rivers and lakes are much cleaner today than they were twenty years ago, when Earth Day I unleashed a flurry of restoration activity. The recoveries of some of the most hopeless places, such as the "dead" Lake Erie and the burning Cuyahoga River in Cleveland, deserve to be saluted.

— ROLLING STONE
MAY 3RD, 1990

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500.

PHILADELPHIA MAGAZINE • OCTOBER 1989

CITY JOURNAL

BY SCOTT HULER

WHY CAN'T WE BE LIKE CLEVELAND?

That's not a misprint. In fact, there's a lot we could learn from the way that city's business leaders and politicians turned their town around.

IS ALL THIS REALLY WORTH THE Risk of Being Mistaken for Cleveland?" That was what *The Wall Street Journal* wanted to know on October 10, 1988, the night the Eagles brought this city some rare positive national attention by playing on Monday Night Football. The article described a plan by Philadelphia businesses to leave their lights on during the game in an effort to draw attention to the city's burgeoning skyline—a maneuver *previously* executed on September 18, 1986. By Cleveland.

The article took two points as given: first, that Philadelphia has enough of an inferiority complex to wish to be taken for somewhere else; and second, that being taken for Cleveland would be a bad thing.

The article was certainly correct about the first point. Just look around. The mayor. City Council. The garbage. The "convention center." The "justice center." The series of defeats for Penn's Landing. A city whose major new developments are multimillion-dollar holes in the ground could certainly do worse than take a cue from somebody else on how to do a little better.

About the second point, however, the article betrayed a dated viewpoint. In fact, Cleveland has developed a reputation as a city that somehow found a way to fix itself when everything went wrong. Every hardheaded opinion-molder like Fortune magazine was forced to recognize that in a highly favorable feature in March since Philadelphia and Cleveland have struggled for the lead ditch Most-Likely-to- pre competition P

TRAVEL & LEISURE • APRIL 1989

The Paris of Northeastern Ohio

A hometown boy's ode to the hidden charms of Cleveland

by Herbert Gold

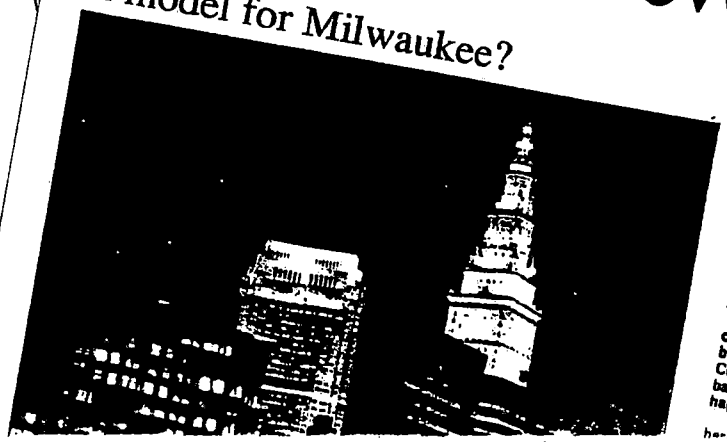
When I returned to Cleveland after my student years on the Left Bank, I looked around with great homesick calf eyes for fellow French-speakers. Le Cercle Français, a group that lunched together on Saturday at the Hotel Cleveland, didn't do it for me. They were mainly aging war brides; I was an aging graduate student and Latin Quarter beatnik. I realized I would have to find Cleveland's own native Paris—not a nostalgic ersatz version imported from France, but a Paris of the mind.

Thus I became a *flâneur* (an idler) of Euclid Heights Boulevard and the beach at Edgewater Park. I found

THE MILWAUKEE JOURNAL Sunday, January 15, 1989

High on Cleveland

A model for Milwaukee?



Leaders here look to an unlikely source for inspiration in boosting the city's image

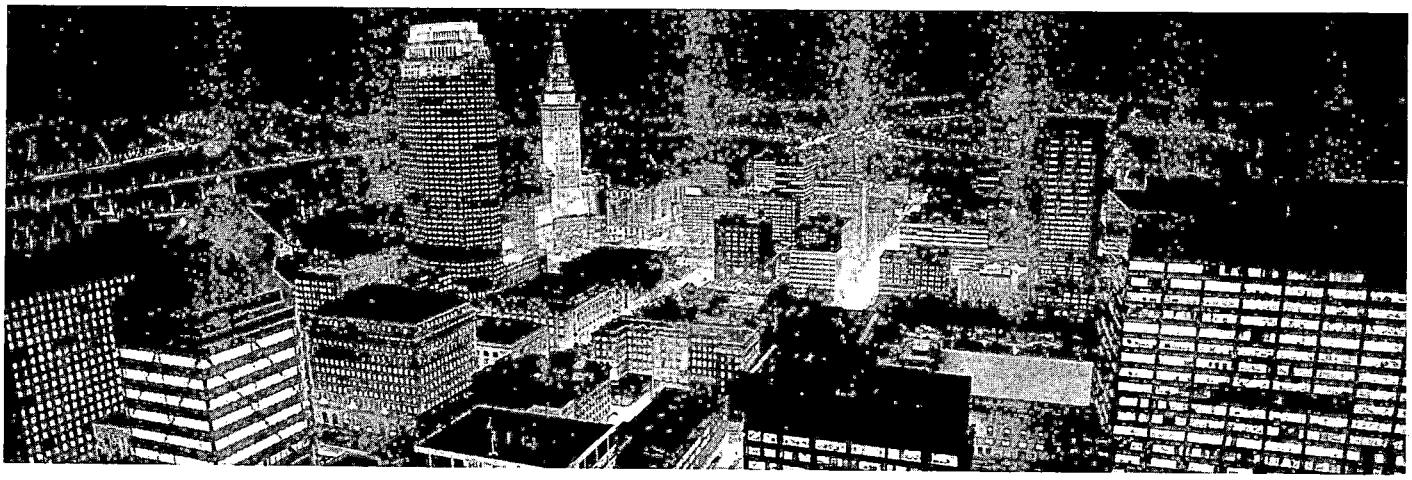
By JIM STINGL
of The Journal staff

Cleveland, Ohio — From behind the counter of his father's cigar stand in a bustling downtown building, Rick Chillemi offered an apt, if somewhat backhanded, impression of what is happening in his native Cleveland.

"It seems like

Reproduced as a contribution to New Cleveland Campaign by Original Copy Centers, Inc., Cleveland, Ohio 216 881-3500

GREATER CLEVELAND FACTS



LOCATION

WITHIN 500 MILES OF CLEVELAND MARKET

44% of U.S. HOUSEHOLDS
44% of U.S. POPULATION
46% of U.S. EFFECTIVE BUYING INCOME
48% of U.S. MANUFACTURING SHIPMENTS/SERVICE RECEIPTS
43% of U.S. BUSINESS ESTABLISHMENTS
66% of TOP 500 U.S. INDUSTRIAL CORPORATE HEADQUARTERS

POPULATION

Greater Cleveland has nearly 1.1 million households, making it the 12th largest metropolitan area in the country.

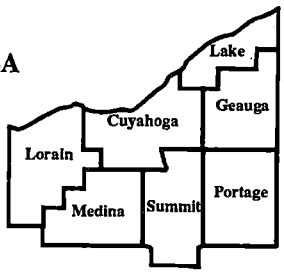
- The Cleveland area ranks as one of the nation's largest consumer markets with a population of over 2.7 million.
- More than 17% of the area's households have Effective Buying Incomes of $50,000 or more.
- Cleveland's consolidated metropolitan statistical area (CMSA) has an Effective Buying Income of $37 billion.
- The median age of the population in the Cleveland CMSA is 34 years.

SELECTED STATISTICS

CMSA COUNTIES	AREA IN SQ. MILES	1989 POPULATION	1989 MEDIAN HSLD. EBI	PROJECTED POPULATION 1994
Cuyahoga	459	1,420,700	26,395	1,385,500
Geauga	408	79,800	35,093	82,400
Lake	231	216,500	30,106	216,700
Lorain	495	274,400	29,265	271,400
Medina	422	122,600	34,026	126,900
Portage	493	142,100	28,270	144,000
Summit	412	512,400	25,110	503,400
PMSA	1,520	1,839,600	27,753	1,811,500
CMSA	2,920	2,768,500	27,421	2,730,300
Ohio	41,004	10,934,800	25,336	10,947,500

SOURCES: Page 1 - Population figures - Northern Ohio Data and Information Service (NODIS). Market information from Sales and Marketing Management, 1990 Survey of Buying Power. Page 2 - Employment data from The Ohio Bureau of Employment Services. Leading Market information from Fortune Magazine, 1991.

Cleveland CMSA



COUNTIES AND COMMUNITIES IN CLEVELAND CMSA
1988 POPULATION
(10,000 or more)

CUYAHOGA	1,430,800	Madison Twp.	15,200
Bay Village	17,540	Mentor	44,870
Bedford	14,360	Painesville	16,090
Bedford Hts.	11,920	Painesville Twp.	12,380
Berea	18,830	Wickliffe	14,720
Brecksville	11,700	Willoughby	19,650
Broadview Hts.	11,340	Willowick	15,480
Brooklyn	11,820	**LORAIN**	270,500
Brookpark	24,300	Amherst	10,460
Cleveland	521,370	Avon Lake	13,980
Cleveland Hts.	53,930	Elyria	56,850
East Cleveland	33,970	Lorain	71,710
Euclid	55,320	North Ridgeville	22,040
Fairview Park	18,130	Russia	10,600
Garfield Hts.	33,220	Sheffield Lake	10,230
Lakewood	58,340	**MEDINA**	120,200
Lyndhurst	16,230	Brunswick	28,980
Maple Hts.	27,920	Medina	17,560
Mayfield Hts.	19,390	Wadsworth	15,350
Middleburg Hts.	14,980	Wadsworth Twp.	18,720
North Olmsted	35,670	**PORTAGE**	139,500
North Royalton	21,540	Franklin Twp.	32,850
Parma	89,440	Kent	28,330
Parma Hts.	21,780	Ravenna	11,710
Rocky River	20,130	Ravenna Twp.	20,970
Seven Hills	12,990	**SUMMIT**	514,000
Shaker Hts.	30,210	Akron	221,510
Solon	18,080	Barberton	27,520
South Euclid	24,400	Coventry Twp.	11,380
Strongsville	35,500	Cuyahoga Falls	48,020
University Hts.	14,990	Franklin	16,340
Warrensville Hts.	15,970	Green	20,140
Westlake	25,050	Hudson Village	14,620
GEAUGA	79,300	Norton	12,220
Chester	11,000	Springfield Twp.	16,350
LAKE	214,700	Stow	26,630
Concord	13,690	Tallmadge	14,560
Eastlake	21,630		

ECONOMY

Greater Cleveland has long been famous as a diversified durable goods manufacturing area. In 1990, over 206,000 people were employed in manufacturing. This was 21.7% of the 950,200 total persons employed. In the U.S., as a whole, approximately 19% of total employment was in the manufacturing sector. Following the national trend, Cleveland has been shifting to a more services based economy.

1990 EMPLOYMENT:
CLEVELAND METROPOLITAN AREA (PMSA)

Sector	Employment (000'S)	Percent of Total
TOTAL	**950.2**	**100.0%**
Manufacturing	**206.6**	**21.7%**
Durable Goods	140.6	14.8%
Primary metals	20.4	2.1%
Fabricated metal prodructs	34.3	3.6%
Industrial machinery & equipment	33.4	3.5%
Electronic & other electric equipment	15.4	1.6%
Transportation equipment	19.0	2.0%
Instruments & related products	7.3	0.8%
Nondurable Goods	66.1	7.0%
Food & kindred products	6.5	0.7%
Apparel & other textile products	3.2	0.3%
Paper & allied products	5.9	0.6%
Printing & publishing	17.4	1.8%
Chemicals & allied products	14.9	1.6%
Rubber & misc. plastics products	11.8	1.2%
Nonmanufacturing	**708.0**	**74.5%**
Construction	34.7	3.7%
Transportation & Public Utilities	42.9	4.5%
Trucking & warehousing	11.5	1.2%
Communication, electric, gas services	17.5	1.8%
Wholesale	65.1	6.9%
Wholesale trade-durable goods	44.6	4.7%
Retail Trade	162.8	17.1%
General merchandise stores	20.6	2.2%
Finance, Insurance, Real Estate	58.0	6.1%
Depository institutions	20.5	2.2%
Commercial banks	13.0	1.4%
Insurance carriers	14.2	1.5%
Services	259.7	27.3%
Business services	52.4	5.5%
Amusement, including motion pictures	12.1	1.3%
Health services	80.1	8.4%
Government	119.6	12.6%
Federal government	20.4	2.1%
State government	8.2	0.9%
Local government	90.9	9.6%

LEADING MAJOR MARKETS
TOP 10 FORTUNE 500 INDUSTRIAL HEADQUARTERS

Rank	Major Markets	No. Hdqs.
1	New York-Northern NJ-Long Island NY-NJ-CT, CMSA	86
2	Chicago-Gary-Lake County IL-IN-WI, CMSA	43
3	**CLEVELAND-AKRON-LORAIN OH, CMSA**	**18**
3	Los Angeles-Anaheim-Riverside CA, CMSA	18
5	Minneapolis-St. Paul MN-WI, MSA	17
5	San Francisco-Oakland-San Jose CA, CMSA	17
7	Houston-Galveston-Brazoria TX, CMSA	16
8	Philadelphia-Wilmington-Trenton PA-DE-NJ-MD, CMSA	15
9	Dallas-Fort Worth TX, CMSA	14
10	Boston-Lawrence-Salem-Lowell MA, MSA	13
10	Pittsburgh PA, MSA	13

Greater Cleveland is a world corporate center where leading national and multinational corporations are developing from the region's strong, diversified economy. The Cleveland CMSA is the 12th largest consumer market in the nation and is headquarters for many of the nation's major industrial corporations and leading corporations in the service sector - transportation, insurance, retailing, utilities, commercial banking, and finance. In fact, 114 companies headquartered in the Cleveland CMSA had annual revenues of $100,000,000 or higher in 1990. These companies had combined 1990 revenues of nearly $90 billion. The table on the right lists companies with 1990 revenues of $250,000,000 or more. Included in this list are companies ranked nationally on Fortune magazine's lists of the nation's top 500 industrial and 500 nonindustrial companies. Each year, Fortune ranks companies by revenues for industrial companies, and sales, operating revenues, and assets for nonindustrial companies. In 1990, 28 of these leading corporations were headquartered in Cleveland-18 industrial and 10 nonindustrial companies. Cleveland ranks 3rd in the number of industrial headquarters among the nation's leading markets, and 14th in the number of nonindustrial headquarters. In fact, 38.5% of all Fortune companies are represented in Cleveland.

CLEVELAND CMSA CORPORATE HEADQUARTERS WITH 1990 REVENUES OF $250 MILLION OR MORE
(ranked by 1990 revenues)

Rank	Company	Product/Service
1	Goodyear Tire & Rubber Co.	Rubber/plastics
2	TRW Inc.	Electronics
3	Eaton Corp.	Motor vehicles/parts
4	Roadway Services	Trucking services
5	National City Corp.	Banking
7	Parker Hannifin Corp.	Industrial equipment
6	Revco Drugstores Inc.	Drugstore chain
8	B.F. Goodrich	Chemicals
9	Centerior Energy Corp.	Utilities
10	Sherwin-Williams Co.	Chemicals
11	Ohio Edison Co.	Utilities
12	GenCorp, Inc.	Aerospace
13	Society Corp.	Banking
14	Reliance Electric Co.	Electronics
15	Lubrizol Corp.	Chemicals
17	Harris Wholesale Co.	Distributor
18	NACCO Industries, Inc.	Industrial equipment
19	Progressive Corp.	Insurance
20	Figgie International, Inc.	Industrial equipment
21	B.P. Pipe Line (Alaska)	Transportation
22	American Greetings Corp.	Publishing, printing
23	AmeriTrust Corp.	Banking
24	CNC Holding Corp.	Speciality retailer
25	Ferro Corp.	Specialty chemicals
26	M.A. Hanna	Polymers
27	Scott Fetzer Co.	Vaccums & encyclopedias
28	Leaseway Transportation Corp.	Trucking
29	Lincoln Electric Co.	Industrial equipment
31	Picker International Inc.	X-ray equipment
32	International Management Group	Promotions
33	A. Schulman, Inc.	Polymers
34	Standard Products Co.	Rubber/plastics
30	Bearings Inc.	Automotive
35	The Brenlin Group	Holding company
36	Sealy Holdings	Bedding
37	Premier Industrial Corp.	Electronics
38	Sterling Inc.	Jewelry
39	Gould Inc.	Electronic components
40	The Austin Co.	Engineering
41	Westfield Cos.	Insurance underwriter
42	TransCapital Financial Corp.	S & L holding co.
43	Pioneer-Standard Electronics	Electronics distributor
44	Sudbury Holding, Inc.	Industrial products
45	Waxman Industries Inc.	Electrical supplies
46	F.W. Albrecht Grocery Co.	Retail supermarkets
47	RPM Inc.	Chemicals
48	Forest City Enterprises	Real estate
49	Fabri-Centers of America	Retail fabrics
50	LDI Corp.	Leasing - computers
51	First Bancorporation of Ohio	Bank holding company
52	Jones, Day, Reavis & Pogue	Law firm
53	Nesco Inc.	Diversified holding co.
54	Nordson Corp.	Industrial equipment
55	Milk Marketing Inc.	Dairy cooperative
56	Lamson & Sessions Co.	Electronics
57	Van Dorn Co.	Machinery-plastics
58	Cleveland Cliffs Co.	Mining/drilling
59	MTD Products Inc.	Electronics
60	Brush Wellman Inc.	Metals manufacturer
61	APCOA Inc.	Parking property
62	Charter One Financial	Bank holding company
63	Alside Inc.	Building products
64	Agency Rent-A-Car Inc.	Auto replacement
65	Great Lakes Cheese Co., Inc.	Natural cheese
66	Park Corp.	Owner of IX Center
67	Olympic Steel Inc.	Steel distributor
68	North American Refractories	Refractory materials

TRANSPORTATION

Excellent transportation facilities and services contribute to Greater Cleveland's leading position as a business center. Serving as the transportation hub of northern Ohio and the Midwest, Cleveland supports an extensive system of interstate highways and freeways. The nation's three leading railroads - Conrail, Norfolk and Southern, and the CSX Corp.- link the region and move both goods and people across the center of America's largest concentration of industrial and consumer markets.

The 2,920 square-mile Cleveland CMSA has a total of 127 airports: 103 private and 24 public (16 paved). Cleveland Hopkins International Airport, the focal point of air traffic activity, is supplemented with local and private facilities to serve every need. The Burke Lakefront Airport provides commuter service to regional cities and maintains facilities and services for business jets - all within five minutes of downtown's finest office locations. Cuyahoga County Airport also provides excellent facilities and services for business jets and other general aviation.

The Port of Cleveland - the largest overseas general cargo port on Lake Erie, and third largest on the entire Great Lakes - was declared a forieign trade zone in 1990. The port serves over 50 countries - shipping and receiving from 120 ports worldwide. Experienced firms offer every service for shippers - banking, insurance, customs, stevedoring, and storage.

Intra-city commuting is equally convenient. The average Clevelander travels only 23.3 minutes to work compared to New York commuters who travel an average of 32.3 minutes and Chicago commuters who travel an average of 28.3 minutes to work each day. In addition, Cleveland has the first, and still one of the few rapid transit systems in the country which travels directly from a downtown terminal to the airport - a 30-minute trip from downtown to Cleveland Hopkins International Airport.

TOPOGRAPHY AND CLIMATE

Greater Cleveland, located on the southern shore of Lake Erie, extends 100 miles along the shore and more than 40 miles inland. Most of the city is on a level plain 60 to 80 feet above Lake Erie. Some of the suburbs away from the lake are on land 100 to 300 feet higher.

Weather in Cleveland follows Midwest seasonal patterns but with the strong, modifying influence of Lake Erie. The lake plays a major role in offsetting the most severe effects of summer heat waves - Cleveland has fewer days with temperatures above 90 degrees than most large northern cities - and it contributes to a milder winter season as the average temperature of Lake Erie reaches 72 degrees in August.

The average date of the first temperature of 32 degrees or below is November 3. The average growing season is 210 days, longer than most locations in this latitude. Precipitation is moderate in amount and is evenly distributed throughout the year.

EDUCATION

Greater Cleveland's schools offer educational opportunities to fit every need. Cleveland boasts many excellent public and private facilities for learning at all levels. Cleveland's highly skilled and well educated workforce is the product of the area's many junior and community colleges, vocational schools, state and private colleges and universities.

MAJOR COLLEGES AND UNIVERSITIES

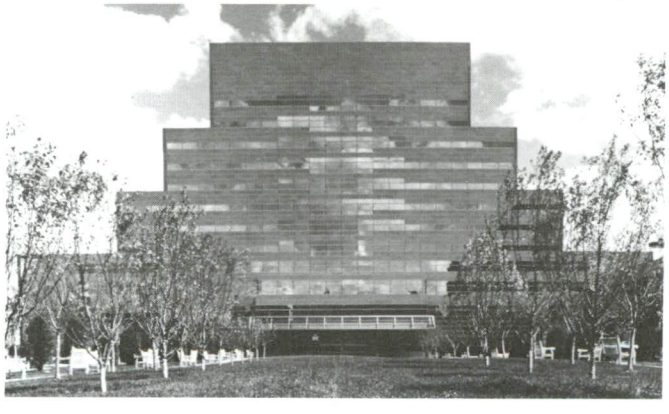
INSTITUTION	FALL 1989 ENROLLMENT
University of Akron	28,967
Cuyahoga Community College	24,000
Kent State University	23,727
Cleveland State University	18,535
Lakeland Community College	8,580
Case Western Reserve University	8,386
Lorain County Community College	6,616
Baldwin-Wallace College	4,713
John Carroll University	3,700
Oberlin College	2,800
Hiram College	1,189
Ursuline College	836
Notre Dame College of Ohio	827
Dyke College	801
Lake Erie College	717

HEALTH

Cleveland is a city recognized worldwide for quality health care and leading-edge medical technology. An extraordinary concentration of institutions, agencies, and individuals has gained international recognition for Cleveland through significant contributions to medical technology and education.

People come from all over the United States and many foreign countries to the Cleveland Clinic, a pioneer and leader in kidney transplants and open-heart surgery. Case Western Reserve University School of Medicine boasts a medical curriculum emulated by medical schools throughout the world. University Hospitals is a world leader in medical research through direct application. St. Vincent Charity Hospital participated in the development of the first heart-lung machines, and Metropolitan General Hospital has one of the most sophisticated prenatal units in the world, as well as one of the top burn units in the area.

The Cleveland PMSA has 44 hospitals, with a total of 12,184 beds, providing medical care and service to the community - in addition to other health-related organizations. Medicine, with over 80,000 professionals and associated personnel, is one of the most dynamic segments of the Cleveland economy.



ENTERTAINMENT AND CULTURE

The Cleveland area offers a quality and depth of culture and entertainment that few cities can match, with professional performances in theater, dance, symphony, jazz, rock, opera and ballet on a regular basis.

Cleveland Play House, the oldest repertory company in the nation, operates three stages and a major theatre complex. A cluster of four theatres, with combined capacity larger than that of Lincoln Center, is being restored in the Playhouse Square area. One of these, the Ohio, is home for the critically acclaimed Great Lakes Theatre Festival. The Palace Theater hosts touring Broadway casts. There are professional opera and ballet companies and numerous community theatres giving regular performances. Over 100 movie theatres show the full range of modern and classical American and foreign films.

The Cleveland Orchestra, one of the finest in the world, performs at the beautiful Severance Hall and at its summer home, Blossom Music Center. There are also many classical and chamber music concerts in the area throughout the year. Cleveland is also strong in contemporary music and is on the national tour of virtually every big-name performer in rock, pop, jazz, and country with regular performances at the numerous facilities located in the Cleveland area.

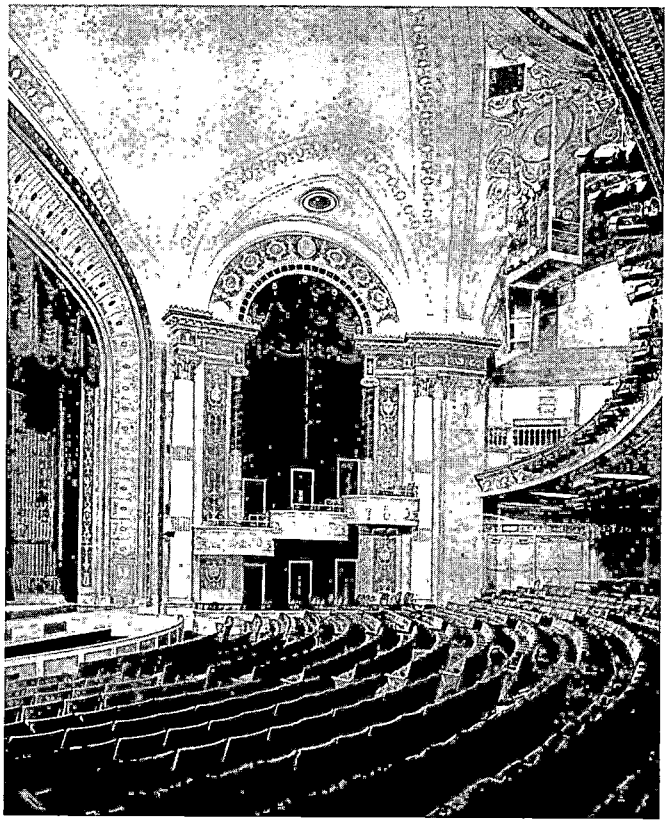
The Cleveland Museum of Art houses one of the world's finest collections. Other area museums include the Museum of Natural History, the Crawford Auto-Aviation Museum, the Western Reserve Historical Society, the Health Museum, Hale Farm, regional and specialized historical museums.

For the family, there is a zoo, the Children's museum, seasonal festivals, and special events, such as the National Air Show- one of the national's largest and oldest annual exhibitions- and the Budweiser Cleveland Grand Prix. Three major amusement parks-Cedar Point, Geagua Lake, and Sea World- are within an hour's drive of Cleveland. The 19,000 acre Metropark system provides cross country skiing and tobogganing. Other parks include the Cuyahoga Valley National Recreation Area, the Holden Arboretum, and Cleveland Lakefront State Park.

SPORTS

Greater Cleveland has a full range of spectator and particpant sports with major league teams in baseball, football, basketball, and soccer. There are major professional and amatuer events in golf, boxing, bowling, swimming, tennis, polo, and horseracing on a regular basis, as well as a wide range of outdoor and indoor facilities for year-round sports activity. Greater Cleveland has over 70 public and private golf courses.

Water sport enthusiasts enjoy about 100 miles of Lake Erie shoreline with many private and public marinas, and numerous inland lakes, reservoirs, rivers, and streams. Cleveland Lakefront State Park, Huntington Beach, and Mentor Headlands State Park annually attract hundreds of thousands of people. Pleasure boating has gained popularity as people discover what Lake Erie has to offer. Presently, there are over 86,000 boats registered in the Greater Cleveland area.



HISTORY AND GROWTH

In the Colonial era, the Cleveland area was known as the Connecticut Western Reserve, part of a land grant made to Connecticut by King Charles II in 1662. After the Revolutionary War, the Connecticut Land Company sent a surveying team headed by General Moses Cleaveland to chart the area. In 1796, Cleaveland founded the city at the mouth of the Cuyahoga River and it became part of the new state of Ohio in 1803. Subsequently, its name was shortened to Cleveland.

Early in its history, Cleveland was a frontier village. In 1832 a canal to the Ohio River was opened and the city grew into a manufacturing and business center for northern Ohio. In Civil War times, Cleveland's activity expanded to meet the increased need for machinery, railroad equipment, ships, and other items. Cleveland was in a position to use iron ore and coal from surrounding areas for steel. Thus, ambitious, skilled craftsman and businessmen from the eastern states were attracted by Cleveland's potential. Some of Cleveland's most important plants were started in those years, and as the great Midwest was settled, Cleveland's mills and factories expanded to meet the demand from the new farms and growing cities.

CLEVELAND AND MSA* POPULATION: 1860-1990

YEAR	CLEVELAND	MSA	YEAR	CLEVELAND	MSA
1860	43,417	NA	1930	900,429	1,283,220
1870	92,829	182,227	1940	878,326	1,319,734
1880	160,146	248,971	1950	914,808	1,532,579
1890	261,353	363,436	1960	876,050	1,909,483
1900	381,768	497,502	1970	750,879	2,063,729
1910	560,663	698,620	1980	573,822	1,898,720
1920	796,841	1,013,265	1990	505,616	1,831,122

* MSA includes counties of Cuyahoga, Geauga, Lake, and Medina.

FROM: DIX & EATON/PUBLIC RELATIONS
Scott Chaikin
Vice President
The 1010 Euclid Building
Cleveland, Ohio 44115
216/241-0405

FOR: NEW CLEVELAND CAMPAIGN
George N. Miller
Executive Director
200 Tower City Center
50 Public Square
Cleveland, Ohio 44113
216/621-6725

EDITORIAL BACKGROUNDER

Skyline Makes Room for New Office Towers, Hotels and Corporations

BUSINESS IS BOOMING IN CLEVELAND

Cleveland, Ohio, once a symbol of rust bowl deterioration, has shed its grimy coat to reveal a gleaming model of high-powered urban resurgence.

Downtown development is booming. About $4 billion in recent and planned capital investments is reshaping the city's skyline, including a new 57-story office tower that has become the tallest building in the state, and a 60-story office building which will reach even higher in the next few years.

Leading international hotel chains -- such as The Ritz-Carlton, Sheraton, Marriott, and Radisson -- have already raced into the downtown market to capitalize on the development explosion, and Hyatt Regency and others have plans to join them.

Employment set record highs in Greater Cleveland in 1989 and 1990. Greater Cleveland's manufacturing economy, refashioned over the past decade, has made it one of the most recession-resistant areas in the country.

And while the area remains home to the country's fourth highest concentration of Fortune 500 industrial headquarters, the pace of entrepreneurial activity has also increased, with 6,000 new businesses being born to Greater Cleveland annually.

A world-famous orchestra and art museum; an elegantly restored trio of 1920s-era theaters hosting touring acts and housing the Cleveland Ballet, Cleveland Opera, and Great Lakes Theater Festival; and a vibrant riverfront dining and entertainment district are but a few of the attractions drawing record crowds into the city.

With it all has come a new image of Cleveland as perhaps the nation's "Comeback City." Convention activity and tourism requests hit record levels in 1991. And cities across the country and world continue to send teams here to study Cleveland as a model of urban renewal.

Development Explosion

Unlike the many industrial cities that have effectively abandoned their urban cores, Cleveland has focused its resurgence right in the heart of downtown. Out of $4 billion in downtown construction, nearly one-third is being spent on new developments on Public Square, the city's center.

The transformation of the Square began with the 46-story BP America Inc. headquarters, completed in 1985, and includes:

- The 57-story Society Center, which includes a 402-room Marriott hotel and the renovated, century-old former headquarters of Society Corporation. Completed in late 1991, Society Center has become the tallest building between New York and Chicago.
- Tower City Center, including not only the refurbished Terminal Tower -- the city's landmark and the state's tallest building for 60 years -- but also 12- and 14-story office towers, one housing a newly opened 208-room Ritz-Carlton hotel; a three-tiered specialty retail, dining, and entertainment complex; and an upcoming Neiman Marcus department store.

And soon, Public Square will also welcome the 60-story Ameritrust Center, which will feature a 484-room Hyatt Regency hotel, to be completed in 1996.

New hotels on the Square join Stouffer Tower City Plaza Hotel, which recently completed a $37 million renovation of its 500-room facility.

The addition of The Avenue at Tower City Center, with over 100 specialty stores and restaurants, has dramatically accelerated a renaissance of downtown retail activity, which began with the 1987 opening of The Galleria at Erieview. Located only blocks away, The Galleria, a glass-enclosed atrium of 60-some shops and eateries, was the first retail center to open downtown in 50 years.

Other downtown projects include the 28-story Bank One Center office tower; the 20-story North Point Tower; the 252-suite Radisson Plaza Hotel Cleveland; and the 15-story Renaissance office complex on Playhouse Square, the first new construction in the city's historic theater district in over 50 years. And soon to come, the Rock and Roll Hall of Fame and Museum, designed by world-famed architect I.M. Pei, and much more.

The construction frenzy in Cleveland is expected to continue, too, with national real estate firms predicting the city will be among the top markets nationwide for development in the 1990s.

Business is Booming

The downtown development explosion is largely a response to increased demand created by growth in new and established businesses, and in businesses that have relocated to the city.

In recent years, Greater Cleveland has ranked among the nation's leaders in employment growth. Supported by a diverse manufacturing base and an expanded service sector, its resilient economy has made it among the areas least affected by the current recession plaguing the country. As recent evidence of Cleveland's strengthened economy, the city's bond rating advanced to an A-minus in 1989, only slightly more than a decade after its default.

Service jobs, climbing over the past decade, now comprise approximately 27 percent of Cleveland area employment, while manufacturing jobs make up about 22 percent.

Greater Cleveland has the fourth highest concentration of Fortune 500 manufacturing firms in the nation with 18, and is headquarters to 10 Fortune 500 service firms.

In the past few years, the city has proved itself successful in attracting both domestic and international businesses. In 1988, Figgie International Inc. decided to move its world headquarters back to the city's east side. Since then, organizations from Fanny Farmer Inc. to the United Church of Christ have also moved here.

Greater Cleveland has recently become U.S. or North American headquarters to foreign-owned giants such as Gould Inc., BP America Inc., VAX Appliances, Inc., and Victoreen, Inc. Indeed, 69 foreign-owned firms have their U.S. headquarters here, an increase of 68 percent in the past five years.

These companies have discovered a secret long known to Cleveland-based multinationals such as TRW Inc., Eaton Corporation, and Jones, Day, Reavis & Pogue. And to companies like Sealy Holdings, A. Schulman, Inc., Lincoln Electric Co., and Standard Products, each of which has experienced remarkable growth and entered the ranks of the Fortune 500 in the past five years. And to 35 percent of the Fortune 500 firms, which have offices, divisions, or subsidiaries in Cleveland. And to industries such as health care, which now generates nearly 10 percent of the area's payroll and has become one of the region's largest and fastest-growing employers.

The secret is that Cleveland is an excellent place to do business.

The city has operating costs that are substantially lower than those in New York, Los Angeles, Boston, Chicago, and other major markets; it has a large, highly skilled work force that is more educated than the national average; it is within 500 miles (the overnight trucking distance) of 44 percent of the nation's population, 43 percent of its businesses, and nine of its 20 largest markets; it is home to the headquarters of major branches of some of the world's

leading professional service firms; and it has vast research and development resources for business support, including 19 colleges and universities located within 30 miles of Public Square.

New Business Seeds Sprouting

Greater Cleveland has also proven to be remarkably fertile for entrepreneurial businesses, hosting about 6,000 new business start-ups a year.

Building off Cleveland's traditional manufacturing strengths, area universities, industries, and government are working together to stimulate high-tech growth by bringing research to the marketplace. Cooperative programs are under way like the Edison BioTechnology Center, Edison Polymer Innovation Corporation, and the Cleveland Advanced Manufacturing Program, a part of which was designated one of only three national technology transfer centers by the U.S. Department of Commerce.

In 1990, a consortium of area universities was awarded the country's first National Science Foundation Science and Technology Research Center on liquid crystals, drawing on the area's strong base in liquid crystal and polymer-related technologies. The new designation will make Northeast Ohio a hub of this burgeoning industry, expected to triple in size in the next five years.

Cleveland is also home to NASA Lewis Research Center, the only NASA facility north of the Mason-Dixon Line.

Helping local entrepreneurs take advantage of the business opportunities presented by such research requires available money and expertise -- and both can be found here in large measure. Cleveland venture capital firms control about $550 million in funds, a threefold increase since 1984, making the city the dominant source of venture capital between New York and Chicago.

Organizations catering to small and start-up businesses have played a key role in nurturing young companies. For example, the Council of Smaller Enterprises (COSE), the largest such organization in the country with about 9,700 members, provides management assistance and education, as well as small-business advocacy in Washington and Columbus.

Downtown Comes Alive

Like the city's business sector, Cleveland's cultural and entertainment scenes are also bursting with life.

Playhouse Square Center, object of the world's largest theater restoration project, is now completely returned to its original 1920s elegance. With three theaters and over 7,000 seats, it is North America's third largest performing arts center, providing a home for some of the region's key performing arts companies; creating and producing its own musicals, several of which have toured nationally and on Broadway; and playing host to a wide variety of world-class touring attractions. The theaters annually attract more than three-quarters of a million patrons, injecting $15 million a year into the city's economy.

To the east is University Circle, the greatest concentration of museums, cultural resources, and educational and religious institutions in the nation. Named after resident Case Western Reserve University, the Circle is home to The Cleveland Orchestra and The Cleveland Museum of Art, both among the finest in the world; The Cleveland Museum of Natural History; The Cleveland Play House, the nation's oldest regional theater; Karamu House, the country's first interracial cultural center; The Cleveland Center for Contemporary Art; The Western Reserve Historical Society, which includes the Crawford Auto-Aviation Museum; Cleveland Children's Museum; Cleveland Health Education Museum, the first such museum in the country; The Garden Center of Greater Cleveland; The Cleveland Institute of Art; and The Cleveland Institute of Music, among others. University Circle attractions annually draw as many as three million visitors.

Cleveland's downtown nightlife is also thriving. The Flats, a onetime industrial district that surrounds the Cuyahoga River where it flows through the heart of Cleveland, has been converted into an enormously popular and successful dining and entertainment center, with over 30 riverside cafes, restaurants, and nightclubs offering entertainment by internationally known and local performers. Spanning 28 acres on the west bank in the Flats is the ever-growing Nautica entertainment complex, which currently consists of a 4,000-seat amphitheater, a half-mile riverfront boardwalk, a floating restaurant, and more.

And on a hill above the Flats is the Warehouse District, a once-neglected commercial area that is being transformed into a thriving residential and commercial neighborhood, providing homes for the growing number of Clevelanders anxious to live in the heart of the city.

Together, the revitalized Flats and Warehouse District are enjoying about $450 million in current and proposed investments.

A few blocks away is the city's North Coast Harbor on Lake Erie. An $11.3 million waterfront park was recently completed, laying the groundwork for a $500 million entertainment and recreational area that will ultimately include the Rock and Roll Hall of Fame and Museum, alone expected to attract 700,000 visitors a year; a world-class aquarium; the Great Lakes Museum of Science, Technology, and the Environment; and a restored 1925-ore carrier turned museum.

And construction is under way on the $375 million state-of-the-art Gateway sports complex in downtown. Gateway's 42,000-seat ballpark will be the new home of the Indians, and its 21,000-seat arena will house the Cavaliers. Professional sports fans in Greater Cleveland are also treated to the Cleveland Browns and the Cleveland Crunch indoor soccer team.

Greater Cleveland claims the most lake shore of any metropolitan area in the world, and its Lakefront State Park, with 14 miles of shoreline park, is the most visited state park in the country. Encircling the city is the "Emerald Necklace," a 19,000-acre, 100-mile string of metropolitan parks that is the second largest metropark system in the nation.

Attractive and accessible suburban living, in some of the nation's finest communities, boasts affordable housing -- consistently the least expensive of 18 major metropolitan areas in the country -- and a cost-of-living that is among the lowest of the world's major cities. What's more, about 75 percent of Greater Cleveland residents live within 30 minutes of downtown.

Public/Private Partnerships

The key to much of Greater Cleveland's tremendous progress lies in the myriad examples of public/private partnerships that have sprung up over the past decade.

In the wake of fiscal difficulties in the late 1970s, a broad network of community, business, and government leaders joined together and committed themselves to steering Cleveland down the path to recovery. Those years of exhaustive efforts are now paying off handsomely, as downtown Cleveland finds itself amid a boom period exceeding any in the city's history.

An excellent example of public/private efforts is the Cleveland Initiative for Education (CIE). CIE's Scholarship-in-Escrow, believed to be the first program of its kind, rewards all Cleveland Public School students grades 7 through 12 with cash credits for Cs and above, the better grades receiving more money. The funds -- donated by corporations, foundations, and individuals -- are placed in escrow, to be used upon graduation for college or technical schools. Since its inception in 1988 to the fall of 1991, 70 percent of the district's eligible students have earned over $12.5 million, and grades are improving steadily throughout the district.

Working together, the Greater Cleveland community has transformed the city into a model for urban growth and business development. The city's spectacular expansion has captured the attention of the nation and the world; has attracted billions in investments from some of the world's leading commercial and hotel developers; has improved an already excellent cultural scene; and has done so without sacrificing the exemplary quality of life its residents enjoy.

The community's ingenuity and energetic commitment, combined with current developments and future projections, clearly position Cleveland to enjoy increasing success throughout the 1990s and into the 21st century.

* * *

1/92

A Publication of the New Cleveland Campaign

DATELINE: CLEVELAND

January 1992

Dateline: Cleveland is a periodic publication reporting on developments in Greater Cleveland.

EARTHSHAKING PROGRESS FOR GATEWAY AND ROCK HALL

- Groundbreaking will take place next month in downtown Cleveland for the ballpark of the Gateway sports complex, which is on schedule for completion in 1994. Last year, the Indians signed a 20-year lease to play at the 42,000-seat ballpark. And the Cavaliers recently signed a 30-year lease to play at Gateway's 21,000-seat arena, signaling the return of professional basketball to downtown. Both teams are contributing substantial financing to the $375 million project. Designs for Gateway won a 1991 national citation for urban design from *Progressive Architecture,* one of the country's premier architecture journals.
- Earth began moving last month at the future site of the Rock and Roll Hall of Fame and Museum at Cleveland's North Coast Harbor. Existing utility lines are being moved to prepare the site for construction to begin later this year. A contract was signed with architect I.M. Pei in December for work to proceed on the $65 million project. Like Gateway, the Rock and Roll Hall of Fame is expected to be completed in 1994.

ANOTHER AIRLINE LANDS IN CLEVELAND

Dallas-based Southwest Airlines, considered one of the nation's most reliable airlines, will begin service from Cleveland Hopkins International Airport next month, offering 10 daily flights. This marks the first major airline to inaugurate service in Cleveland since 1984. Southwest, known for its low-cost, high-volume, and top-quality service, called Cleveland a vibrant city that is pivotal to its growth in the Midwest.

BANKING ON CLEVELAND'S NEIGHBORHOODS

Cleveland-based Society National Bank recently announced a neighborhood reinvestment agreement with the city of Cleveland, in which the bank will invest about $260 million over the next five years in home-mortgage, home-improvement, and small-business loans. The move, applauded by community leaders, is expected to jump-start housing and commercial development in some inner-city neighborhoods, and create and retain jobs.

NEW BUSINESS INVESTMENT IN CLEVELAND HITS RECORD LEVEL

New capital investments by companies deciding to locate or expand facilities in Greater Cleveland hit a record high of $1.4 billion in 1991, reports the Cleveland Area Development Corporation (CADC), a division of the Greater Cleveland Growth Association. That figure represents a tenfold jump over the previous record set in 1990. Major projects announced for the area include an $876 million retooling of the Ford Engine Plant in Brook Park and a $257 million expansion of LTV Steel's Cleveland Works. Overall, 41 companies initiated new or expanded facilities in 1991 with the help of CADC and its public- and private-sector partners on the Metro Development Council.

TRIUMPHS FOR PLAYHOUSE SQUARE

- "The Secret Garden," the musical co-produced and developed by Cleveland's Playhouse Square Foundation, was one of the largest grossing productions on Broadway this past season. The triple-Tony Award winner, also the first Broadway musical developed by a team of women, will open its national tour in Cleveland this April. Playhouse Square's collaborative efforts to develop or "incubate" new musicals also helped move "Song of Singapore" to off-Broadway last year.
- Andrew Lloyd Webber's legendary musical, "The Phantom of the Opera," will begin an unprecedented five-week engagement at Playhouse Square's State Theatre in April 1993. Cleveland was one of 10 U.S. cities chosen to host this acclaimed production.

CLEVELAND HEALTH CARE AGAIN IN NATIONAL SPOTLIGHT

Because of their promising approaches to some of health care's biggest problems, two Greater Cleveland organizations were among four private-sector groups from around the country chosen to confer recently with President Bush in the White House's longest, highest-level health care policy session to date. The Council of Smaller Enterprises (COSE), an arm of the Greater Cleveland Growth Association, combines 8,500 small companies into one large purchasing group for health insurance, and in so doing, has helped to control costs and improve access to health care for these companies. The other White House guest, Greater Cleveland Health Quality Choice, is a local coalition that is developing a method to measure and compare the cost and quality of care at area hospitals, to facilitate informed decision making and reward those providers offering high-quality, cost-effective care.

(Continued on back)

DESTINATION: CLEVELAND

Cleveland's popularity as a visitor destination is shooting straight up, according to impressive numbers registered last year by the Convention & Visitors Bureau of Greater Cleveland.

- 18,009 people requested information about Cleveland as a visitor destination in 1991 — a stunning 138% increase over 1990. It is estimated that 70% of those requests resulted in actual visits.
- 338 conventions and meetings were held in Greater Cleveland last year, a 45% increase over 1990, and attendance hit 140,000, up 42%. The year's gatherings brought in an estimated $90 million in new revenue, far more than the $55 million in 1990. What's more, 327 conventions were booked in 1991 for future years, up 39% over bookings placed in 1990 for future years.

UNIQUE HIGH-TECH LAB AT CWRU HELPS PARALYZED PEOPLE MOVE AGAIN

Greater Cleveland's medical and research community recently celebrated the opening of an extraordinary lab for functional electrical stimulation (FES), a technology pioneered in Cleveland which enables paralyzed people to walk and use their hands. The lab, the only one of its type in the world, is designing, fabricating, and testing implantable electronic devices which stimulate muscle movement in paralyzed limbs. The venture builds on the area's resources as an important center in the treatment of spinal cord injuries, and is expected to establish Greater Cleveland as a world leader in FES technology. The lab, which will focus on transferring FES technology to industry, is a cooperative venture of Case Western Reserve University (CWRU), Cleveland VA Medical Center, Edison BioTechnology Center, and MetroHealth System. The lab is located on the CWRU campus.

NEW HALL OF FAME HONORS SPIRIT OF AMERICAN INVENTION

Architecture and exhibit concept plans were recently finalized for the $47 million Inventure Place, the new home of the National Inventors Hall of Fame in Akron. The exterior of the 84,000-square-foot complex will feature a four-story, stainless steel arched roof and an amphitheater. It will be the first museum in the country to treat visitors to "transactive" exhibits, a new level of interaction where they can actually change aspects of an exhibit itself — for example, modifying or creating items for a wind tunnel — or make their own inventions. Unique educational programs in place are already being adopted across the country, including Camp Invention for schoolchildren and the BFGoodrich Collegiate Inventors competition. Because of a central geographic location and Ohio's designation as the "Cradle of American Invention," Akron was chosen to be the new home of the hall of fame in 1987.

PROJECT: LEARN RECEIVES LARGEST-EVER GIFT TO COMBAT ILLITERACY

Last month, Project: LEARN received over $150,000, including its largest-ever gift from a single source, to help in its fight against illiteracy in Greater Cleveland. The nonprofit program, one of the largest literacy action programs in the country, will use the money to create a computer education center. Donations were spearheaded by *The Plain Dealer,* which contributed an unprecedented $100,000 itself and encouraged others to contribute, as part of the newspaper's 150th anniversary celebration. Project: LEARN provides one-on-one basic reading and writing lessons for about 1,000 people annually. The 17-year-old organization has received national honors for its program innovations, and is often used as a national model.

A LEADER IN VOCATIONAL REHABILITATION

For over a century, Vocational Guidance Services (VGS) in Cleveland has been breaking new ground in vocational rehabilitation. This national award-winning program provides skill evaluation, training, work experience, and/or job placement for about 9,800 disabled and disadvantaged people annually. Founded in 1890, VGS is the oldest vocational rehabilitation facility in America, and, as the first accredited program, helped to set the standards for facilities all over the country. The private, nonprofit organization pioneered in "learning while earning" opportunities, and founded the first program to manufacture specially adapted garments while also providing work for disabled people. Through income creation and welfare savings, VGS has an estimated annual impact of $45.5 million on the area's economy.

CLEVELAND AND LITHUANIA EXPO CENTERS ESTABLISH TIES

Greater Cleveland's International Exposition Center, the world's largest exposition facility, has signed a sister facility agreement with LITEXPO, a premier exposition center in Vilnius, Lithuania. The agreement, the first of its kind in the United States, will foster the mutual exchange of trade shows, conferences, and seminars, and explore new avenues for increased international trade. The agreement comes at a time when Lithuania, the largest Baltic republic, is emerging as a gateway for trade between the East and West.

Dateline: Cleveland is published by the New Cleveland Campaign, the nonprofit, nonpartisan marketing communications program serving Greater Cleveland. Permission is granted to reproduce in whole or part; please credit *Dateline: Cleveland, a publication of the New Cleveland Campaign.*
The Campaign is chaired by James M. Biggar, Chairman and CEO of Glencairn Corporation. For more information, contact George N. Miller, Executive Director, New Cleveland Campaign, 200 Tower City Center, 50 Public Square, Cleveland, OH 44113-2291, (216) 621-6725.

A Publication of the New Cleveland Campaign

DATELINE: CLEVELAND

November 1991

Dateline: Cleveland is a periodic publication reporting on developments in Greater Cleveland.

TWO MAJOR OFFICE TOWERS OPEN DOWNTOWN

The 57-story Society Center office tower welcomes its first tenants this month, officially opening as Ohio's tallest building. Last month, the tower added a new dimension to Cleveland's nighttime skyline, as its pyramidal, stainless steel crown was illuminated for the first time. The Marriott Society Center, the 25-story, 402-room hotel adjoining the tower, made its debut in mid-October. Society Center joins the BP America Inc. headquarters and the Terminal Tower on Public Square to form a trio of distinct points defining the city's core, a feature unique to Cleveland, according to Cesar Pelli & Associates, the project's design architects. Society Center was developed by The Richard & David Jacobs Group.

Meanwhile, just two blocks away, the $100 million Bank One Center had its grand opening in early November. The 28-story office tower, featuring a distinctive, tiered exterior, is a project of The Galbreath Company.

COAST-TO-COAST COMPLIMENTS FOR THE ORCHESTRA

In the wake of recent performances around the country, The Cleveland Orchestra left behind a trail of rave reviews. "What Mr. Dohnányi elicited here was quite simply the most stunning display of mass virtuosity and sonic splendor this listener has ever heard," enthused a *New York Times* critic. A *Boston Globe* writer proclaimed, "The consensus seems to be that The Cleveland Orchestra is the current champion among American orchestras." And *The San Francisco Examiner's* critic declared, "Cleveland remains the paragon among American symphonic organizations." Other glowing reviews ran in the *Los Angeles Times, Dallas Times Herald,* and *The New Criterion.*

GREAT LAKES MUSEUM: UNDERWATER, OUTER SPACE & EVERYTHING IN BETWEEN

Designs were recently unveiled for the Great Lakes Museum of Science, Technology and the Environment, a $48 million educational and entertainment facility to be located on the lakefront at Cleveland's North Coast Harbor. Exhibits at the 130,000-square-foot facility will range from a simulated submarine ride in the Great Lakes to a life-sized NASA mission control center and space station. The interactive facility will also feature a 100-foot, glass-walled atrium and a domed movie theater housing the world's largest film projector. The Great Lakes Museum, future neighbor of the Rock and Roll Hall of Fame and Museum, is scheduled for completion in 1996, and is expected to attract 650,000 visitors annually.

RTA HONORED FOR TREMENDOUS U-TURN

The Greater Cleveland Regional Transit Authority has earned the nation's outstanding achievement award for transit agencies for its remarkable turnaround in the past four years, according to the American Public Transit Association. The award honored RTA for "demonstrated extraordinary achievement in efficiency and effectiveness," and was based on improvements in safety, ridership, management, staff and board relations, and financial standing. General Manager Ronald Tober was recognized for his leadership role in the turnaround.

COUNTY PERINATAL PROJECT NAMED MODEL FOR NATION

The Perinatal Projects of Cuyahoga County, a program encouraging low-income, expectant mothers to obtain prenatal care, was recently singled out by the National Commission to Prevent Infant Mortality as a model program for the nation. The five-year-old program is credited with lowering infant death rates by as much as 42% in targeted neighborhoods. The Perinatal Projects, designed and operated by The MetroHealth System's Maternity and Infant Health Care Program, involves trained outreach workers who regularly canvass their own neighborhoods to identify pregnant women and encourage them to seek prenatal care.

A RAINFOREST ON AMERICA'S NORTH COAST

The RainForest, currently under construction at Cleveland Metroparks Zoo, will soon bring to Greater Cleveland over 600 wild creatures and 7,000 plants that typically inhabit tropical rain forests. The 87,000-square-foot facility will feature a 25-foot waterfall in the midst of Amazon ruins, a 30-foot walk-in butterfly tree, and simulated thunderstorms. Its array of animals, including 17 endangered species, will range from Bornean orangutans, American crocodiles, and clouded leopards to scarlet macaws and Madagascar hissing cockroaches. The RainForest, emphasizing education and preservation, is expected to open next fall and push zoo attendance over one million annually.

(Continued on back)

CLEVELAND HOSTS INTERNATIONAL MEDIA

- A group of six foreign journalists recently embarked on a two-day tour of Cleveland's arts and cultural attractions, to explore how a city our size supports so many world-acclaimed institutions. Their busy schedule included a Cleveland Orchestra performance and The Cleveland Museum of Art's world-premiere Japanese exhibition. This was the second time in 18 months the Foreign Press Center, in cooperation with the New Cleveland Campaign, had organized such an extensive tour of Cleveland for its members.
- A Romanian state television crew recently spent four days here learning about the city's environmental improvement efforts, notably its success in cleaning up the Cuyahoga River and controlling industrial emissions. The crew was filming a documentary in hopes of applying America's proven technology and tactics to Romania's pollution problems.

KIPLINGER CHEERS CLEVELAND'S COMEBACK

"What a difference 13 years makes," began publisher Knight A. Kiplinger in a recent salute to Cleveland's comeback and its many improvements since his last visit here. In an address to Cleveland's Council of Smaller Enterprises, Kiplinger likened Cleveland to the mythical phoenix rising from its ashes, and added that the old "Rust Belt" cities are now carrying the country through the recession. Among the bright spots he noted for Cleveland were the rebuilding of downtown, new business start-ups, leading-edge universities and research, and low business operating costs which provide a double-digit advantage over other major cities. Kiplinger is publisher and editor-in-chief of *Kiplinger's Personal Finance Magazine* (formerly *Changing Times)* and associate editor of *The Kiplinger Washington Letter.*

STARS OF THE CLEVELAND PUBLIC SCHOOLS

Cleveland's magnet schools, which combine traditional academic education and specialized study, are promoting high levels of achievement and career skills among students.

- The Cleveland School of the Arts Vocal Jazz Art Ensemble was the only United States representative selected to perform at the Saitama International Friendship Entertainment and Music Festival in Japan earlier this month. Seventy-five percent of the school's graduates go on to college or join professional dance or theater companies.
- Students from The Cleveland School of Science, a nationally recognized program of hands-on learning in science and math, are currently participating in a computer-based study of rivers, which links students from all over the world.
- Aviation High School was the first high school in the country devoted to the aviation industry. The school's three-year aircraft maintenance program enables students to graduate with both a diploma and an FAA certificate.

PORT OFFICIALS DOCK IN CLEVELAND

Nearly 1,000 port officials from around the world docked in Cleveland in late September for the 80th annual convention of the American Association of Port Authorities. It marked the first time in 25 years a Great Lakes port has hosted the convention. The Port of Cleveland is Lake Erie's largest general cargo port.

A POWERHOUSE FOR PROFESSIONAL SERVICES

- Three of the 35 largest law firms in the nation are headquartered in Cleveland, according to *The National Law Journal.* Cleveland-based Jones, Day, Reavis & Pogue is the second largest law firm in the world.
- All of the six leading international accounting firms have offices here.
- Greater Cleveland is headquarters to over 40 banks and savings and loans, with total assets of $50 billion, and also houses one of the nation's 12 Federal Reserve banks.

CLEVELAND'S HISTORIC MILLIONAIRES' ROW RE-CREATED

Cleveland's "Millionaires' Row" — considered one of the most beautiful streets in the world at the turn of the century — has been re-created in an elaborate, eight-month exhibition which offers a look back at the residential address of many of the country's most influential industrialists and philanthropists. Euclid Avenue, today a business thoroughfare, was then lined with over 250 mansions, including those of John D. Rockefeller, Samuel Mather, and Leonard C. Hanna. "Showplace of America: Cleveland's Millionaires' Row" at the Western Reserve Historical Society documents the avenue's renowned architecture, elegant homes, and grand lifestyles, with a re-created streetscape, clothing, furnishings, and automobiles of the period.

Dateline: Cleveland is published by the New Cleveland Campaign, the nonprofit, nonpartisan marketing communications program serving Greater Cleveland. Permission is granted to reproduce in whole or part; please credit *Dateline: Cleveland, a publication of the New Cleveland Campaign.*
The Campaign is chaired by James M. Biggar, Chairman and CEO of Glencairn Corporation. For more information, contact George N. Miller, Executive Director, New Cleveland Campaign, 200 Tower City Center, 50 Public Square, Cleveland, OH 44113-2291, (216) 621-6725.

A Publication of the New Cleveland Campaign

DATELINE: CLEVELAND

September 1991

Dateline: Cleveland is a periodic publication reporting on developments in Greater Cleveland.

ONE OF THE HOTTEST SPOTS TO LIVE AND WORK IN AMERICA

Cleveland is one of the hottest places to live and work in America, according to the *National Employment Review,* which listed 10 areas that, despite the recession, offer sizzling opportunities for those looking to relocate. Among the pluses listed for Cleveland: a stable economy, construction at an all-time high, unemployment below the national average, an extremely low cost of living for a large market, and "amazingly good housing buys." The publication's conclusion about Cleveland: " . . . don't just visit. Stay."

MORE GOOD NEWS ABOUT CLEVELAND

- *The Wall Street Journal* featured the "Cleveland Works" jobs program on its front page on July 24, marking the second time in less than 12 months that a Cleveland success story has captured this coveted position (the other was our revitalized industry). The article asserted that, contrary to the discouraging results of similar programs, Cleveland Works seems to be succeeding in helping its disadvantaged clients land, and keep, jobs. The organization was also featured on CNN and on NBC Nightly News' "What Works in America" segment.
- In an article entitled "What Cleveland Can Teach the U.S.," *Financial Times* of London praised what this city has been able to accomplish through partnership and cooperation. "In important respects, this Ohio city on the shores of Lake Erie can claim to represent the future for America," the publication noted.

CLEVELAND CLINIC RANKS AMONG AMERICA'S TOP 10 HOSPITALS

The Cleveland Clinic Foundation has been named one of America's 10 best hospitals, for the second year in a row, in a *U.S. News & World Report* survey of leading physicians. Out of a universe of 6,700 U.S. hospitals, the Clinic was judged the fifth best hospital overall — up from eighth last year — and was singled out for excellence in the areas of cardiology, gastroenterology, neurology, urology, and gynecology. Also topping the list were Johns Hopkins Hospital, the Mayo Clinic, Massachusetts General, and the UCLA Medical Center.

CLEVELAND AIR SHOW THUNDERS INTO THE HISTORY BOOKS

Two MiG-29s, top-of-the-line Soviet fighter jets, flew 8,300 miles on the winds of the failed Soviet coup to participate in the 62nd Cleveland National Air Show over Labor Day weekend. Cleveland was the first of six U.S. cities to host the historic "Friendship Tour" by the 30-member Soviet delegation. The Air Show also marked the first local appearance of the Stealth F-117A fighter and a Patriot air defense missile system, in addition to 24 different types of aircraft used in Operation Desert Storm.

AREA EMPLOYMENT STAYS STEADY DESPITE ROCKY ECONOMY

- From the beginning of the recession (considered the second quarter of 1990) to the second quarter of 1991, the Cleveland metropolitan area *gained* 1,000 jobs, according to an analysis by Case Western Reserve University's Center for Regional Economic Issues.
- In every month of 1990 and 1991, Cleveland-area unemployment rates have been lower than those of the state and country.
- Greater Cleveland's manufacturing employment has remained relatively steady during this recession — a far different picture from the 47,600 jobs lost during the early 1980s' recession.

KENT MUSEUM MOUNTS MAJOR ROMANIAN EXHIBITION

In partnership with various Romanian museums, the Kent State University Museum is mounting an exhibition of native Romanian fashions from the 18th to mid-20th century, featuring authentic costumes and uniforms never seen before outside that country. Opening in October, the nine-month exhibition will present ecclesiastical and coronation robes, regimental uniforms, folk costumes, and more, hand-selected from Romanian museums and monasteries. Also included will be artifacts, folk art, icons, and paintings, and the Romanian collections of Kent, Duquesne University, St. Mary's Romanian Orthodox Church of Cleveland, and Maryhill Museum of Art in Washington, as well as several private collections. The Kent Museum was formed by famed designer Shannon Rodgers and the late Jerry Silverman, and houses a nationally known collection of costumes displayed among art and artifacts of their eras.

(Continued on back)

FALL MEETING FORECAST: BENEFITS FOR YEARS TO COME

Key decision makers and opinion leaders are meeting in Cleveland this fall, with positive spillover expected for years to come.

- The National Tour Association's 1991 convention, October 27 to November 1, will bring Cleveland to the attention of an expected 3,100 tour planners. Some cities which have hosted this conference in the past have seen tourism double or triple within five years.
- An estimated 500 journalists from across the country are expected for the national convention of the Society of Professional Journalists, October 17 to 20. The keynote speaker will be Peter Arnett, who led CNN's coverage of the Gulf War.

NASA LEWIS CELEBRATES A STELLAR 50 YEARS

Cleveland's NASA Lewis Research Center is celebrating its 50th anniversary as our nation's lead technology center for space power, satellite communications, and aircraft and spacecraft propulsion. Festivities range from a dedicated time capsule, to children's educational activities, to two major international aerospace conferences. Among Lewis' historic contributions have been developing engine systems for the B-29 bomber in World War II, the fuel and rocket which helped propel the Apollo astronauts to the moon, and now, the largest space power system ever built, for use on Space Station Freedom. NASA Lewis employs 4,300 people over a 350-acre campus that houses some of the world's most sophisticated aerospace research equipment, including two supersonic wind tunnels and a zero-gravity drop tower.

CLEVELAND KICKS OFF "COOL" PROGRAM TO WOO KIDS

A comprehensive program to market Cleveland to children kicked off in early September, as "Cleveland Cool" — a hip, neon-clad Lake Erie creature developed by American Greetings — became "spokesmonster" to boost kids' interest and pride in what Cleveland has to offer. Called "Cleveland Cool: What's Cool for Kids in Cleveland," the program includes curriculum units targeting third graders, an annual festival and series of special events, a children-hosted cable TV show, and more.

The program, unique because of its broad-based approach, was created by the New Cleveland Campaign. The Campaign is building the program around the findings of a special survey it commissioned to gauge children's knowledge and opinions of the city.

CLEVELAND CONVENTION BUREAU ACHIEVES PINNACLE AWARD

Meeting planners nationwide recently chose the Convention & Visitors Bureau of Greater Cleveland as one of the country's best meeting destination support organizations. The Convention & Visitors Bureau was one of six convention bureaus — selected from 332 organizations nationwide — to receive the 1991 Pinnacle Award, according to the annual survey by *Successful Meetings* magazine.

Other measures of the Convention & Visitors Bureau's success on behalf of Greater Cleveland: site inspections through mid-year were up 37% over the 1990 season, and visitor information requests were up 120%.

A STRONG HAND IN INTERNATIONAL TRADE

- Some 1,000 local manufacturers and service firms are active in international markets, according to the Greater Cleveland Growth Association. An estimated one of seven local manufacturing firms exports its products.
- 70,000 Greater Cleveland jobs are related to the manufacturing export sector, says Case Western Reserve University's Center for Regional Economic Issues.

THE AREA'S HUGE CLAIMS TO FAME

According to *The Guinness Book of World Records:*

- The International Exposition Center is the world's largest single-building exhibition facility. Located next to Cleveland Hopkins International Airport, the facility contains 2.5 million square feet — 39 acres — under its roof.
- The Magnum XL-200, a steel-track roller coaster at Cedar Point amusement park, is the fastest coaster on Earth (72 mph) with the world's longest drop (194 feet). Cedar Point also claims the world's tallest wooden roller coaster (the Mean Streak at 161 feet), and boasts more roller coasters than any other park on Earth (10).
- Twins Days Festival, an annual summer event in Twinsburg, goes on record as the world's largest annual gathering of twins (the category was eliminated in 1989). It annually attracts over 2,800 sets of twins from all over the world.

Dateline: Cleveland is published by the New Cleveland Campaign, the nonprofit, nonpartisan marketing communications program serving Greater Cleveland. Permission is granted to reproduce in whole or part; please credit *Dateline: Cleveland, a publication of the New Cleveland Campaign.*
The Campaign is chaired by James M. Biggar, Chairman and CEO of Glencairn Corporation. For more information, contact George N. Miller, Executive Director, New Cleveland Campaign, 200 Tower City Center, 50 Public Square, Cleveland, OH 44113-2291, (216) 621-6725.

A Publication of the New Cleveland Campaign

DATELINE: CLEVELAND

July 1991

Dateline: Cleveland is a periodic publication reporting on developments in Greater Cleveland.

GATEWAY SPORTS COMPLEX TAKES BIG STEP FORWARD

In early July, Gateway Economic Development Corporation reached pivotal agreements with the Indians and Cavaliers, the primary tenants of its downtown sports complex, clearing a major hurdle on the way to construction of the $349 million stadium-arena project. The Indians signed a 20-year lease to play in and manage the 43,000-seat open-air ballpark. And the Cavaliers agreed to a financing plan for the 20,000-seat indoor arena; the basketball team is expected to sign a lease by the end of September. Compared with similar projects in other cities, Gateway has been developing swiftly, and is scheduled for completion in 1994 on the southern edge of downtown. The project is a 50-50 partnership between public and private entities.

CITY GETS ANOTHER GOOD GRADE

Cleveland's investment-grade bond ratings were reaffirmed recently by both Standard & Poor's Corp. and Moody's Investor Service. Standard & Poor's, in retaining the city's A-minus rating, credited Cleveland's continued downtown building activity and encouraging long-term economic prospects. Other comparable cities facing recession and budget problems — including New York City, Philadelphia, and Hartford, Conn. — had their ratings downgraded.

COUNTRY'S MAYORS HEADING TO CLEVELAND IN 1996

The U.S. Conference of Mayors, a nonpartisan group representing cities with populations of 30,000 or more, has chosen Cleveland as the site of its 64th annual meeting in 1996 — our city's bicentennial year. Several major cities vied for the event, which is expected to attract over 900 participants, including about 250 mayors, and $1 million to the local economy. The Conference of Mayors is among many prestigious conventions the City of Cleveland and the Convention & Visitors Bureau of Greater Cleveland have been successful in attracting to Cleveland recently.

A CLEVELAND WELCOME TO ALL NATIONALITIES

The needs of more than 20,000 refugees and immigrants to Cleveland are met annually through the efforts of the Nationalities Services Center, which recently marked its 75th year at a time when world political and economic upheavals have intensified the need for such help. The organization, one of the first centers of its kind in the country, helps resettle refugees, represents clients before the Immigration and Naturalization Service, and provides counseling and English classes to immigrants. A spin-off program is the Language Bank, 200 volunteers skilled in 59 languages, which helps people and organizations like police and hospitals overcome language barriers.

NEW DEVELOPMENT ON THE SHORES OF LAKE ERIE

- Newport, a $60 million, 75-acre upscale residential community in Bratenahl, is nearing completion on Greater Cleveland's lakefront. The project has transformed the grounds and mansions of two turn-of-the-century industrialists into 150 luxury homes and townhouses, a manmade 92-slip marina, and a private club. Scheduled for completion in late 1992, the unique waterfront community by Domo Corp developers has already sold over half of its lots.
- The $40 million Whiskey Island Marina project will result in the redevelopment of 35 acres of underutilized lakefront property into one of the largest marinas on the Great Lakes. Situated on 10% of Cleveland's scenic shoreline at the entrance to the Flats, the 1,700-boat marina project will also include bike trails, picnic areas, restaurants, and a promenade. Groundbreaking is scheduled for this fall.

MORE AND MORE COLLEGE GRADS ARE TURNING PRO CLEVELAND

More calls than ever have come in recent months from soon-to-be college graduates nationwide who are interested in relocating or coming back to Cleveland, according to Pro Cleveland, a placement and resource program here. Callers — the majority from Boston, the West Coast, and Texas — frequently say they've heard Cleveland offers many opportunities and has a healthy economy, and that good things are happening here. Often cited are Cleveland's desirable cost-of-living, quality-of-life, and accessibility, as well as the exciting Flats entertainment district and Tower City Center. Pro Cleveland, a program of Jewish Vocational Service, assists about 600 graduates a year.

(Continued on back)

ART MUSEUM CELEBRATES 75 YEARS WITH MAJOR INTERNATIONAL EXHIBITIONS

The Cleveland Museum of Art's year-long 75th anniversary celebration kicked off in June with a festival week of concerts, fireworks, parties, and art events. Summer anniversary shows spotlight the Museum's permanent collection, one of the country's most respected. Directed by Evan H. Turner, the Museum is one of the last in the country with free admission.

Beginning this fall, the Museum is organizing a series of major international exhibitions, expected to draw the attention of the art world, as well as 400,000 visitors and $25 million, to Cleveland.

- "The Triumph of Japanese Style," exploring Japanese art of the 16th century, presents many national treasures never seen before outside Japan, and also includes Cleveland's renowned collection. This unique exhibition will appear only in Cleveland.
- "Picasso and Things" chronicles Picasso's lifelong artistic development by gathering, for the first time ever, major examples of his still-life works. After opening in Cleveland, the show will travel to Philadelphia and Paris.
- "Egypt's Dazzling Sun: Amenhotep III and His World," focusing on the forerunner of Tutankhamen and Ramesses II, is a groundbreaking international show of works from the 14th century B.C., the golden age of ancient Egyptian art. The exhibition will travel to Forth Worth, Texas, and Paris after its Cleveland premiere.

MUSIC TO OUR EARS

"If you stay in Cleveland, you stay in a paradise of music," Maestro Kurt Masur, music director of the Leipzig Gewandhaus Orchestra, told graduates during his recent commencement address at The Cleveland Institute of Music. Masur, who will soon become music director of the New York Philharmonic, praised the spirit of Cleveland, its famous orchestra, and wonderful music education.

HONORING FREDERICK CRAWFORD'S CENTURY OF CONTRIBUTIONS

Cleveland industrialist Frederick C. Crawford, age 100, was recently awarded Case Western Reserve University's highest honor for lifetime achievement in industry, education, and the arts. Crawford's many civic and philanthropic contributions are evident in landmarks and events all across Greater Cleveland. A long-time leader of TRW Inc., he helped advance the aeronautics industry from making valves for Charles Lindbergh's transatlantic flight to components for today's Pioneer and Voyager satellites. He also founded the vintage automobile collection of the Crawford Auto Aviation Museum, conducted the African safari which started the Cleveland Metroparks Zoo, organized the Cleveland National Air Show, and led efforts to establish NASA Lewis Research Center.

MOVIE MADNESS IN CLEVELAND

- Downtown Cleveland was adorned in 1920s clothes and cars recently for the filming of "The Babe Ruth Story." Scenes of the made-for-television movie, starring Stephen Lang and featuring the movie debut of Pete Rose, were filmed at the Cleveland Stadium, a popular downtown restaurant, and several other locations.
- Opening scenes of "Paradise," a Walt Disney Studios feature film starring Melanie Griffith and Don Johnson, were filmed at the turn-of-the-century Mather Mansion on the campus of Cleveland State University, Rockefeller Park, and other locations in early June.

NEW BUSINESS IS BOOMING IN HISTORIC MIDTOWN CORRIDOR

Private-sector initiatives have been successful in pumping new life and business into a historic one-square-mile area east of downtown. Midtown Corridor, whose revitalization efforts over the past decade have received national acclaim, has attracted over 250 new companies, prompted 75 expansions, and drawn $200 million in new investments to the area — most recently an $11.5 million American Red Cross building and the $8.5 million Original Copy Center headquarters. The area traces its roots back to a trading post in 1803, and is home to 26 properties on the National Register of Historic Places, including the Dunham Tavern Museum, a pre-Civil War tavern-turned-museum.

SOME OF OUR "WILD" ATTRACTIONS

- Cleveland Metroparks Zoo is the seventh oldest zoo in the United States. With over 3,300 animals occupying 165 acres, it is one of the largest zoos in the Midwest, and the only one in the nation with an exhibit housing both rare white rhinos and cheetahs.
- Three major theme parks are located within an hour of downtown Cleveland, including two amusement parks — Cedar Point and Geauga Lake — as well as Sea World, one of four such marine life parks in the country.

Dateline: Cleveland is published by the New Cleveland Campaign, the nonprofit, nonpartisan marketing communications program serving Greater Cleveland. Permission is granted to reproduce in whole or part; please credit *Dateline: Cleveland, a publication of the New Cleveland Campaign.* The Campaign is chaired by Thomas Vail, Chairman of *The Plain Dealer.* For more information, contact George N. Miller, Executive Director, New Cleveland Campaign, 200 Tower City Center, 50 Public Square, Cleveland, OH 44113-2291, (216) 621-6725.

MARCH 26, 1990

$3.50

FORTUNE

JACK WELCH
STEVE JOBS
ROSS PEROT
LEE IACOCCA
BETTY FRIEDAN
ALLAN MELTZER
BILL GATES
RUPERT MURDOCH
ZBIGNIEW BRZEZINSKI
ROBERT GALLO
THOMAS WATSON JR.
JEROME KOHLBERG
ROBERT JASTROW
BILL CLINTON
WINSTON LORD
MICHAEL BOSKIN
RON KOVIC
PERCY BARNEVIK
ROBERT BORK
FELICE SCHWARTZ
JACQUES DELORS
CARL SAGAN
JOHN WATERS
EDGAR BRONFMAN JR.
HIROSHI KIMURA

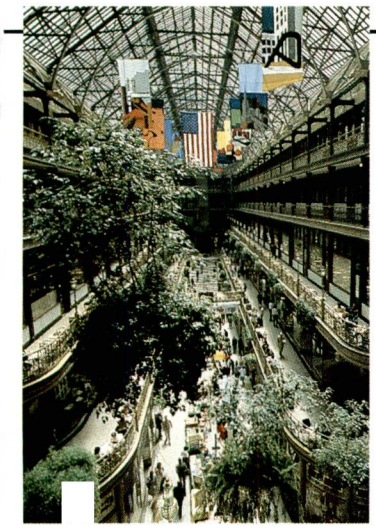
REUBEN MARK
TONY O'REILLY
ARNO PENZIAS
LESTER THUROW
HERNANDO DE SOTO
WILLIAM SEIDMAN
JOHN CLENDENIN
JAY CHIAT
NIKOLAI SHMELEV
MANUEL JOHNSON
YUTAKA KUME
WALTER WRISTON
PAUL TIERNEY
SIR ALAN WALTERS
KUNIJI MIYAZAKI
ROBERT NOZICK
JIMMY CARTER
SIR JOHN TEMPLETON
LESLIE WEXNER
ANTONIA HERNANDEZ
VARTAN GREGORIAN
ROBERT HORMATS
MICHAEL JENSEN
CHARLES LAZARUS
. . . AND MANY MORE

60TH ANNIVERSARY EDITION

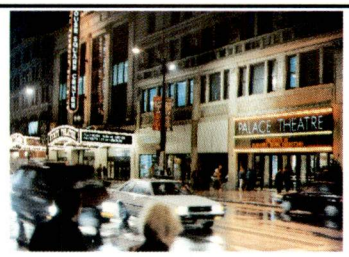
TODAY'S LEADERS TALK ABOUT TOMORROW

10093

COVER© 1990 THE TIME INC. MAGAZINE CO.



The Old Arcade. A 100-year-old downtown shopping complex right out of the Gay Nineties. Wrought-iron railings surround five tiers of shops and restaurants under a huge glass skylight.



Playhouse Square Center. Theater, ballet, opera, pop, and the best of Broadway play here. The biggest theater restoration ever, third-largest performing arts center in North America.

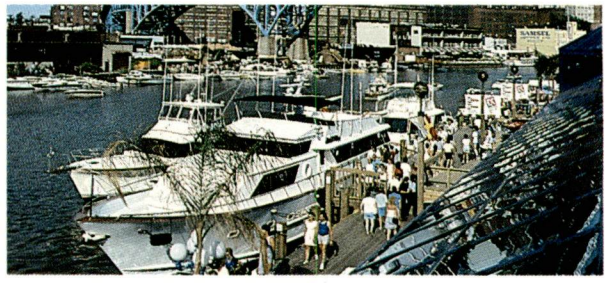
Severance Hall. Home of The Cleveland Orchestra, the world's most recorded. Conductor Christoph von Dohnányi plays for the masses, swell music not just for swells.

Tower City Center. A $400 million extravaganza of 120 shops and restaurants, plus movie theaters, offices, The Ritz-Carlton Hotel, and Neiman-Marcus.

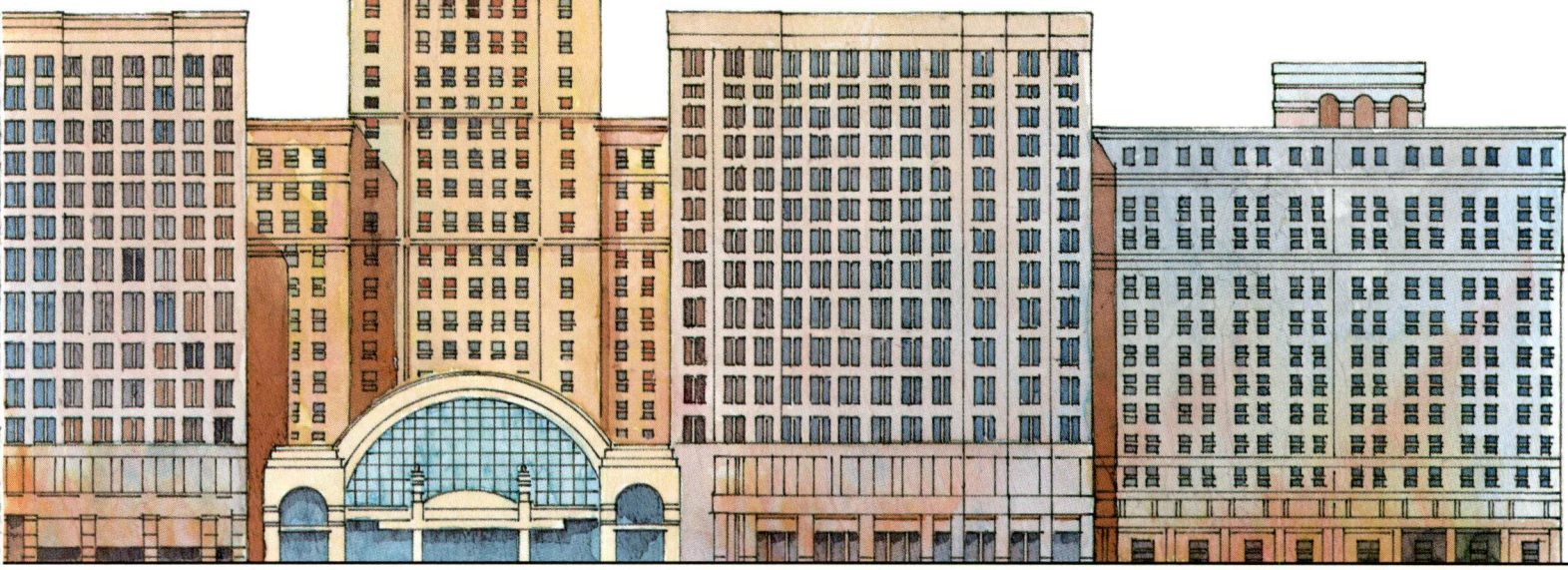
Start-Up City. Greater Cleveland's climate is right for small business, with 6,000 new businesses starting every year. Operating costs are lower here than in many major cities.

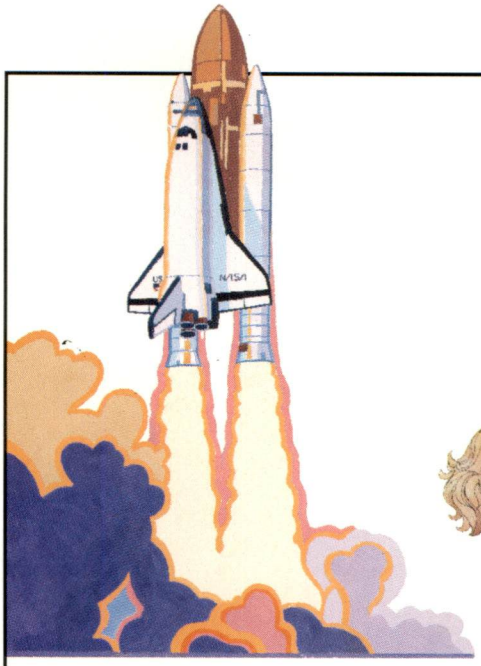
The Cleveland Museum Of Art. A treasure house of the world's great works of art, including a formidable Asian art collection. Art for everyone to enjoy. Admission is free.

Room To Spare. Greater Cleveland has over 50 hotels with 13,000 rooms, and nearly 1,900 more hotel rooms are being added downtown. Stouffer, Hyatt, Ritz-Carlton, Radisson, Sheraton, Marriott, and Holiday Inn are here or on the way.



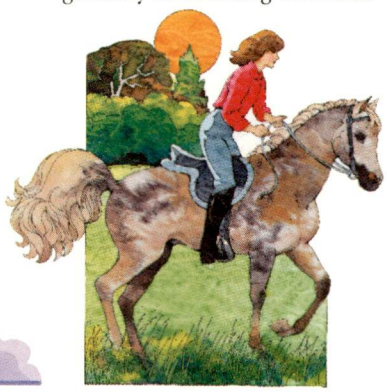
The Flats. Fun and games by the Cuyahoga River. With over 30 waterfront restaurants and night clubs, plus the $65 million Nautica entertainment complex featuring restaurants, shops, offices, a 4,000-seat amphitheater, and more.





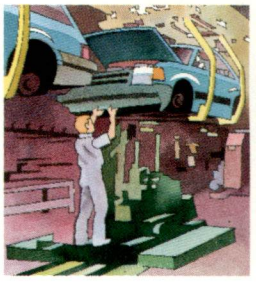
Technically, We're There. Cleveland ranks among the top research centers in the world. NASA's Lewis Research Center and top-ranked corporate and university research and development centers lead the way.

The Emerald Necklace. The second-largest metropark system in the nation. Take a hike. Ride a bike. Jog. Or ride a horse. Relax in 19,000 acres of greenery surrounding Cleveland.

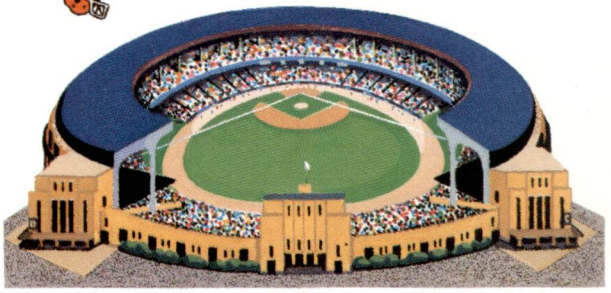


The Cleveland Play House. Home of the nation's oldest repertory theater troupe. Three stages present the best of theater to an enthusiastically supportive regional audience.

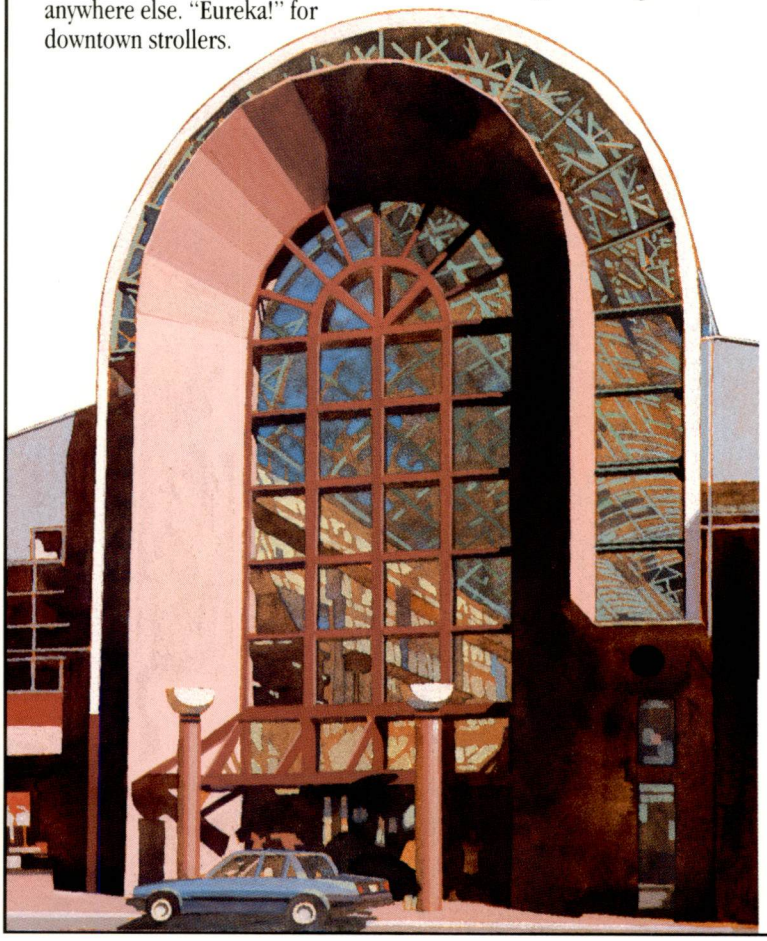
#2 In Auto Production. Northeast Ohio ranks second in the nation for automobile production. Ford Motors has recently invested $1.5 billion in a new plant and equipment here.

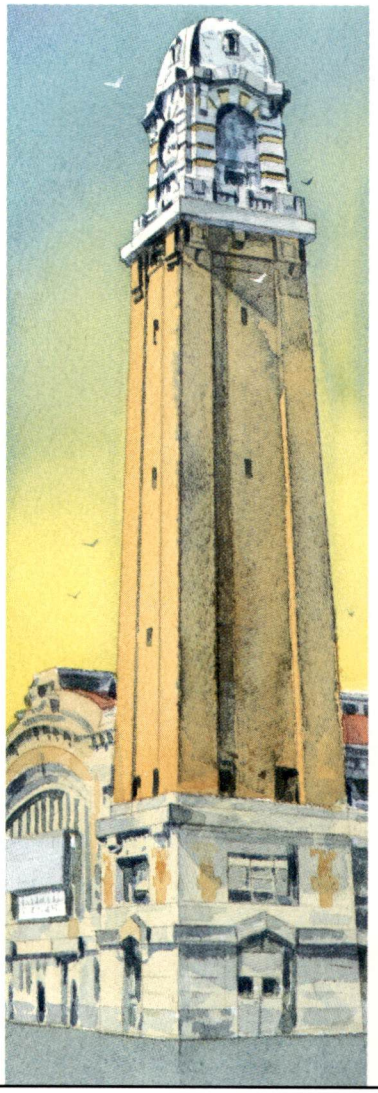


The Cleveland Stadium. Where Browns and Indians play, but never together. Dawgs howl, the crowd roars, and Stadium Mustard is the world's best.

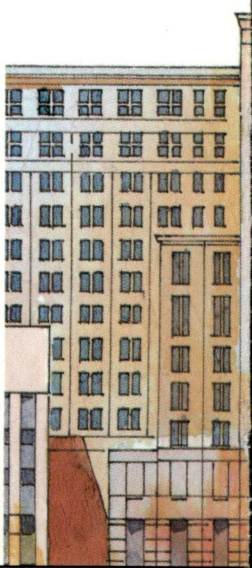


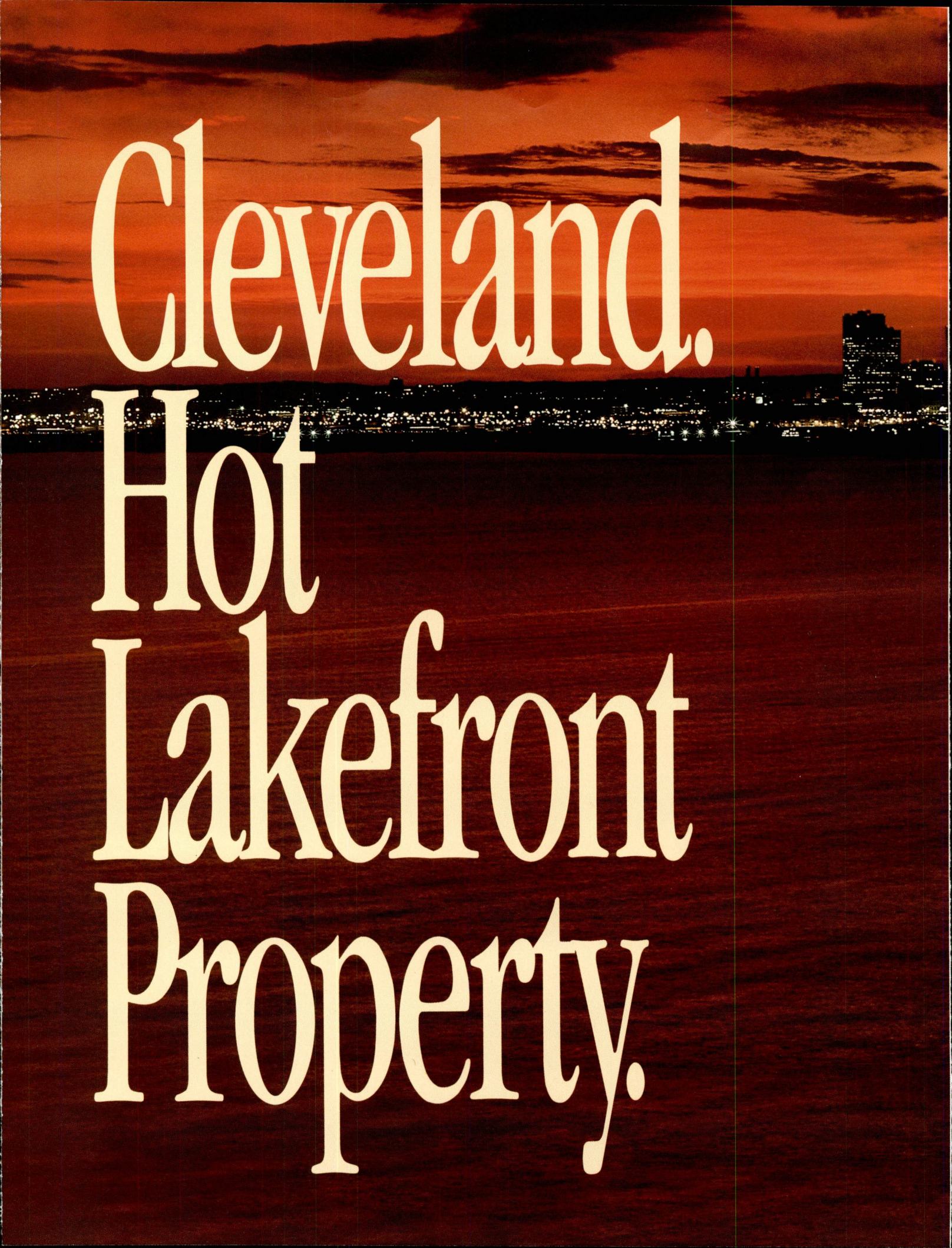
The Galleria. A shopper's paradise under glass. Shops, restaurants, and all those things you can't find anywhere else. "Eureka!" for downtown strollers.

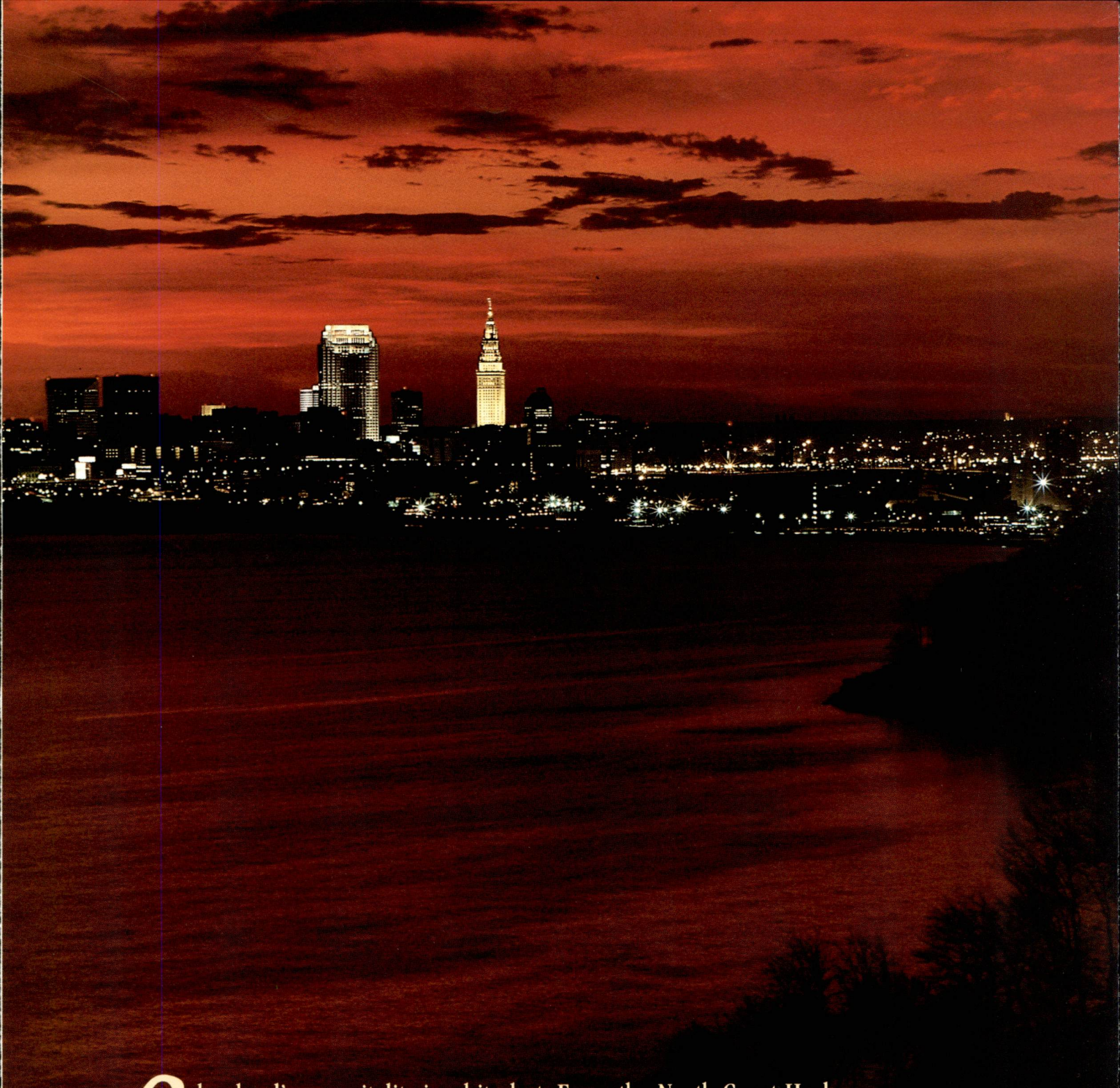




The West Side Market. Cleveland's large ethnic community adds flavor to the city. Fresh produce, meats, seafood, and Old World specialty foods make shopping an adventure.



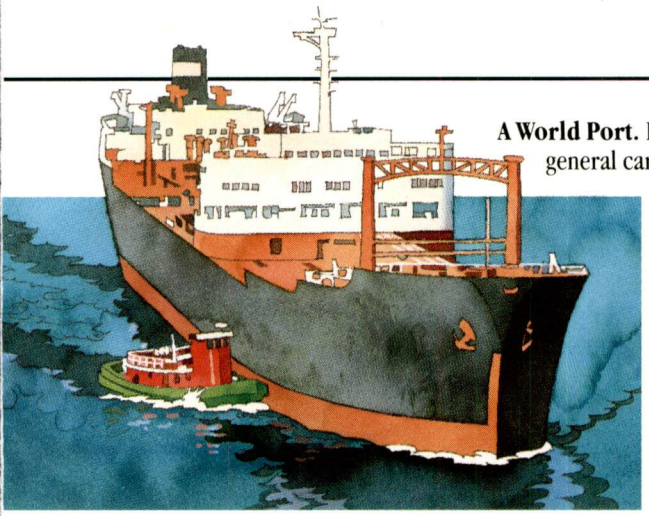

Cleveland.
Hot
Lakefront
Property.



Cleveland's new vitality is white-hot. From the North Coast Harbor along the Lake Erie waterfront to the banks of the Cuyahoga River, five billion dollars is being pumped into exciting new attractions and business complexes. Historic warehouses are being restored and converted to modern offices and condos, new construction is everywhere, and downtown is booming as Cleveland accelerates into the twenty-first century. Cleveland. A city of spectacular surprises. Take a look.

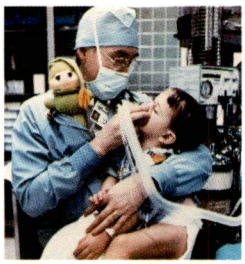
Be sure to see the special advertising section, "Cleveland. Hot Lakefront Property," in this issue of *Fortune*.

Photograph by Gary Marmolya.



A World Port. Lake Erie's largest general cargo seaport, Cleveland is closer to Europe than many East Coast ports. Oceangoing ships from 140 ports around the world make Cleveland their port of call.

Headquarters City. Greater Cleveland is third in the nation for the number of Fortune 500 industrial headquarters and has 65 companies headquartered here with annual revenues of over $200 million.

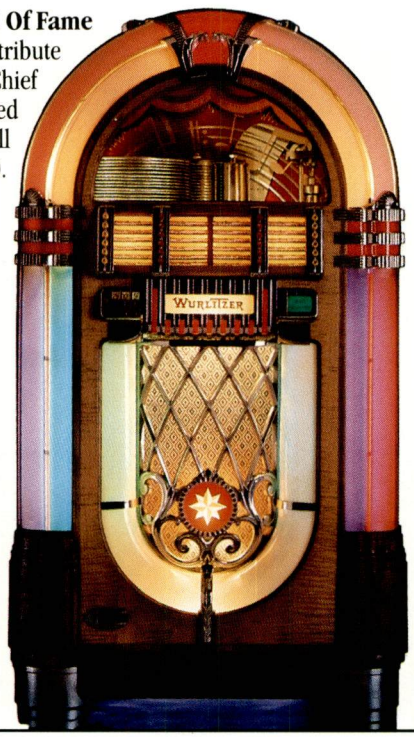


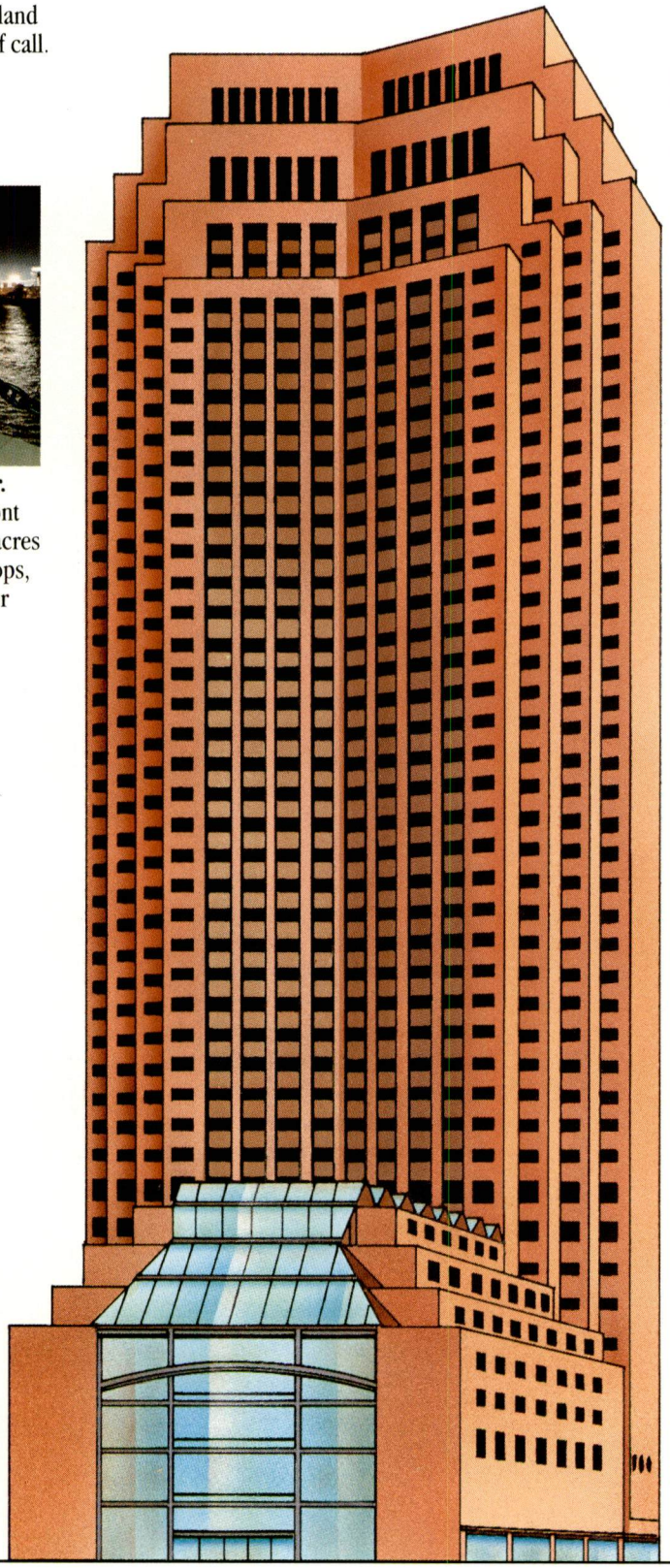
Medical Marvel. Cleveland is a world-class medical care and technology center with a strong network of community hospitals. The Cleveland Clinic Foundation is a National Referral Center, and University Hospitals of Cleveland has had several important medical firsts.

North Coast Harbor. An $11 million waterfront park with a plan for 176 acres of museums, offices, shops, and hotels totaling over $1 billion.

Cleveland Hopkins International Airport. Over 300 daily flights to over 150 U.S. and Canadian cities, with over 8 million passengers in 1989. And downtown is just 20 minutes away by rapid transit.

The Rock And Roll Hall Of Fame And Museum. A $48 million tribute to rock-'n'-roll's greats. Chief architect is world-renowned I. M. Pei. Groundbreaking will take place in 1990.

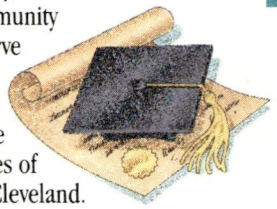




Lake Erie Lives! Cleveland's lake is the "Walleye Capital of the World" and teems with perch and bass. Pleasure boating is booming, with over 49,000 boats registered in Greater Cleveland.

The Place To Meet. The $150 million International Exposition Center, the largest single-building exhibition facility in the world. Complemented by the recently remodeled downtown Cleveland Convention Center.

A University City. Cleveland State University, Case Western Reserve University, Cuyahoga Community College, and others serve the Greater Cleveland area. Nineteen colleges and universities are within 30 miles of downtown Cleveland.

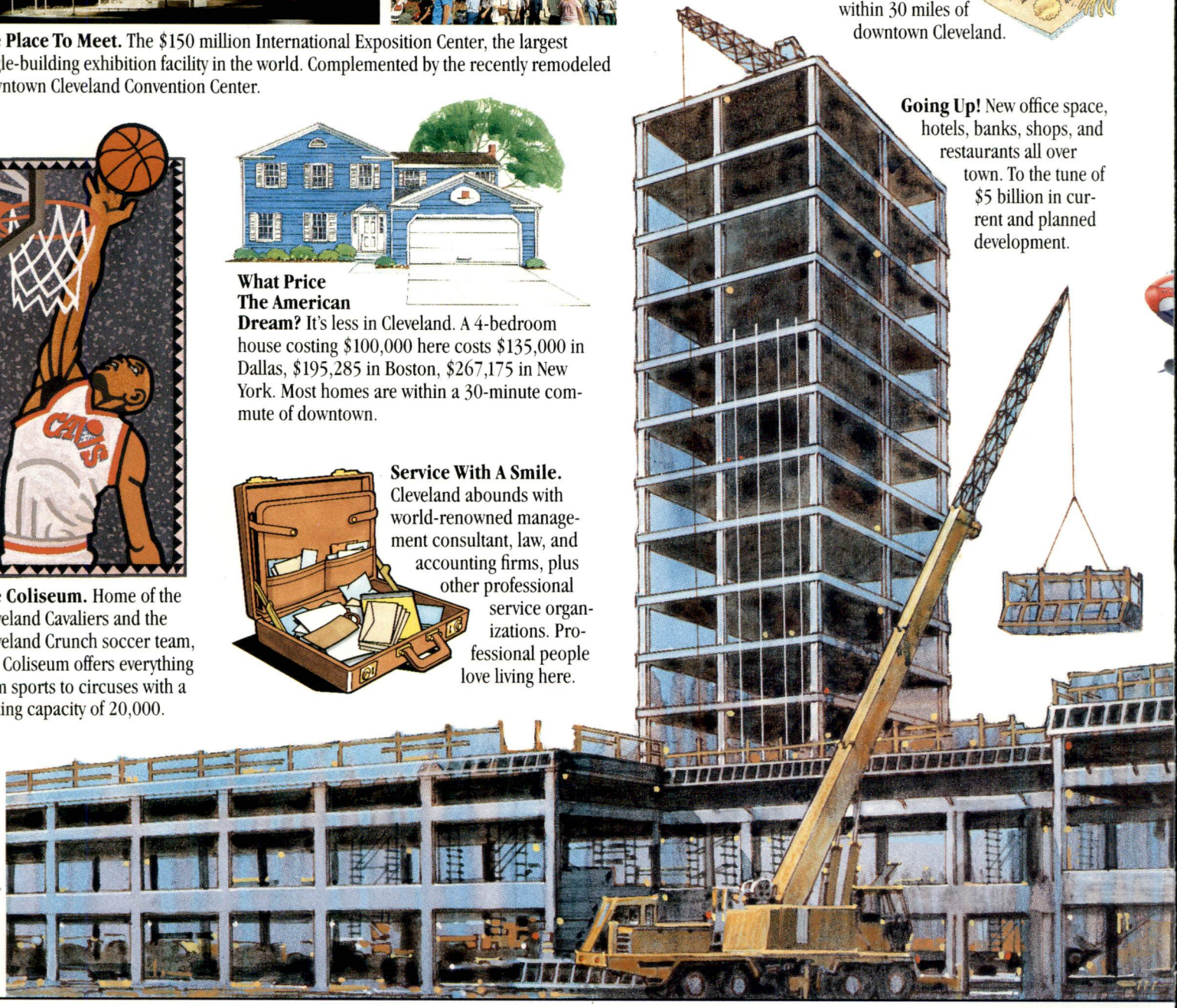


The Coliseum. Home of the Cleveland Cavaliers and the Cleveland Crunch soccer team, The Coliseum offers everything from sports to circuses with a seating capacity of 20,000.

What Price The American Dream? It's less in Cleveland. A 4-bedroom house costing $100,000 here costs $135,000 in Dallas, $195,285 in Boston, $267,175 in New York. Most homes are within a 30-minute commute of downtown.

Service With A Smile. Cleveland abounds with world-renowned management consultant, law, and accounting firms, plus other professional service organizations. Professional people love living here.

Going Up! New office space, hotels, banks, shops, and restaurants all over town. To the tune of $5 billion in current and planned development.



These Cleveland you to experience the

FERRO

LUBRIZOL

STOUFFER HOTELS & RESORTS

A Nestlé Company

The Properties of
Richard E. Jacobs and David H. Jacobs

AMERICAN GREETINGS

M.A.Hanna Company

Calfee, Halter & Griswold

EATON

PREMIER

FOREST CITY ENTERPRISES

LDI CORPORATION

BAKER & HOSTETLER
COUNSELLORS AT LAW

NCC NATIONAL CITY CORPORATION

Ohio Bell
AN AMERITECH COMPANY

University Hospitals of Cleveland

THE EAST OHIO GAS COMPANY
A CNG COMPANY

Huntington Banks

Thompson Hine and Flory

Ameritrust

For more information, contact George N. Miller, Executive Director, New Cleveland Campaign. Call (216) 621-6725, or write New Cleveland Campaign, 690 Huntington Bldg., Cleveland, OH 44115.

01 ganizations invite
EXcitement of Cleveland.

CSU Cleveland State University

Nestlé IN THE USA

Scott Fetzer

TRW

Squire, Sanders & Dempsey

The Illuminating Company
A Centerior Energy Company

FIGGIE INTERNATIONAL

JONES DAY

BP

Ernst & Young

LTV Steel

THE CLEVELAND CLINIC FOUNDATION

NACCO Industries, Inc.

The Plain Dealer
The heart of the city

MANAGEMENT RECRUITERS®
The search and recruiting specialists...℠
400 offices nationwide.

Cleveland-Cliffs
Helping develop earth's resources to meet the world's needs.

CASE WESTERN RESERVE UNIVERSITY

Parker

INTERNATIONAL EXPOSITION CENTER
A division of Park Corporation

McKinsey & Company, Inc.

Designed and written by Wyse Advertising. Illustrations, type, and keylines by Falcon Advertising Art. Electronic pre-press by R. E. May.
Photography by Robert Boyer; Janet Century; Design Photography, Inc.; Gary Marmolya; Tom Merce; Rosie's/Hung Tran; Mark Schwartz; Trepal Photography.

Open For Business.

Cleveland has become an increasingly attractive place for business expansion and relocation. One reason for this success has been the spirit of cooperation between its public and private sectors.

New Mayor Michael R. White is already a strong advocate of this partnership. "A new Cleveland is emerging," says White. "With a much more diversified economic base, we've created a whole new array of trade and investment options.

"Cleveland has a skilled workforce. We're the 12th largest consumer market in America, with 44% of all U.S. households in a 500-mile radius. And we're well positioned to compete in the global marketing environment of the 1990's.

"When you combine all these attributes with cooperation between business and government, you're just naturally going to come up with a city that works—in more ways than one.

"I invite you to come see the new Cleveland. We're open for business."

CLEVELAND.

One of a series of messages from the New Cleveland Campaign, the community-wide marketing-communications program for Cleveland. Write or call George N. Miller, Executive Director, New Cleveland Campaign, 690 Huntington Building, Cleveland, Ohio 44115. (216) 621-6725.

CLEVELAND. HOT LAKEFRONT PROPERTY.

The calls have come in recent months from as far away as Tampa and Phoenix, from Philadelphia and New Orleans, Rochester and Detroit. Calls from business and civic leaders across the United States to their counterparts in Cleveland, asking questions, looking for advice.

The agenda is always the same: to figure out how Cleveland engineered its astonishing turnaround. Scarcely more than a decade after default, Cleveland is a national leader in job growth, has been declared one of the country's best real estate markets, and is one of the hottest development sites anywhere. And the city now has an A- bond rating.

Community-minded leaders nationwide want to know how Cleveland transformed itself using public/private partnerships, the thoughtful restructuring of the area's economic base, patient planning and gutsy investments. The evidence that has attracted their attention is clear:

- $5 billion in current and planned downtown development is transforming the skyline.
- 6,000 new businesses are being formed in Greater Cleveland annually.
- Employment reached an all-time high in 1989.
- Relocations and local company growth have given Greater Cleveland the nation's third highest concentration of *Fortune* 500 industrial headquarters.
- Five leading hotel chains—Ritz-Carlton, Hyatt Regency, Marriott, Sheraton and Radisson—are building or have approved plans to build in downtown Cleveland.

"Cleveland is truly a city of the 1990s," says William B. Johnson, chairman of The Ritz-Carlton Hotel Company, in explaining why his company chose to enter the Cleveland market. "The infrastructure that has evolved there has created an extremely successful business environment. Not only did the market indicators point to the success of a Ritz-Carlton, but the people of Cleveland have exhibited an enthusiasm and commitment for the development of the city that continues to impress us."

> "Cleveland is truly a city of the 1990s. The infrastructure that has evolved there has created an extremely successful business environment."
>
> *William Johnson, chairman*
> *The Ritz-Carlton Hotel Company*

Johnson and his fellow hoteliers were not alone in choosing Cleveland. A number of major corporations have recently selected the city as the site of new world or U.S. headquarters. In 1988, for example, Figgie International Inc., a diversified, $1.3 billion *Fortune* 500 manufacturer, decided to relocate its corporate headquarters to Greater Cleveland—as part of a 630-acre commercial/retail complex the company is developing—to take advantage of the city's reinvigorated business environment.

Other newcomers to the Cleveland area include Bridgestone/Firestone, Inc. and Gould Inc. (both Japanese-owned operations formerly based in Chicago); as well as the British-owned VAX Appliances, Inc.; Fanny Farmer Inc.; and the United Church of Christ.

Such relocations, combined with the explosive growth of local companies like The Progressive Corporation, M.A. Hanna Company, and NACCO Industries, Inc., give Greater Cleveland a total of 19 *Fortune* 500 manufacturing headquarters and eight *Fortune* 500 service headquarters. Skyrocketing firms like LDI Corporation may one day add to that list.

In addition to new headquarters operations, Cleveland has attracted massive investments by its existing corporate citizenry. The Ford Motor Company earmarked nearly $2 billion to expand its Cleveland area operations—including a $1 billion Ford-Nissan plant that is the largest single industrial investment in the history of Ohio—and LTV Steel Company and Parker Hannifin Corporation have modernized and expanded local plants.

Other major Cleveland-based companies, like TRW Inc., Eaton Corporation, Ferro Corporation, and The Scott Fetzer Company, have made long-term investments in the community through new headquarters facilities.

The city has likewise drawn the attention of some of the nation's leading real estate developers, including Forest City Enterprises,

written by Dennis Dooley

Inc. and Jacobs, Visconsi & Jacobs Co. (JVJ), respectively the second and fourth largest in the United States. Unlike the many industrial cities that have abandoned their urban cores, Cleveland's development is focused in the heart of downtown. The central Public Square, long the home of the Terminal Tower, added the 46-story North American headquarters of BP America Inc. in 1985. These will soon be joined by JVJ's 60-story Ameritrust Center, which will include the 484-room Hyatt Regency hotel, and the Jacobs brothers' (of JVJ) 57-story Society Center, with the 400-room Marriott hotel.

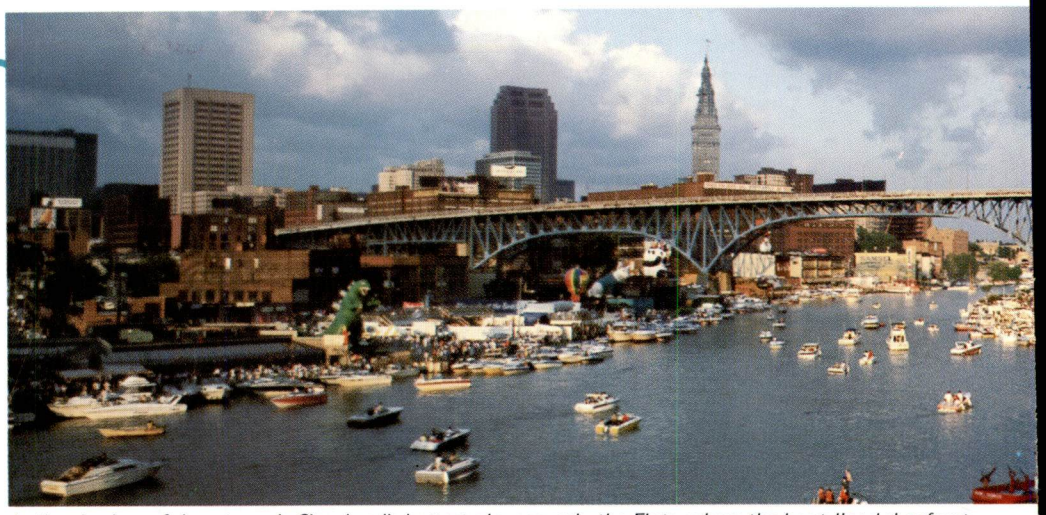
Meanwhile, overlooking the meandering Cuyahoga River behind the Square is Forest City Enterprises' Tower City Center, a huge project that includes not only the lavishly refurbished Terminal Tower, but 12- and 14-story office buildings, one housing the 207-room Ritz-Carlton hotel; a three-tiered, glass-covered mall with over 100 shops, restaurants and movie theaters; a modernized rapid transit station; and in the future a Neiman Marcus department store and the adjacent Rock and Roll Hall of Fame and Museum.

On the west side of the Square, Stouffer Tower City Plaza Hotel is nearing completion of a $35-million renovation, and is planning a 362-room addition that would bring the capacity of Cleveland's largest hotel to over 850 rooms.

Other downtown projects currently under construction include a 252-suite Radisson hotel, the 20-story North Point Tower and the 28-story Bank One Center. Just up Euclid Avenue is the elegant 15-story Renaissance on Playhouse Square office tower—the first new building constructed in Cleveland's historic theater district in over 50 years.

"Looking at all the different kinds of organizations, businesses and individuals who have chosen to come to Cleveland or make investments here recently, it seems clear that Cleveland is increasingly being seen as the city of choice," says Richard W. Pogue, managing partner of Cleveland-based Jones, Day, Reavis & Pogue, the world's second largest law firm. "What impresses them is not simply Cleveland's comeback—which is incredible by any measure—but the fact that the comeback was built on a base of public and private cooperation that ensures continued growth."

As Pogue suggests, Cleveland's businesses, institutions and governmental bodies have learned to work together to a degree that is unusual in urban America, making possible many of the accomplishments now catching the nation's eye.



In the shadow of downtown is Cleveland's hottest playground—the Flats, where the boat-lined riverfront boasts over 30 clubs and restaurants.

© 1990 JENNIE JONES

In Cleveland's lush suburbs, housing dollars go a long way but commuters don't. Three out of four Clevelanders live within 30 minutes of downtown.

© 1990 DON SNYDER

Cleveland is an international leader in the health care industry, the region's largest employer.

"Over the past decade, Cleveland has developed a partnership between the public and private sectors that enables us to make things happen," says Mayor Michael R. White. "That gives us a tremendous edge over other cities, and we're going to increase our edge by making city government even more responsive to economic development requests of all sizes."

Cleveland shares many of the problems of other cities, but, as Mayor White's comments indicate, it has proven itself adept at seizing opportunities and fulfilling needs to solve those problems.

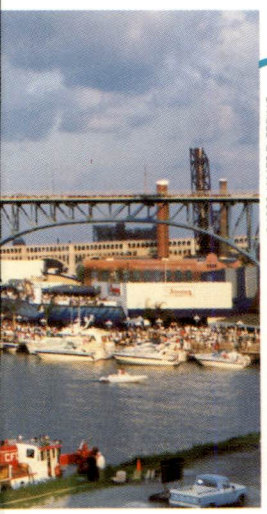
The cornerstone of these efforts has been the City of Cleveland itself. Having decided a decade ago to increase and professionalize job-creation efforts, City Hall opened its doors for business and created one of the nation's finest economic development offices. The City's success at winning Urban Development Action Grants, assembling land and attracting developers has been a key component in Cleveland's remarkable resurgence.

> "Cleveland is increasingly being seen as the city of choice."
>
> *Richard Pogue, managing partner Jones, Day, Reavis & Pogue*

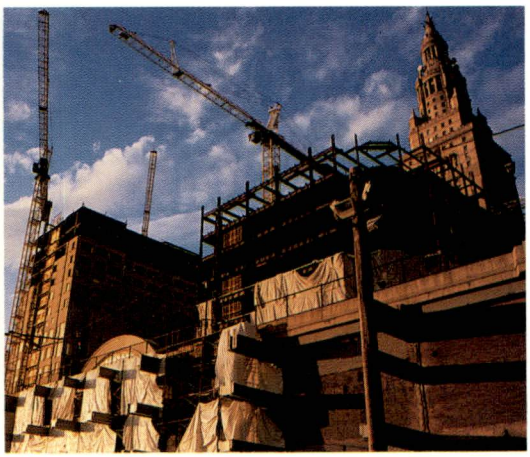
Other groups have also played critical roles. To improve the educational level of tomorrow's work force, the Greater Cleveland Roundtable—a non-political forum of business and civic leaders focusing on race relations, education, minority economic development, and labor/management relations—drew corporate, foundation and individual support to create what is believed to be the nation's first city-wide Scholarship-in-Escrow program, awarding college funds to public school students who receive good grades. In two years, grades in core academic courses are up, more students are taking college admissions tests, and 70 percent of the district's eligible students have earned over $7.2 million in scholarships.

To increase productivity, the Roundtable also created the Labor Management Forum, aimed at enhancing relations between those two groups. "Labor and management cooperate on a number of fronts in

Cleveland



© 1990 JAMES R. SPRING



© 1990 JENNIE JONES

$5 billion in downtown construction is adding about 18 million square feet of new buildings and some 1,900 new hotel rooms.

© 1990 ROGER MASTROIANNI

Cleveland is Culture, with a performing arts center, symphony orchestra and art museum that rank among the world's best.

Cleveland," says United Labor Agency Executive Director Michael J. Murphy. "Business and labor have used their collective influence and ingenuity on everything from keeping plants from closing to setting up jointly managed training programs that are increasing the competitiveness of local firms."

To help revitalize Cleveland's inner-city neighborhoods, Cleveland Tomorrow—an organization of the CEOs of the area's 50 largest companies—formed the Cleveland Housing Partnership Equity Fund, which works in concert with neighborhood development groups throughout the city. The Fund enables local corporations to invest in the creation of low-income housing, and Cleveland's corporate community now spends more per capita on low-income housing development than any other in the country.

In order to step up the pace of entrepreneurial activity, Cleveland Tomorrow formed the Primus Fund. Since 1982, the city's total venture capital pool has grown threefold to $550 million, and Cleveland has become the dominant venture capital center between New York and Chicago.

To further encourage the creation and development of small businesses, the Greater Cleveland Growth Association—the nation's largest chamber of commerce—formed the Council of Smaller Enterprises (COSE). The biggest such organization in the United States, COSE provides small-business management training normally found only in MBA programs, but does so on a much larger scale. As a result, the local start-up pace has hit a blistering 6,000 new businesses a year.

The area's infrastructure needed increased attention, so the Growth Association founded Build Up Greater Cleveland, working with public officials to attract $675 million in funds over and above what was already earmarked for the city.

In the effort to diversify the local economy, the convention and travel industry was targeted for growth, so the Convention & Visitors Bureau of Greater Cleveland instituted an aggressive marketing and development program. The Bureau funded two-thirds of the $28-million renovation of downtown's Cleveland Convention Center; supported the transformation of a former World War II tank plant into the $150-million, 2.5-million square foot International Exposition Center; and helped make possible the impending addition of nearly 1,900 new downtown hotel rooms. As a result, the Bureau has registered a 70 percent increase in convention site inspections and a 27 percent increase in room-nights booked during the past year.

> "In Cleveland today, everybody's got some project they're excited about. What's different from 10 or 15 years ago is that now everybody's focusing their energies on making those things happen."
>
> *Thomas Vail, president and chairman The Plain Dealer*

The city's image received a battering in the late 1970s, so a group of business leaders formed the New Cleveland Campaign, a pioneering civic marketing-communications program that promotes Greater Cleveland around the world. Working with all segments of the public and private sectors, the Campaign has become a national model, drawing inquiries from cities around the United States, and generating positive stories on metropolitan Cleveland in the nation's leading newspapers and magazines, and radio and television shows.

The success of these efforts has been amplified by the aggressive economic development marketing programs of Cleveland Electric Illuminating Company, The East Ohio Gas Company, and Ohio Bell Telephone Company.

Another factor in the successful launching of these and other public/private partnerships has been the involvement of the local philanthropic community, led by The Cleveland Foundation and The George Gund Foundation—the former being the nation's first community endowment, and today's second largest.

"When you go to a meeting in Cleveland today, everybody's got some project they're excited about. What's different from 10 or 15 years ago is that now everybody's focusing their energies on making those things happen," explains Thomas Vail, president and chairman of *The Plain Dealer*, Ohio's largest circulation newspaper. Vail, who served for nearly three decades as the paper's publisher and editor, adds that "There's been a tremendous change of attitude in Cleveland, along with an infusion of young people who are drawn here because they want to be where the action is."

The rock-solid, energetic commitment of the business community and local government has completely remade Cleveland's economy in a single decade. Manufacturing has dropped from 31 percent of employment to under 23 percent, and Cleveland is now bustling with entrepreneurial activity; research and development of advanced products and technologies; and a talented, aggressive work force.

Its dynamic economy still includes world-leading old-line companies like Cleveland-Cliffs Inc, but it has been strategically diversified, with major roles being played by top financial services firms like National City

Corporation, Ameritrust Company, Society National Bank and Huntington National Bank (and the fourth district headquarters of the Federal Reserve Bank); consumer goods companies like American Greetings Corporation; research-oriented specialty products companies like Lubrizol Corporation; and industrial distribution firms like Premier Industrial Corporation.

"Cleveland is hard to beat as a business location," explains James M. Biggar, chairman and chief executive officer of Nestlé Enterprises, Inc., a giant Swiss concern whose North American headquarters are located in suburban Solon. "It offers high-quality services and people, affordable costs, and a central location. The area's overall business environment is just great."

A recent poll conducted by Louis Harris and Associates, Inc. found that the majority of local and national executives agree with Biggar, giving Cleveland positive marks on a substantial number of the characteristics deemed most important in business-location decisions. Some of these include:

High-quality professional services. Besides being home for the world headquarters of Jones, Day, Reavis & Pogue, Cleveland's formidable legal community includes such distinguished firms as Squire, Sanders & Dempsey, Baker & Hostetler and Thompson, Hine and Flory—all ranked among America's top 50—as well as prestigious regional firms like Calfee, Halter & Griswold. Cleveland is also home to branches of all the major accounting firms, and has one of Ernst & Young's largest practice offices and several of its national office departments; one of the largest offices of McKinsey & Company, Inc., recognized as the premier international management consulting firm; and the national headquarters of Management Recruiters International, Inc., the largest corporate recruitment firm in the United States.

Health and medical facilities. Cleveland's health care industry has both exceptionally fine hospitals and a tremendous research base, accounting for 42 percent of the state's total National Institutes of Health-funded medical research. The world-renowned Cleveland Clinic Foundation is a federally designated National Referral Center, and admits patients from all 50 states and 80 foreign countries. University Hospitals of Cleveland has played a pioneering role in the development of health care techniques and materials, and its long list of medical firsts includes the first successful blood transfusion, perfection of Cardio-Pulmonary Resuscitation, and introduction of the country's first whole-body Magnetic Resonance Scanner. Cleveland's MetroHealth System was recognized in 1988 by the American Hospital Association for having the most innovative and committed approach to community service among U.S. hospitals.

> "Cleveland is hard to beat as a business location."
>
> *James Biggar, chairman and CEO Nestlé Enterprises, Inc.*

Affordable office space. Office operating costs in Cleveland are 20 percent less than San Francisco, 24 percent less than the New York City area and 10 percent less than Chicago.

Availability of skilled workers. Studies have shown that Cleveland's work force is more highly trained than the national average, thanks partially to the wealth and diversity of local higher education, and its close links to industry.

Proximity of good colleges and universities for business support. Nineteen institutions of higher learning are located within 30 miles of downtown Cleveland. Case Western Reserve University (CWRU) has had eight Nobel Prize winners among its staff and students and is the largest private research university in the state, bringing in over $100 million a year in research projects. Cleveland State University has engineering research links to Cleveland's NASA Lewis Research Center—the Midwest's only NASA facility—as well as the Ohio Aerospace Institute, and its Advanced Manufacturing Center does research and development for over 30 corporations, including Ford Motor Company.

This is indicative of the high level of university/industry cooperation in Greater Cleveland. The Edison Polymer Innovation Corporation (EPIC), for example, includes CWRU and the nearby University of Akron—collectively the free world's largest concentration of university-based polymer scientists— as well as some 80 companies. EPIC has helped "Polymer Valley" spring up in Greater Cleveland, where 600 to 700 polymer-related companies employ over 30,000 residents.

Access to U.S. markets. Cleveland is within 500 miles (overnight trucking distance) of 44 percent of America's population, 40 percent of its businesses, and nine of its top 20 markets.

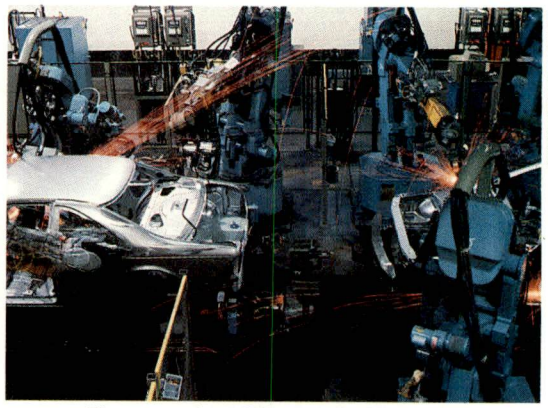
The presence of a convenient major airport. Cleveland Hopkins International Airport, a user-friendly facility serving over 150 destinations, is only 20 minutes from downtown by car or rapid transit, and Burke Lakefront Airport is only blocks from Public Square.

Greater Cleveland has more lake shore than any other metropolitan area in the world, and hosts the country's largest freshwater regatta.

© 1990 JENNIE JONES

CLEVELAND METROPARKS SYSTEM

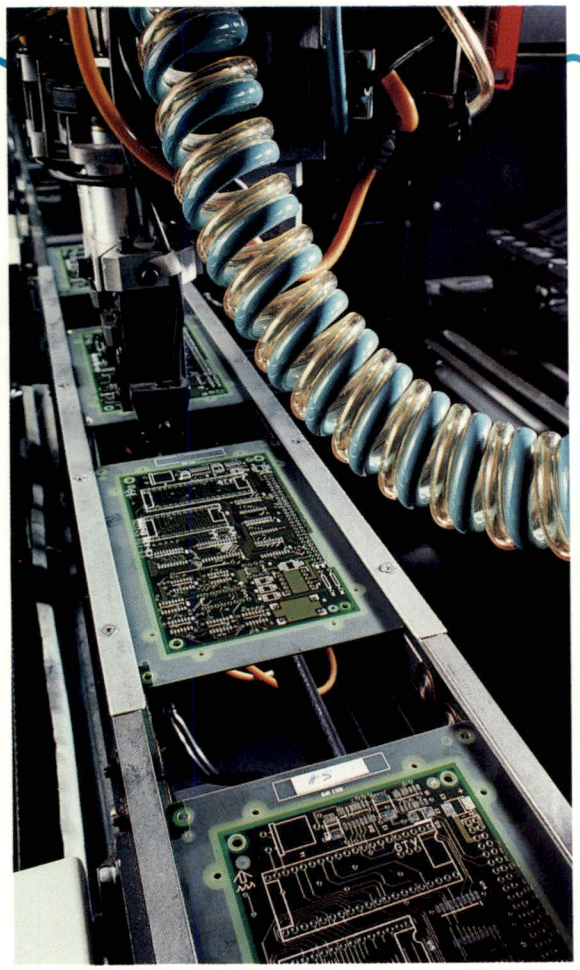
Cleveland is nearly surrounded by the nation's second largest metropark system, a 100-mile chain offering trails for biking, hiking, horseback riding and cross-country skiing.



© 1990 JACK VAN ANTWERP

The revamping of Cleveland's manufacturing sector has created world leaders in a variety of markets. The region's automotive industry is second in the nation.

Cleveland



© 1990 DON SNYDER

Leading the way in manufacturing technology, the Cleveland Advanced Manufacturing Program includes one of the country's three national technology transfer centers.

© 1990 ROGER MASTROIANNI

Greater Cleveland offers a wealth of educational options that includes some of the nation's finest public and private schools.

Cleveland scores particularly high when it comes to quality of life considerations. The city's beautiful suburbs—most only 20 to 30 minutes from downtown—are recognized as among the most attractive anywhere, and, according to a 1989 Chicago Title & Trust Co. survey, Greater Cleveland's homes are the most affordable of 18 major metropolitan areas.

Virtually any home in Greater Cleveland has quick access to wilderness, thanks to the scenic "Emerald Necklace," a 19,000-acre, 100-mile chain of metropolitan parks that includes one of the country's first zoos.

Boating, fishing and water sports are also easy to come by in Cleveland. It has more lake shore than any metropolitan area in the world, and its Lakefront State Park is the nation's most visited.

To keep local fans fired up, the city has professional football, basketball, baseball and soccer teams—the Browns, Cavaliers, Indians and Crunch.

Cleveland is also one of the country's most important centers for the arts. The 525-acre University Circle area—home to several leading museums and cultural institutions like The Cleveland Museum of Art and The Cleveland Orchestra, both among the world's finest—features the greatest concentration of museums, cultural resources, educational institutions and churches in the country, drawing more than three million visitors last year.

Nearby is the reinvigorated Cleveland Play House—the nation's longest-running repertory theater—and Karamu House, the first interracial cultural center in the United States.

Meanwhile, downtown has the magnificent Playhouse Square Center, a 1920s-era complex that underwent the world's largest theater restoration project and is now North America's third largest performing arts center. Three-quarters of a million patrons fill its three theaters each year for lavish productions of touring Broadway shows, popular entertainers, and the critically acclaimed Cleveland Ballet, Cleveland Opera, Great Lakes Theater Festival, and others.

Downtown nightlife has also exploded in recent years, and is nowhere more evident than in the Flats, a riverfront dining and entertainment district only a few blocks from Public Square. In the Flats, a lively mix of some 30 riverside cafes and nightclubs, a boardwalk and an amphitheater line both banks of the Cuyahoga River, drawing as many as 800,000 people on a single weekend.

Nearby is the new North Coast Harbor, a $1-billion-plus, 176-acre development along the city's downtown lakefront that will eventually include museums, shops, offices and hotels.

And nestled in the hills of Cuyahoga Valley National Recreation Area is Blossom Music Center, an award-winning covered pavilion set in a wooded outdoor bowl, where The Cleveland Orchestra and the best pop and rock acts play on summer evenings.

All of this—and more—adds up to a kind of amenities infrastructure that is critical in drawing and keeping talented professionals. "Our ability to retain and develop people is dependent on being located where they and their families will enjoy living and working," explains James H. Ross, president and chief executive officer of the Cleveland-based BP America, the nation's 18th largest corporation. Ross, a former Londoner, loves to introduce British colleagues to the unexpected delights of his adopted home. "When it comes to education, lifestyle and leisure, Cleveland's got it."

At last even the hard-nosed arbiters of livability are starting to agree. Weighing such features as environment, crime, transportation, health care, education, climate, and arts and recreation, *Places Rated Almanac* recently named Cleveland 12th most livable out of 333 U.S. cities. And Cleveland is unparalleled in winning three All-America City awards in five years.

> "When it comes to education, lifestyle and leisure, Cleveland's got it."
>
> *James Ross, president and CEO BP America Inc.*

Surely one can understand the justifiable pride that Mayor White and executives like Ross, Vail, Pogue, Biggar, Murphy and others take in Cleveland's renaissance as a center for business, industry and development. Their confidence—and their companies' investments—are paying off nicely.

Executives are liable to be found on weekends these days aboard a boat tied up alongside a riverfront club in the Flats, enjoying the sunset—and the city's brightening prospects—with friends. They love showing visitors this view of Cleveland, sparkling and majestic in the deepening twilight, the crowds of young people—the same ones who in the old days couldn't wait to flee their somnolent hometown—gathering by the tens of thousands on the restaurant terraces that line the river's edge.

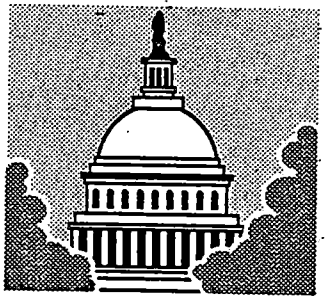
The Clevelanders who stayed never get tired of telling their awestruck friends about all that has been accomplished.

As the late philosopher and legendary hurler Dizzy Dean is said to have once remarked: "It ain't braggin' if it happened."

Cleveland in the news

FINANCIAL TIMES Monday July 15 1991

What Cleveland can teach the US



MICHAEL PROWSE
on America

Driving from the airport, you first see Cleveland as a bunch of skyscrapers sticking up out of a grim 19th-century landscape of factories, cast iron bridges and railway tracks. It is easy to believe that this was a cradle of the American industrial revolution and a home for magnates such as John D Rockefeller and Andrew Carnegie. Coming from Washington, however, you wonder what possible relevance this museum-piece can have for today's bustling service economy. You hanker for the capital's marble monuments, lush foliage and self-confident chatter.

But first impressions are often deceptive. In important respects, this Ohio city on the shores of Lake Erie can claim to represent the future for America. In every previous post-war downturn, Cleveland suffered worse than the nation as a whole. This was notjust a reflection of its reliance on heavy industry: Cleveland's companies seemed dismally to underperform their industries nationally. In the early 1980s, for example, local manufacturing employment fell by about a fifth – more than double the national rate of contraction.

This time Cleveland seems almost nonchalant in the face of a national downturn. "It's hard to tell that the recession even happened," says Mr Joseph Gross, a manager at LTV Steel. "Things have slowed down but house prices are still going up and everybody is talking about opportunities." Others are a little less bullish: some city services have been cut, marginal companies have failed, unemployment is up. But there are many signs of continuing vitality. Society Bank, a big local financial institution, will soon move into a gleaming 60-storey tower in the rehabilitated downtown district. An array of construction projects, including a $350m sports stadium and an extensive harbour redevelopment are in train.

Economic statistics, moreover, appear to confirm that Cleveland's decades of underperformance are over. In the year to April, manufacturing employment fell only 2 per cent in Cleveland compared with 4.5 per cent nationally. Non-manufacturing employment rose by 1.1 per cent compared with a national fall of 0.1 per cent. A manufacturing production index for Ohio shows a much shallower decline than in the nation at large.

What explains Cleveland's new vitality? As in much of the mid-west, the "no boom, no bust" argument carries weight. In the 1980s, this capital-intensive region suffered the double blows of recession and chronic overvaluation of the dollar. There was no real estate boom, as on the east and west coasts, because the upturn was so delayed. Business confidence has thus not been undermined by the pricking of a property bubble. At the same time, the decline of the dollar since 1985 and the dramatic improvement in export profitability has transformed the outlook for many local companies. Mr Ken Mayland, chief economist at Society Bank, also stresses the benefit to Ohio of much foreign – particularly Japanese – investment, such as the huge Honda car plant at Marysville.

But Cleveland is also doing a lot to help itself. The intense economic distress of the early 1980s prompted a much greater emphasis on partnership and co-operation than is common in US communities. "In the 1970s, adversity ruled," says Mr Richard Shatten, executive director of Cleveland Tomorrow, a committee of chief executives formed in 1982 to address local economic and social problems. "It was management versus unions, suburbs versus downtown and business leaders versus elected officials." He argues that Cleveland began to make progress once everybody started pulling together.

One of Cleveland's crucial resolves was that "manufacturing matters". Many US communities swallowed the convenient fiction that a shift into low value-added services is a sign of increasing economic sophistication. Mr Shatten regards this attitude as "dead wrong". Cleveland Tomorrow – against the trend of the 1980s – saw that it had to rebuild an outdated manufacturing base and become competitive in world markets. Recognising that much prodding would be necessary to accelerate change, it launched the Cleveland Advanced Technology Programme (Camp). This makes aggressive attempts to persuade local companies to upgrade their technology, offers technical training, and promotes industrially-relevant R&D at local universities.

Mr Stephen Gage, Camp's president, draws an analogy between his efforts and the US agricultural extension programme of the 1920s and 1930s. He argues that US farms became the most efficient in the world only because federal agents aggressively sold the benefits of new technology. He believes a similar effort is now needed in manufacturing where most small and medium-sized companies are failing to reap the benefits of technological progress. Washington, he laments, is planning to spend $30bn on a space station but will invest only $12m in a handful of programmes like Cleveland's. "Where are our priorities?" he asks.

Cleveland is still beset with problems. In the inner city, schools are in disarray; poverty rates are high and rising. But the spirit of co-operation forged in the 1980s appears to be producing results. Downtown is being transformed. The importance of manufacturing is understood as are the limitations of relying on Darwinian competition in free markets. With its priorities clear, Cleveland should do well in a decade when the US's economic task is to repay debts by expanding exports. But then anything ought to be possible in the city that gave the world Superman.

Courtesy of the New Cleveland Campaign.
For more information, call George N. Miller, Executive Director, at (216) 621-6725.

Cleveland in the news

Houston Chronicle
Houston, TX
July 12, 1991

FRONT PAGE STORY

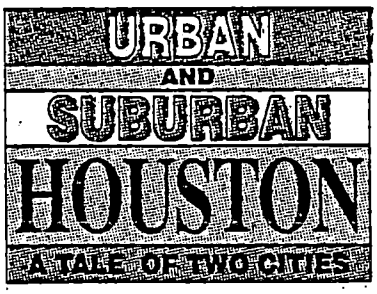
Cleveland full of lessons after hitting rock bottom

By BENNETT ROTH
Houston Chronicle

CLEVELAND — In a newly renovated downtown office building, public officials swap ideas on how to coordinate everything from sewers to schools. Down the street, construction cranes hover over what will be Cleveland's tallest building.

Across the Cuyahoga River, county mental health officials hold an open house for their new offices on the upper floors of a building renovated with the aid of the city's community development office.

The building, which recently sat vacant in one of the city's poorest neighborhoods, also houses a trendy



Last of six

restaurant that draws weekend crowds from the suburbs.

Cleveland, which a decade ago was on the brink of default and the butt of national jokes, has been climbing back from the depths of urban despair.

While this old industrial city, once dubbed the "mistake by the lake," still has its share of woes, it offers lessons to other cities, including Houston, on how to work regionally to attack problems.

A recent ranking of cities' financial health by Financial World magazine rated Cleveland as one of the most improved among the nation's major cities when it came to managing budget and taking care of municipal needs.

"Perhaps the model of a city working well with its suburbs to the general betterment is Cleveland," the article noted.

Consider some of the more noted attempts at making Greater Cleveland work better:

- In 1980 business and public officials formed a group called "Build Up Greater Cleveland," which developed a wish list of public works projects needed for the city and its 59 suburban communities. To date they have secured $757 million in capital funds, about half of it from federal and state sources, for roads bridges water and sewer systems. In the past, officials said, Cleveland and suburban cities fought each other when they went to Columbus or Washington for funds.
- Developers helped by tax abatements have transformed a deteriorating downtown into a modern showcase of offices, hotels, stores and restaurants. The shores of the Cuyahoga River — once littered with abandoned manufacturing plants — have been converted into trendy nightspots and restaurants.
- Most recently the city and business leaders have embarked on a $50 million neighborhood revitalization program to stem the exodus of the middle class from the city. Business loans and city and federal grants are being funneled into several targeted neighborhoods to pay for low- and middle-income housing and businesses.

Will Houston heed example?

Some predict that Houstonians will dismiss such efforts by older cities as irrelevant to a region that traditionally has been content to let the free market — not public policy — shape its destiny.

But others say that the city should heed the examples of Cleveland and other cities that have been forced to cope with the urban deterioration and worsening relationships with the suburbs, trends that have accelerated in Houston over the past decade.

"We should look at the example of other cities that are little more ahead in the aging process than we are," said Bob Eury, president of Central Houston, a downtown business group concerned with the growing alienation between the suburbs and city.

Eury, however, contends that in Houston "there is more willingness to look at other cities than there was 15 years ago. At that point in time Houston was acting atypical because of economic growth. But the 1980s were a humbling experience, and maybe we are looking like everybody else."

Facing causes of flight

Much like Cleveland, Philadelphia and other cities, Houston must deal with causes of middle-class flight — poor schools, high crime rates, racial conflict and a deficient inner-city housing stock.

The 1990 census confirmed Houston's dramatic changes. Houston's inner city lost more than 50,000 people in the last decade, while its suburbs boomed by as much as 70 percent. The city is now predomi-

see back

Courtesy of the New Cleveland Campaign.
For more information, call George N. Miller, Executive Director, at (216) 621-6725.

nantly black, Hispanic and Asian, as are the school districts that serve city residents.

Most experts and business leaders believe that Houston will have to decide in the next decade whether it should resume an aggressive annexation of middle class suburbs — the traditional approach here used to stave off a divorce between suburbs and the city.

But considering the mounting public opposition to expanding the city's boundaries, the leaders may consider other solutions such as tax sharing, metropolitan government, and an aggressive urban revitalization program. Some also believe a proposed plan to bring zoning to Houston will help reverse urban decay in some neighborhoods.

The region's leaders will also have to deal with the fractious political situation where legislators and county commissioners campaign in the suburbs successfully on anti-city themes.

Leaders will have to devise ways to fund essential services such as transportation and health care that don't pit the needs of city against the suburbs.

Experts say that Houston and other cities won't fully recover unless the federal and state governments provide funding to solve growing social burdens heaped on city governments.

"Houston is now perched at the edge of the diving board," said Nestor Rodriquez, sociologist at the University of Houston. "It will either be another Detroit, or will we have a new vision."

Houston's neighborhood leaders have made a few scattered efforts to revitalize the inner city, such as the Habitat for Humanity housing renovation project in the Fifth Ward. The program — promoted by former President Carter — encourages businesses to help renovate deteriorating inner city housing.

But the fact that Houston has not taken any bold steps to remedy growing urban-suburban problems is not surprising or unique.

Bottoming out

Even cities like Cleveland that have made dramatic turnarounds have only done so after hitting rock bottom.

Much like Houston — but a century earlier — Cleveland's early prosperity was based on oil and shipping. Cleveland grew as a port city after 1825 when the opening of the Erie Canal linked the farms and mills of the Midwest to the Atlantic Ocean.

The oil industry also provided a boost to the city in the late 19th century when John D. Rockefeller consolidated his oil refining empire there. Rockefeller is buried in a Cleveland suburb. The American headquarters of British Petroleum — which took over SOHIO — still has its headquarters in Cleveland.

At the turn of the century, the city drew thousands of immigrants from Eastern Europe and Appalachia to work in the factories sprouting all over the city. By the early 20th century, Cleveland had already developed tony suburbs, such as Shaker Heights, where the wealthy industrialists could retreat at night.

By the 1970s, Cleveland hit the skids with the decline of steel and other manufacturing sectors. Between 1958 and 1977 Cleveland lost about 130,000 manufacturing jobs. Population has fallen from 915,808 in 1950 to 505,616 in 1990.

Polluted Lake Erie — jokingly referred to as the "dead sea" — drew the wrath of federal officials who ordered the region to clean up the mess. The Cuyahoga's oil-slicked waters caught fire in 1969, destroying two railroad bridges.

In 1975 the Brookings Institution ranked Cleveland second among 58 big cities as having the worst social and economic problems. Only Newark, N.J., was worse.

Burning hair, too

The city's politicians were the source of national embarrassment. Former Mayor Ralph Perk set his hair afire while wielding an acetylene torch at the opening of a bridge. His wife, Lucille, turned down an invitation to the Nixon White House because it fell on her bowling night.

But the crowning blow came after the election in 1977 of Dennis Kucinich, a 31-year-old populist who repeatedly tangled with the business community.

The year after his election, the banks got their revenge on the "boy mayor" when they refused to roll over $15.5 million in short-term municipal notes, placing the city in default. The city's credit rating was suspended by Standard & Poor's.

Newspapers nationwide bannered the city's financial crisis. Cleveland became synonymous to many Americans with urban mismanagement.

In the depths of the crisis, some of the region's business leaders acknowledged that Cleveland's future lay in shoring up the downtown and developing regionwide consensus on public needs such as infrastructure improvements. At that point the public-private partnership Build Up Cleveland was born to develop a countywide public works program.

Truce in the city

A cease-fire was declared between the business community and City Hall with the election in 1979 of Republican Mayor George Voinovich in this overwhelmingly Democratic city.

Voinovich guided the city's impressive comeback during his 10-year tenure as mayor. He even capitalized on the theme "comeback mayor" in his campaign for Ohio governor in 1990.

Under the gun from the Environmental Protection Agency, the city also cleaned up Lake Erie. Residents now flock to the beaches for swimming and sailing.

"A lot of people put aside their political self-interest to turn this thing around," said Janis Purdy, executive director of the Citizens League Research Institute.

"What was missing in the city leadership in the '60s and '70s was a sense of strategy," said Richard Shatten, director of business booster group Cleveland Tomorrow.

The current efforts have not resolved all of Cleveland's problems. During the 1980s the city lost 12 percent of its population. Many neighborhoods are still racially segregated, with the west side being predominantly white and east side black or Hispanic. The schools are plagued by the same ills as most other big-city systems and often are cited as a reason why families leave for the suburbs.

Cleveland's mayor, Michael R. White, is being investigated by a grand jury regarding charges of theft, bribery and other allegations involving two housing renovation projects in which he was an investor in 1983. White, the city's second black mayor, has testified that the allegations are false. Some black groups have claimed the mayor is being singled out because of his race.

"I wouldn't want you to go back and write that Cleveland has solved all of its problems," said Al Ratner, president of Forest City Enterprises. But Ratner is one of the city's businessmen who have dedicated themselves to rebuilding the core.

His company was once one of the major builders of suburban homes in Cleveland. But in the last decade Ratner undertook the renovation of Tower City, a $400 million office and retail complex created from one of the oldest downtown skyscrapers and the main train terminal.

Ratner said his developer friends told him it would never work when he proposed the complex, which includes a Ritz-Carlton hotel and 11-screen movie theater, and plans to add a Neiman Marcus department store. But Ratner, who prefers to call himself an urban sociologist rather than a developer, contends that a healthy downtown is essential to the region's economic vitality.

Didn't look promising

Across the Cuyahoga River, another businessman is also putting his money on the city's future health. For the past three years, Tony Diiorio has been rehabilitating an abandoned building.

Diiorio, who owns a sheet metal plant in the neighborhood, said friends discouraged him from starting a trendy, expensive restaurant on the ground floor in the building sandwiched between two public housing projects.

see next

"All the surveys said that if God himself came down he couldn't make it work," said Diiorio.

Today Massimo de Milano, a Dallas-based chain, is drawing packed crowds every weekend.

Diiorio's effort is partly funded by the city community development program led by Chris Warren, a former neighborhood activist and tenant organizer.

The program, developed with business leadership, targets neighborhoods that are close to major institutions such as hospitals and schools. These facilities provide employment to people who choose to reside in restored housing.

In the predominantly black Glenville neighborhood, site of rioting in 1968, the city has helped fund middle-class Cape Cod-style housing and a 24-hour supermarket.

Officials say the key to the success of the neighborhood revitalization is that both business and community leaders work together to decide how programs should be developed.

For example, the chief executive of British Petroleum sits with community activists on the board of one influential group, Neighborhood Inc., to decide how private funds should be allocated.

Shatten of Cleveland Tomorrow said that in the 1980s the business community "got smart and realized there was a need for community-based neighborhood organizations even if it meant dealing with people who talk back."

Such a cooperative effort helps reduce likelihood of confrontation between neighborhoods and developers that often paralyzes inner-city redevelopment. Such confrontation already has stymied efforts to redevelop Houston's Fourth Ward.

Not expecting to merge

One approach that Cleveland leaders have temporarily abandoned is metropolitan government — merging the central city and suburbs under one municipal government.

Cities such as Indianapolis, Nashville, Tenn., and Jacksonville, Fla., have successfully merged city and suburban governments.

And urban planners often view metro government as the ideal way of forcing middle class suburbanites to share in the cost of operating central cities.

Metro government is proposed every couple of years in Cleveland, said Purdy of the Citizens League Research Institute.

But voters have consistently rejected it.

"It is still seen as the simplistic, easy solution," Purdy said, "until someone has been given a realistic dose of Cuyahoga County politics."

Nevertheless, the Research League has been encouraging officials to think regionally by organizing meetings of key agencies that serve the county, such as the transit authority, sewer district, school districts and port authority.

Cleveland's tax system also forces suburbanites to help pay for expensive city services that benefit commuters as well as residents.

Tax on city's workers

The city imposes an income tax on people who work in the city, which generates enough revenue to pay for 60 percent of the city's budget. Such a system eases the burden on city property owners who foot the majority of the tax bill in many cities.

The system does not encourage movement to the suburbs because an income tax is also imposed on workers in many suburban cities.

In Houston, the property tax is the largest source of revenue for municipal services.

Cleveland officials concede that poor schools and race relations are still stumbling blocks to rebuilding the city — much as they are in Houston and elsewhere.

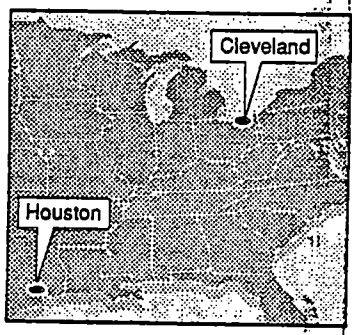
But Shatten said that by providing middle class housing, city officials hope to draw families who will demand higher-quality schools.

Nevertheless, he and others say that bringing the middle class back won't happen overnight.

"You need to gauge your expectations," he said. "We will not have a wholesale return to the city in the next decade."

Cleveland

1990 population: 505,616
1980 population: 573,822
Population change: – 12%
Area: 79 square miles
Per capita income: (1987): $8,690
Race: 49% white; 47% black; 1% Asian; 3% other; 6% Hispanic*



Houston

1990 population: 1,630,553
1980 population: 1,595,138
Population change: + 2%
Area: 581.5 square miles
Per capita income: (1987): $12,007
Race: 53% white; 28% black; 4% Asian; 15% other; 28% Hispanic*

* Total exceeds 100 percent because Hispanics also appear in the count of other racial categories.

Chronicle

Urban and suburban Houston: a tale of two cities

Sunday: Middle class flight from Houston is creating two vastly different political and economic entities — the city and its suburbs — and is arousing fears of the urban decay and political paralysis that has scarred older cities in the Northeast and Midwest.

Monday: Fueling the flight from the city are traditional attractions of the suburbs such as better schools and bigger houses, combined with an economic slump and the suspension of an aggressive annexation policy during the 1980s.

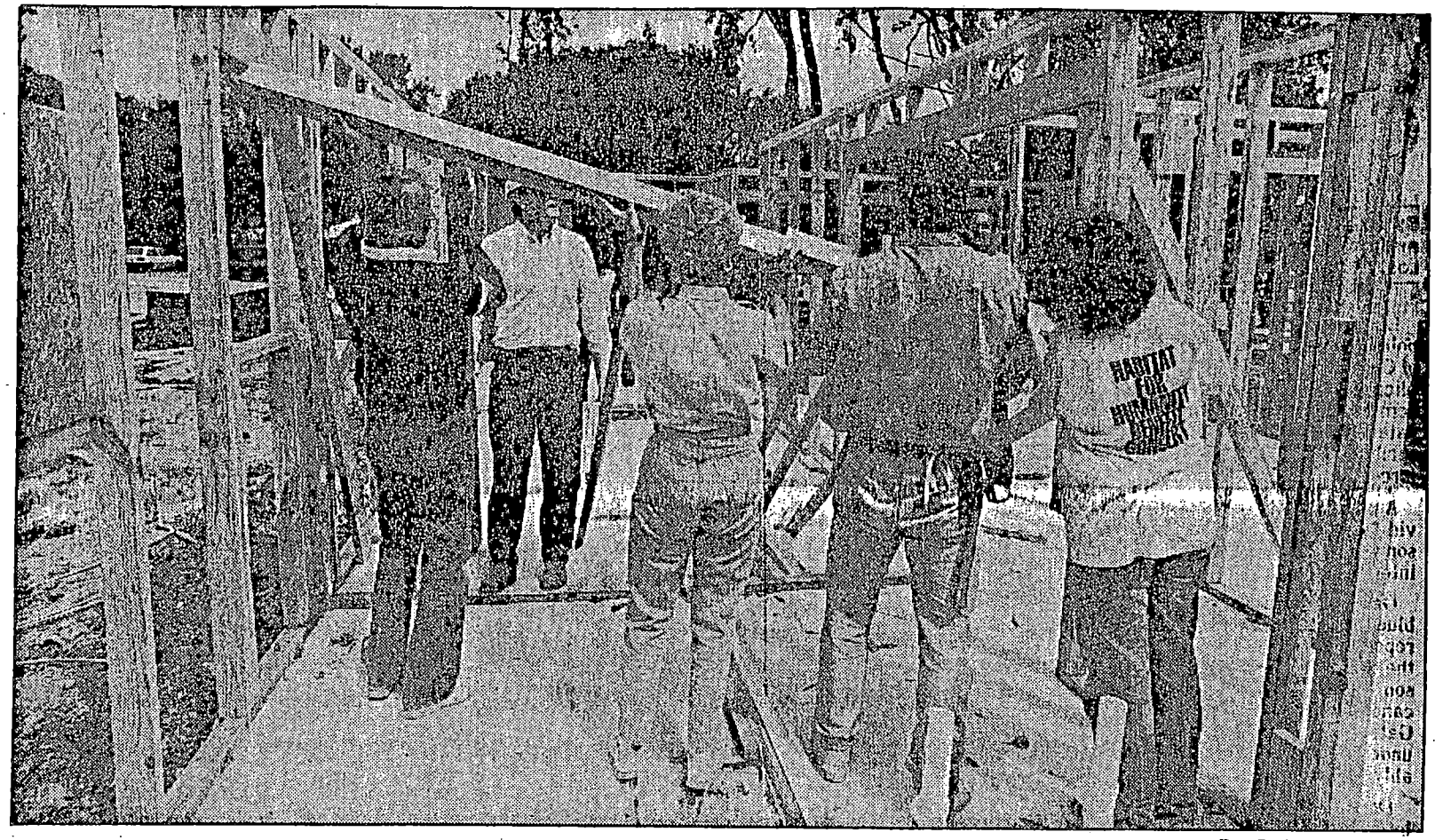
Tuesday: The urban-suburban division is becoming a key factor in the power politics of the area.

Wednesday: Even though the flight from Houston has included middle class minorities, the suburbs are still mostly white and minorities are left struggling to divide and preserve what's left in the inner city.

Thursday: Urban and suburban interests claim that the others benefit unfairly from limited government resources, but disinterested analysts have had little success in determining who's right.

Today: Everyone in the area has a vital interest in preserving Houston as an urban center, and the effort will almost certainly require cooperative regional approaches to problems.

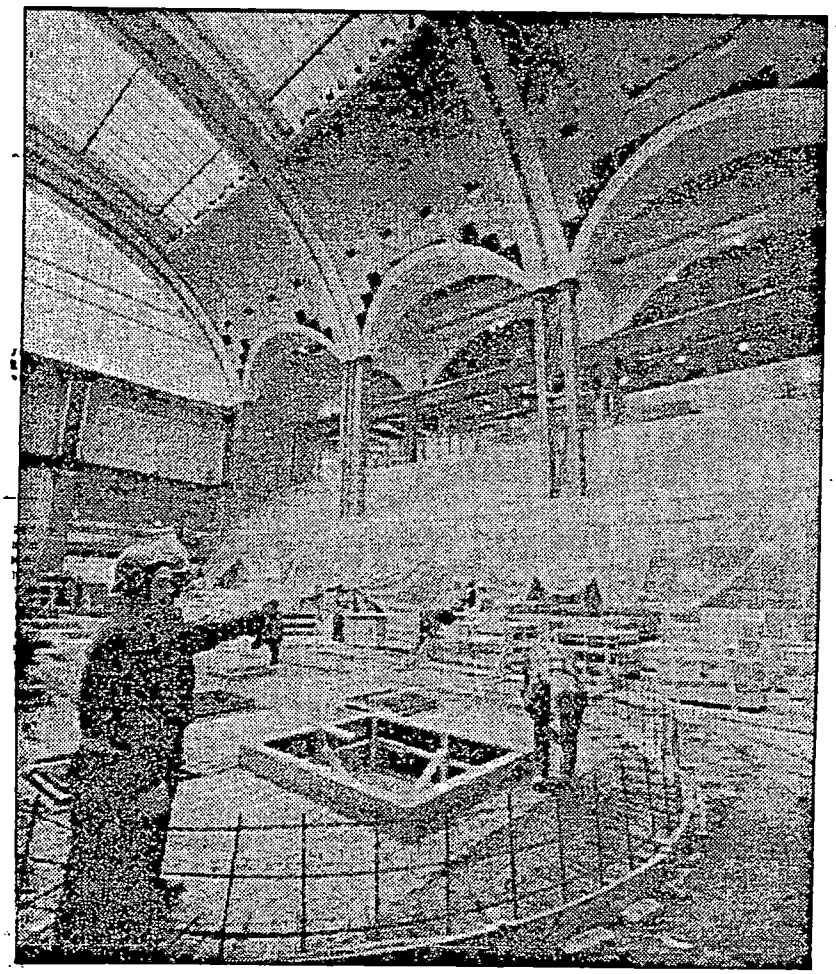
see back



Ben DeSoto / Chronicle

The Habitat for Humanity housing renovation project in Houston's Fifth Ward is one example of efforts to revitalize the inner city. In this 1989 photo, a crew from St. John the Divine Episcopal Church works on a house's frame. The city, however, has not taken any bold steps to remedy growing urban-suburban problems stemming from inner-city deterioration.

see next



Chronicle file

Cleveland's Tower City, shown here under construction last year, was developed under the theory that a healthy downtown is essential to a region's economic vitality. The office and retail complex cost $400 million to create.

Cleveland in the news

The Detroit News

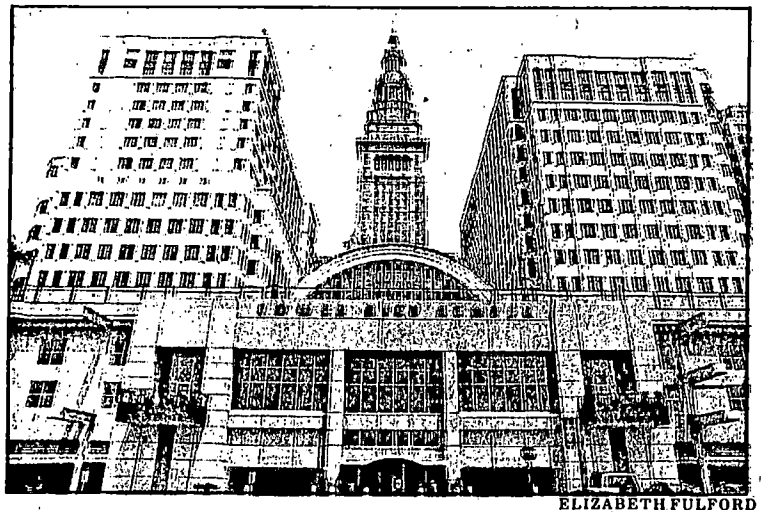
Sunday

JULY 14, 1991

Business

Section D

MICHIGAN REPORT 2D
STOCK LISTINGS 4D



ELIZABETH FULFORD

Shoppers bustle around the Cleveland Towers complex. The former "mistake on the lake" will soon boast the tallest skyscraper between New York and Chicago.

Cleveland bled its wounds and grew strong again; Detroit ignores its pain and the city slowly dies

Cleveland was lucky. It had a catastrophic event, the equivalent of a civic heart attack. It defaulted on its bonds, an embarrassment of sufficient proportion to jolt its business community into action.

Detroit is not so lucky. It is dying slowly. We've spent 20 years diagnosing the illness without ever feeling enough urgency to come up with a cure. There has been no jarring crisis, even as the city quietly slipped into a coma.

Shouldn't somebody call the nurse for our city? Naw. We'd rather call names. We'd rather point fingers. We spend our time going over the same tired ground. It's racism. It's crime. It's drugs. It's marketplace economics. It's uncaring government. It's the media. It's Coleman Young. It's John Engler.

It's revolting.

The leadership in virtually every other major metropolitan area in the Midwest has confronted similar problems in its center city and figured it was important enough to pay attention. Who has handled its problems worse than us? Chicago? You've got to be kidding. Its downtown sends an image of vibrant life around the world. St. Louis? It attracts twice as many convention visitors as we do. Milwaukee? It will never be confused with Detroit.

JON PEPPER

Detroit's image has sunk beneath Cleveland, the one-time "Mistake on the Lake," the city where the polluted river once caught on fire, the town we used to look upon with contempt. It took default to do it, but Cleveland's business community came to the rescue in a cavalry charge, remaking its downtown as, of all things, a *tourist destination.*

It wasn't bleeding hearts that made them do it. Cleveland area business leaders saw the city's image as an important ingredient in protecting their investments. They understood that if their city were a national joke, they couldn't attract the sort of jobs that pump money into their restaurants and hardware stores and hotels and savings accounts — even in the suburbs.

Prior to default, everyone in Cleveland had been fighting everyone else. They were locked in the sort of civic checkmate that character-

see back

Courtesy of the New Cleveland Campaign. For more information, call George N. Miller, Executive Director, at (216) 621-6725.

Pepper: Cleveland grows strong while Detroit still struggles

From page 1D

izes Metro Detroit today. Jobs were leaving. Stores were leaving. People were leaving. Those left behind couldn't agree on anything except that everyone else was to blame.

After the financial problems of the late 1970s, the electorate swept the paralysis out of city hall. They brought in a mayor who knew how to build a partnership between government and business. Together, they came up with a plan that looked at the Cleveland of the future, and then set about making it happen.

Look at them now. They're building the tallest skyscraper between New York and Chicago. They're building a Rock 'n' Roll Hall of Fame, and they're clearing a path for a new baseball stadium and basketball arena. They've already built a street of new stores and a Ritz-Carlton Hotel and restored the old train station as a glittering landmark.

There's an excitement that transcends all the bricks and mortar, that sends out a signal that Cleveland is alive and well and handling its own affairs. It is still beset by the same sorts of ills that plague Detroit, but it at least has a plan to heal them.

In this town, we can't get government and business on the same page. Wayne County Executive Ed McNamara took a stab at it the other day, telling shopping center developers that they need to help him keep the Detroit Tigers downtown. He may as well have been speaking Urdu for all the blank stares he got.

There's a pervasive feeling in the Metro Detroit business community that it doesn't need Detroit anymore. In the near term, they're probably right. The videotaped beating of women downtown won't hurt the third-quarter bottom line of a manufacturer in Wixom.

What too many fail to realize, however, is how much the city's terrible image cheats them out of job recruits who wouldn't move here for anything, out of potential expansion into what should be a growing market, out of their ability to attract financing from outside the metro area.

Like it or not, the story of Detroit played out on television screens in Japan, newspapers in Germany, and radio stations in Terre Haute is the story of the center city's ills. We die a little every day in the worldwide media, but not enough people with the wherewithal to do something about it seem to care. Why worry? The city's still not quite dead.

Maybe we're waiting for another riot. The last one was enough to build a Renaissance Center and form a few committees. Maybe we're waiting for 1993, when the electorate has another opportunity to bring in a second generation of black leadership like Atlanta. Maybe we're waiting for the Tigers to leave, or for Greektown to close, or for the weed-choked neighborhoods in the city to be given back to agriculture.

Do we really need another catastrophe?

It seems our small disasters have added up enough already.

■ **Jon Pepper's column appears Sunday, Wednesday and Friday in The Detroit News.**

Cleveland in the news

News/Free Press
Detroit, MI
July 21, 1991

Comment

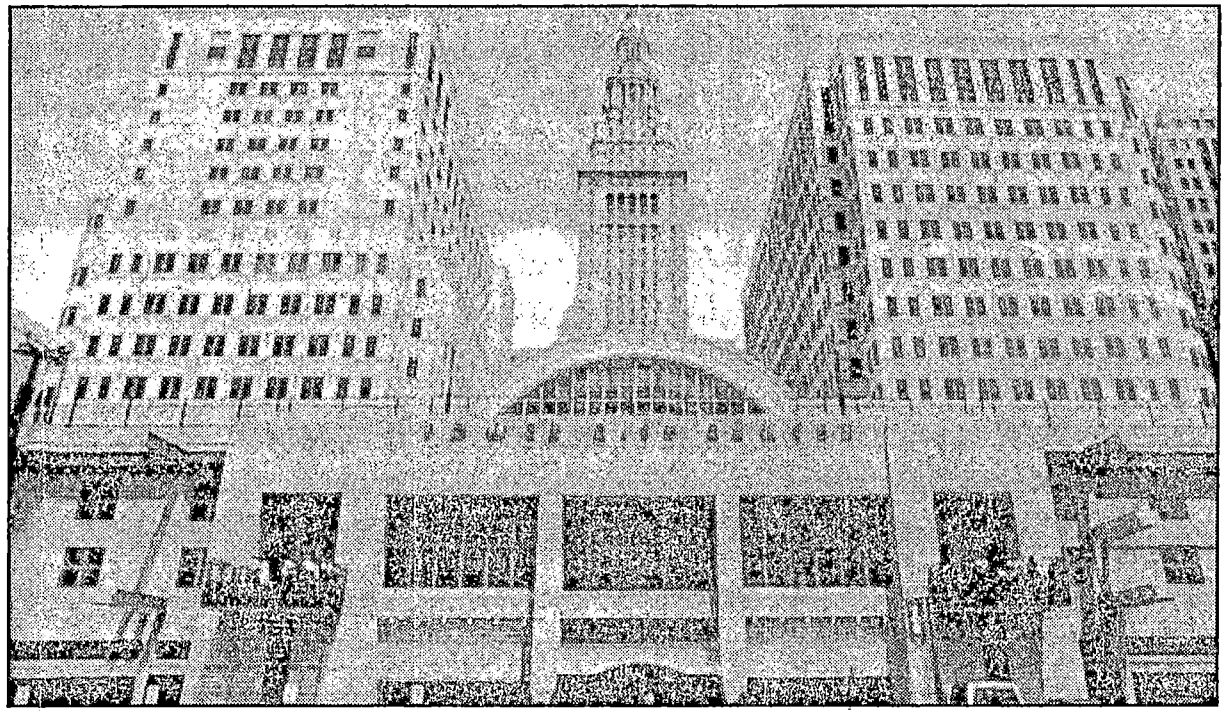
Cleveland reborn in the spirit of cooperation

By Ron Edwards

Cleveland used to be known as the "Mistake on the Lake," but it has rebounded. The Cleveland experience shows that people must have and carry out a vision of unity and constructive achievement for Detroit to become a revitalized urban center.

■ **Ron Edwards is a Detroit-based radio commentator and free-lance writer.**

During the 1960s and 1970s, Cleveland was in rapid decline. Its economy, politics and social fabric were tattered by neglect, abuse and a laughable leadership. The city's leadership debacles culminated with Mayor Dennis Kucinich, who in the late 1970s made Cleveland the only major U.S. city to go into default since the Depression. He treated business and the idea of capitalism as the archenemy of "the people."



ELIZABETH FULFORD

Tower City Center provides Cleveland with a long-needed nerve center.

see back

Courtesy of the New Cleveland Campaign. For more information, call George N. Miller, Executive Director, at (216) 621-6725.

Perhaps Kucinich was the best thing to happen, if for no other reason than the situation became so bad the citizens finally said "enough." Republican George Voinovich subsequently defeated Kucinich and, almost immediately after assuming office, welded a spirit of working together with business leaders and other government officials.

Ninety corporate executives agreed to look for ways to adapt corporate efficiency to city hall. Voinovich readily adopted about 500 of 650 recommendations by the executives. The reforms saved Cleveland $200 million during Voinovich's nine and a half year incumbency.

It was pleasantly shocking to see (now retired) Democratic Cleveland Council President George Forbes work with (now governor) Voinovich. Forbes and the City Council were tired of all the fighting and failure of previous administrations.

Forbes said something most government officials fail to realize. "I recognized that we politicians don't provide the jobs," he said. "It's viable businesses that provide jobs, and if we don't make them viable there won't be enough jobs for the people."

Like other Northern industrial centers, Cleveland's heavy industries — steel, auto parts, iron ore — dwindled because of global competition. That competition exposed the adverse effects of antagonistic unions with uncompetitively high wages. By 1983, in the wake of a recession, Cleveland's unemployment rate rose to 11.3 percent from a 1978 level of 4.7 percent.

Cleveland turned the situation around when the city's corporate executives hired a local consulting firm to map out a plan to revive the city's sick economy. The first dose of medicine was to set up a formal conspiracy of CEOs to provide leadership. That occurred in 1982 with the founding of Cleveland Tomorrow, in which executives worked to improve the morbid labor relations that made Cleveland workers, despite highly developed skills, so uncompetitive.

Cleveland Tomorrow spun off the Northeast Ohio Council, whose staff then and now spreads the good word of production quality and quality of work life on the factory floor and in union halls. Council members promote up-to-date management techniques that encourage managers and workers to see themselves as partners as opposed to enemies.

Manufacturing technology was also in serious need of modernizing. In 1989, Cleveland Tomorrow established a venture capital fund of $30 million raised by CT's companies. The majority was invested in Cleveland start-ups that had fresh ideas on running old industries. The fund did so well that later the same year there was little trouble in raising another $75 million in *private* money.

Many small businesses have flourished by pooling their know-how in the nation's largest self-help organization for small enterprises. Thousands of these firms trade expertise in how to market or computerize or do cost accounting. The medical industry has mushroomed so that it is Cleveland's No. 1 employer.

Consequently, there has been a massive rebirth of downtown Cleveland. The centerpiece is the Tower City Center with its Terminal Tower, downtown's venerable grand dome. It provides a long-needed nerve center for downtown. Among other things, it houses two office towers, a department store and a three-level retail center. Two new bank towers and two hotels will open in 1992 and 1993.

The city has also exploited its natural attributes. In 1986, developers built nightclubs and restaurants on a mile-long riverside boardwalk in an area next to downtown. The area has since developed a national reputation for its mystique, excitement and distinctive character. Lakefront development is moving ahead with bike trails, plans for hotels and apartments, an aquarium and ever-expanding plans for the Rock and Roll Hall of Fame.

One of America's crown jewels of culture, Cleveland's University Circle, is enjoying a resurgence. Home to the renowned Cleveland Museum of Art and Cleveland Orchestra, it has the greatest concentration of museums and institutions of higher learning in the world.

The result, by 1989, was that the unemployment rate returned to the 4.7 percent range. At this writing, Clevelanders are bemoaning a 5.9 percent unemployment level.

The commercial success allows companies to spread the benefits throughout the community. Cleveland Tomorrow companies, for example, have provided more than $4 million to help an innovative organization buy and refurbish houses to sell to low-income residents on a lease-purchase plan.

Crime is always a big concern, and it has been reduced in most of Cleveland. The west side, University Circle (on the east side) and downtown are safe from rampant crime. But east-side pockets have shown as much as a 15 percent increase in major crimes such as murder, robberies and gang turf battles. Some law enforcement officials, who requested anonymity, blame an influx of Detroit drug pushers for the recent rise.

While the commercial activity is a welcome change, Cleveland developer Albert Ratner says "The real thing that changed is people's heads."

Since moving here from Cleveland, many times I have heard Detroit's 18-year mayor referred to as King Coleman Young. The people are not benefiting from this arrangement. Cleveland, by emphasizing cooperation and free enterprise, provides a model for reversing Detroit's decline. The question may be, as it was in Cleveland, when citizens will become sufficiently fed up with their leaders to demand this change.

Cleveland in the news

NATIONAL EMPLOYMENT REVIEW™
A RECOURSE COMMUNICATIONS PUBLICATION $2.50 August 29 - October 2,1991

10 Hot places to live and work in America

CLEVELAND, OH

Thinking of living in Cleveland? Visit. Take a walking tour and get to know the place. Start at the stadium at Gray Gardens, home of the Indians and one of the largest municipal stadiums in the U.S. Proceed to Fort Huntington Park, Cleveland's only fort during the War of 1812. Further on is the Rockefeller Building, the 1905 skyscraper built for the famous oil millionaire, John D. Rockefeller. See the ballet, art museums and a downtown arcade that is a national landmark. Still not sure?

Maybe a stable economy and 13 Fortune 500 industrial companies will entice you. Cleveland, America's city of the North Coast, is also experiencing an all-time high in the area of construction. Unemployment is below the national average. And projections for the largest number of new jobs for the year 2000 include increases in such professions as registered nursing and sales. This kind of information is good. Really good. So don't just visit. Stay.

Cost of Living Index: 106.6 (extremely low considering Cleveland is the 12th largest market in the country)

Housing:
3-bedroom starter home $61,000
3- to 4-bedroom upgrade $90,300
Cleveland Heights colonial $127,000

Photo courtesy of the Greater Cleveland Growth Association (Louie Anderson)

* *Prices vary widely from area to area. Contact a real estate agent for areas of Cleveland in which you may be interested.*

Commutes:
Approximate 1-hour flight to Philadelphia or New York City
4-hour flight to Louisville, KY

Major Employers:
TRW
BP America
American Greetings
Parker Hannifin
Ameritrust

Employment Outlook:
Recently, Cleveland has been either at or below the national unemployment rate and has been consistently below the state rate. James Kroeger, director of business development for the Greater Cleveland Growth Association, says, "There won't be any of the big drops in unemployment that Cleveland saw in the 70s and 80s because companies are working smarter. They're producing a lower level of inventory so there is less backlog of merchandise and a quicker response for what is produced." He expects a substantial amount of growth in the areas of medical products, biotechnology, polymers, and the manufacturing of machine equipment. The city was chosen as one of three sites for manufacturing centers in the region; therefore, this area will remain a large part of the growth industry. "Good value for the consumer dollar," he says. Medical records technicians, paralegal personnel and occupational therapists are among the 10 fastest-growing occupations in the area.

If I move here now, what can I expect in five years ?
"Housing will probably stay stable. The cost of housing is below the national average for the city of Cleveland." Construction is predominantly "top end", with some supporting middle-range construction. For the most part, however, people are trading up. There are amazingly good housing buys for someone relocating from the West and East Coasts.

For information:
Greater Cleveland Growth Association (216) 621-3300
Ohio Chamber of Commerce (216) 228-4201
Cleveland Heights Housing Service (216) 291-5959

Courtesy of the New Cleveland Campaign.
For more information, call George N. Miller, Executive Director, at (216) 621-6725.