

**Bureau of Business & Economic Research**

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THE UNIVERSITY *of* NEW MEXICO

AUBER Conference

Fall 2017

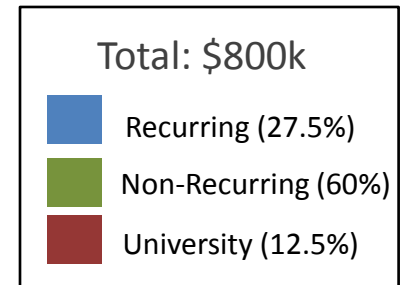
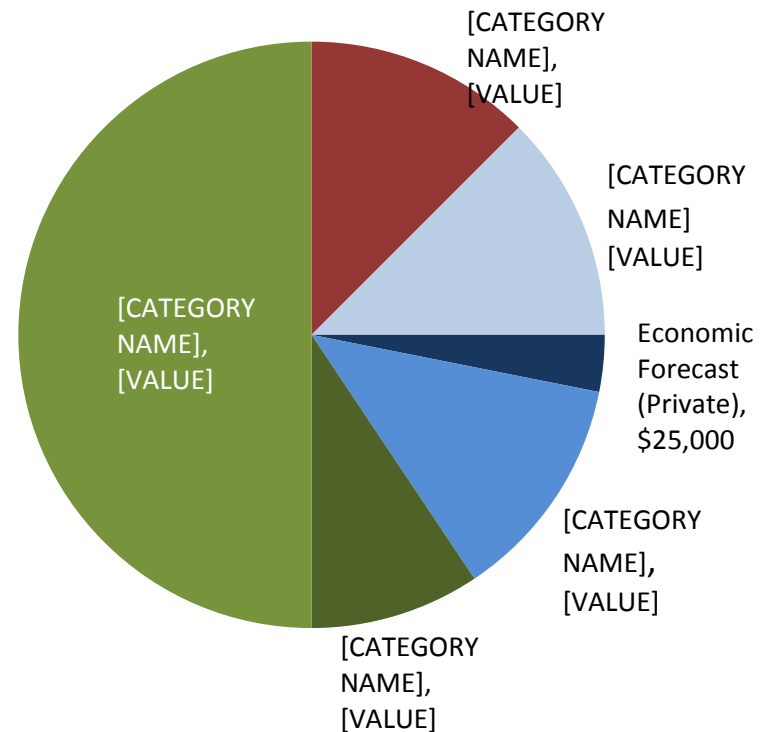
Unit Business Models

Jeff Mitchell,

Director

# Current Organization

- UNM BBER is NOT associated with an academic college or department, reports directly to Vice President for Research
- UNM BBER's workforce consists of:
  - 8 full-time staff (including director)
  - 1 part-time research professor
  - 6 students
- New Communications Coordinator
- UNM BBER has strong relationships with State, Local Government and Media
- UNM BBER has weak relationships with Private Sector
- Strong tradition and expectation of public service



# University Affiliation Advantages & Disadvantages

## Pros

- Credibility associated with university affiliation
- Material support (\$100k/yr + Office)
- Student employment

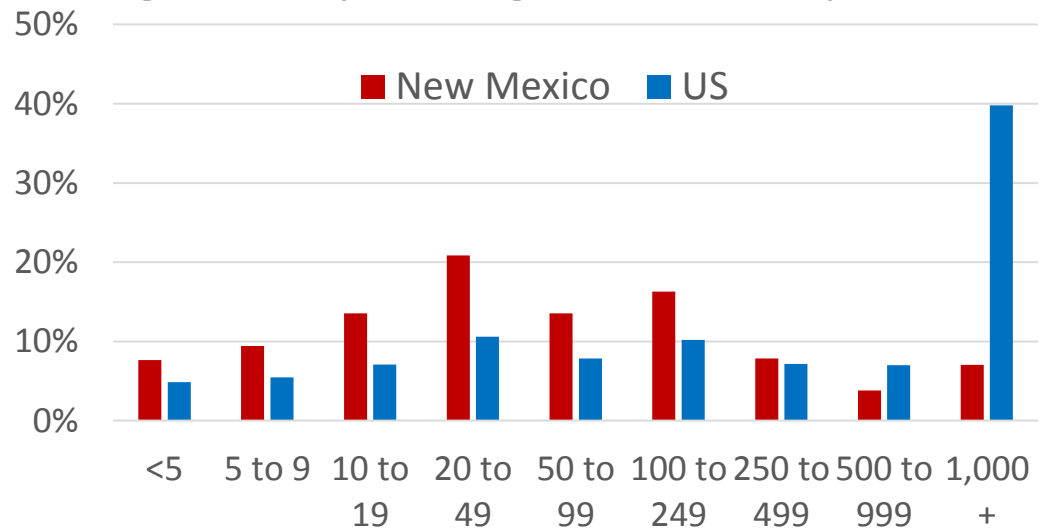
## Cons

- Poor in-state public perception of University
- F&A (51% private & Federal, 20% State & Local Govt)
- Administrative Costs (e.g. HR, OSP)
- Inconsistent management



# Challenges

- Research and forecast services currently breakeven;
  - CHALLENGES: 1) Funding the public service mission
  - 2) University administrative costs
- Long history of public support sets expectations of free service
- Funding has fallen by more than half in three years
- Support of VP Research is varies significantly and high turnover in position
- VERY weak private sector
  - No Fortune 500 HQ,
  - 48<sup>th</sup> Private/total employment (77%);
  - Largest ‘private employers’ are Los Alamos and Sandia National Labs; and Intel (1,200, down from 6,000 in 2004).



# Strategies: Data Services

- 'Data Dashboards' – Customized data and interactive presentation.
- Upfront set-up fee and subscription with longer-term discounts.
- Principal market is smaller local government entities (counties and municipalities, EDCs, COGs, School districts); and Industry trade groups (real estate, construction, hospitality).
- Developed cloud-based database with programs to auto-upload data and inventory of open-source data visualization (D3).
- Contracts in place with City of Santa Fe, Middle Region COG, Homebuilders Association.
- Pricing: \$2,000 - \$15,000 depending on source, volume, term, use.
- Goal: \$200,000/yr subscriptions within 2 years.
- Challenge: Cannibalizing own markets; Questionable data sources.



# Data Processing

## Data Source

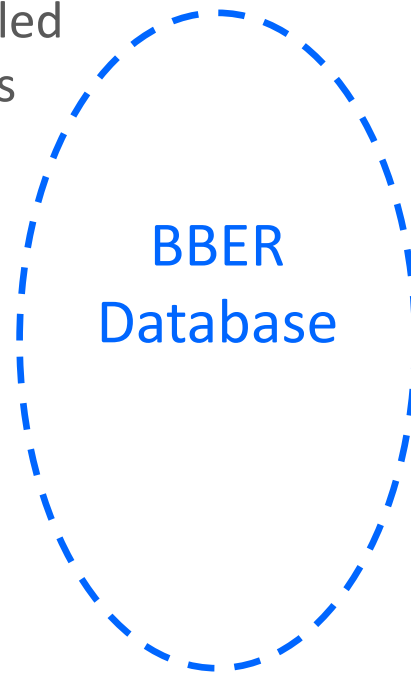
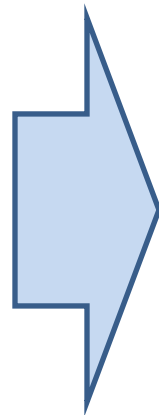
National  
e.g. Census  
BLS  
BEA

State  
e.g. TRD  
DFA  
ONGARD

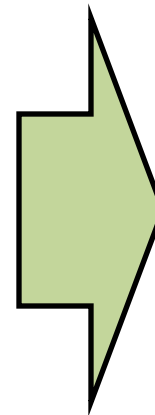
BBER  
e.g.  
Building Permits  
Research Data

Local  
e.g.  
Water Use  
Crime

Automatic or  
scheduled  
updates



Pulls directly  
from cloud  
database



## Product

Subscriber  
Website

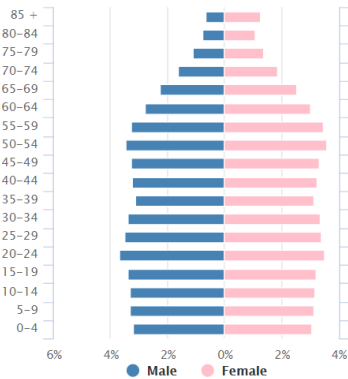
Publicly Available  
[bber.unm.edu/data](http://bber.unm.edu/data)

Proprietary  
data via  
subscription  
access on  
BBER's website

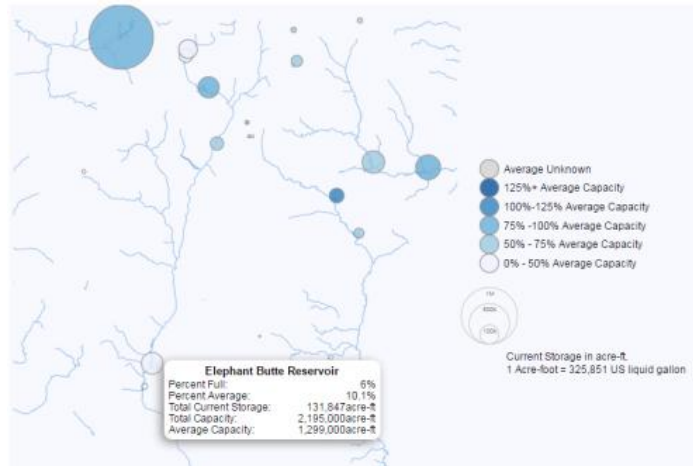


# Strategies: Data Visualization & Analytics

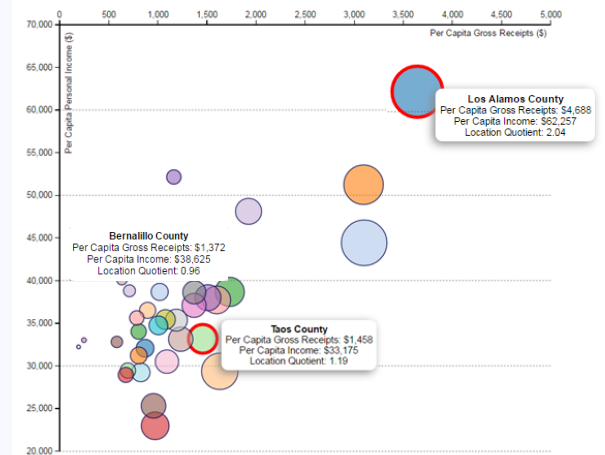
US Population in 2014



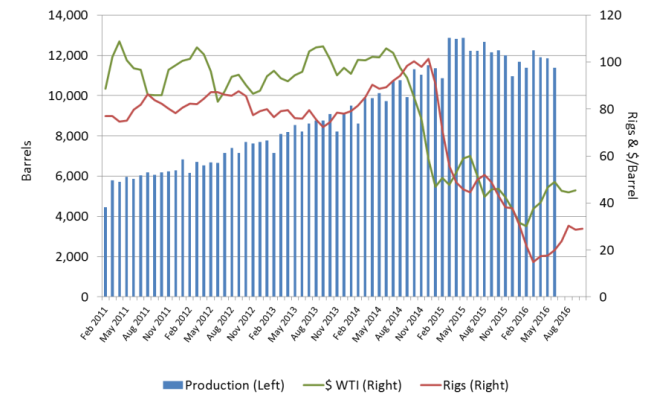
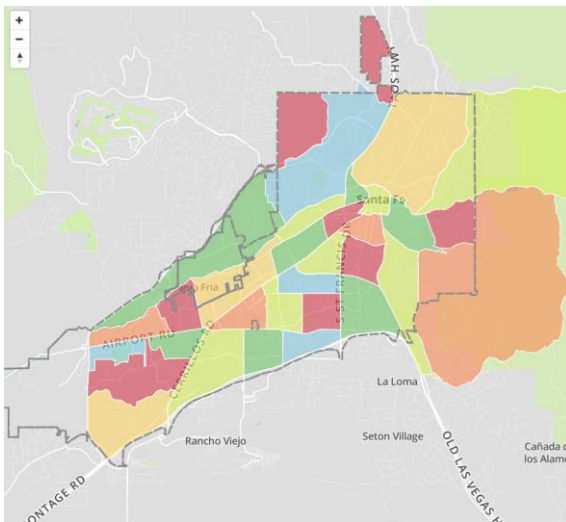
Prepared by BBER 02/15/2016 Source: Annual Estimates of the Resident Population



Pull Factors Analysis: New Mexico Counties



Source: New Mexico Department of Taxation & Revenue, "Report 80" and Bureau of Economic Analysis, "Personal Income"



# Strategies: Forecast Membership

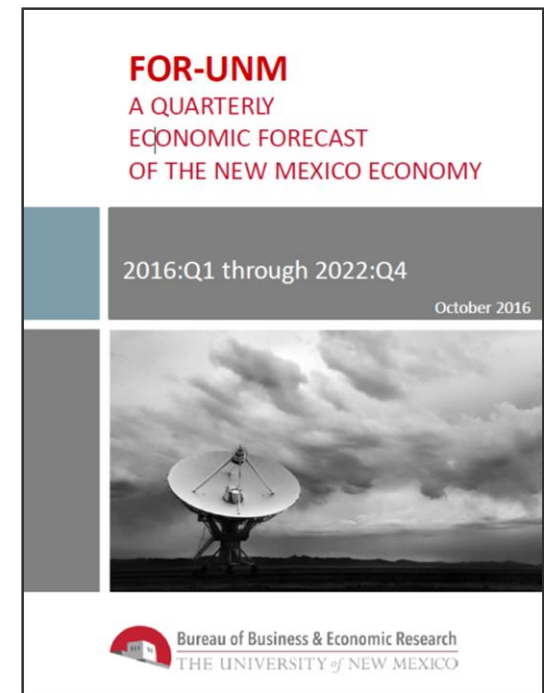
- Currently Forecast is funded by 3 State agencies (\$90,000/yr, including access to IHS Global Insight) and 12 others (\$6,000/yr; including only 4 private companies).
- Need to differentiate products, to not cannibalize market.

**Tier 0:** No cost quarterly online Bulletin with Corporate sponsor.

**Tier 1:** \$2,500/yr – Quarterly summary data and report; annual meeting; additional services a la carte (e.g. regional detail).

**Tier 2:** \$5,000 (public)/\$10,000 private – Existing service, including historical and forecast data detail; full access to online data; quarterly forecast meeting; full text report.

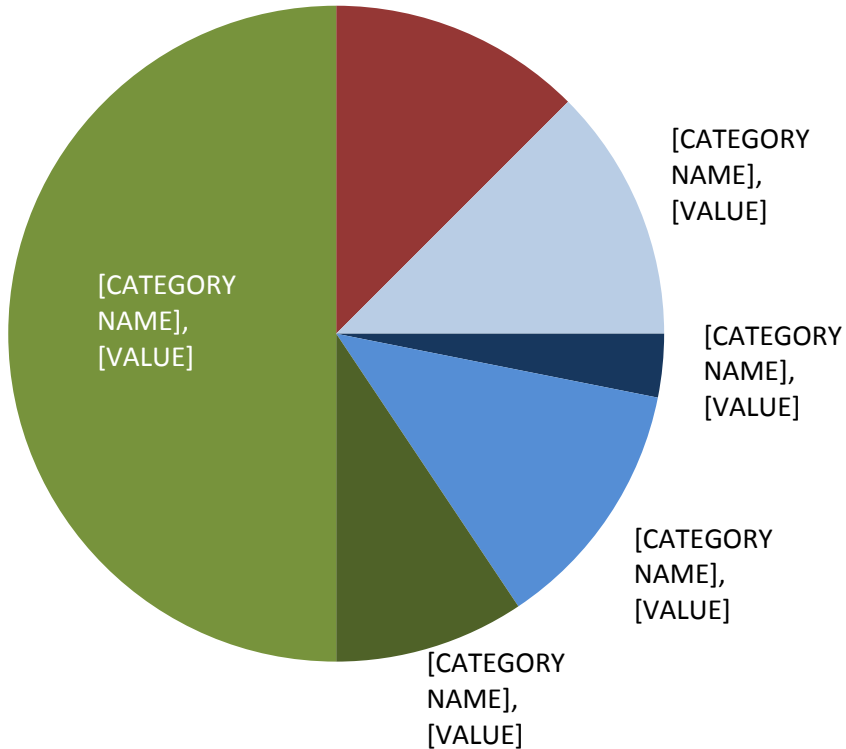
**Tier 3:** \$15,000/yr Corporate sponsor – Tier 2; annual presentation on client interests; titled sponsorship and 10 tickets to annual meeting.





# Revenue Sources

Current Source  
[CATEGORY NAME],  
[VALUE]



Target

