

Office of The Dane County Board of Supervisors

Kassel - Dane Sister County Task Force

Pranav Krishnan | December 2022

**1. Overview and Purpose:** The Office of the Dane County Board of Supervisors established a relationship between Dane County and the Landkreis (district) of Kassel, Germany, in 2007, along with the corresponding Dane - Kassel Sister County task force. The partnership builds upon similar, pre-established relationships between Wisconsin and the State of Hessen, as well as Madison and the City of Friedberg, and aims to foster cultural exchanges as well as bilateral economic development. The objective of this report is to identify commonalities, comparative advantages, and areas of mutual interest between Dane and Kassel's county governments, public financial institutions, and private businesses that provide potential opportunities for collaboration.

**2. County-Wide Financial Institutions:** Key actors to facilitate communication and reciprocal relationships between Dane and Kassel are their respective economic development organizations. For the former, the Madison Region Economic Partnership (MadREP), in conjunction with the broader Wisconsin Economic Development Corporation, fosters business and investment in the eight counties under its purview in South Central Wisconsin. It primarily communicates to domestic and foreign corporations seeking to expand their operations or open new locations of the region's comparative advantages. With respect to Dane County, MadREP highlights the high levels of workforce training and education, investment and research expenditures by the University of Wisconsin, and its registration as Foreign Trade Zone No. 266, which provides exemptions, delayed or lowered tariffs, and duty payments, reducing competition with foreign corporations. Wirtschaftsförderung Region Kassel GmbH (WFG) performs a similar role, highlighting Kassel's strengths in manufacturing and logistics, its transportation infrastructure, and the research and innovation generated by the University of Kassel. Both institutions have the potential to collaborate to foster private and public sector collaboration in the following key sectors, solar development, manufacturing, and public transit.

**3. Solar Development:** Both Dane County and Kassel are increasingly investing in solar energy – Dane owns more solar than any other public entity in the state of Wisconsin, and the Yahara Project aims to transition all county facilities to renewable energy by 2024 in cooperation with Madison-based corporations SunVest Solar, WWPI Energy, Alliant Energy, and Madison Gas and Electric. Dane is also home to UW Madison’s Solar Energy Laboratory under the College of Engineering, the oldest of its kind in the world, and has a history of cooperation, investment, and research with solar and utility companies throughout the state. Kassel has similarly seen recent initiatives to transition to solar energy and has a robust solar manufacturing industry – Solar Technology AG produces solar inverters for photovoltaic systems and is the second largest company in Kassel. The Kassel House of Energy has broad experience with providing private corporations and local governments with solar implementation strategies. And the independent Fraunhofer Institute for Solar Energy Systems, the largest applied solar research institute in Europe, and the University of Kassel’s Institute for Thermal Engineering and its subsidiary Department of Solar and Systems Engineering both perform extensive research into the manufacturing, installation, and efficiency of solar grids as well.

**4. Manufacturing:** Another area of commonality between Dane and Kassel is the bicycle component and accessory manufacturing industry. Dane is home to Saris and Madrax, who primarily produce bike racks, as well as Pacific Cycle, a holding company and an American division of a Dutch conglomerate. Pacific Cycle, headquartered in Madison, owns over sixteen bicycle brands, including Schwinn, which is one of the top ten largest bicycle manufacturers by market share in the United States. Germany is also home to an expansive bicycle component industry; Fuldata, Kassel is notably home to Rohloff AG, a significant manufacturer of hub gears and bicycle chains. German drivetrain and gear manufacturer Getriebbau Nord has invested in a plant in Waunakee, Dane, and is now the second largest employer there. MadREP and WFG could play a vital role in inducing further foreign direct investment by bicycle component manufacturers in Dane County or facilitate expansion by Dane manufacturers into Kassel. Further, Trek bicycles, the largest bicycle manufacturer in the United States, holding a 22.5% market share, holds an annual world dealer convention in Madison, which may be an opportunity for corporate representatives from both Dane and Kassel to meet and explore the potential for collaboration in supply chain efficiency and market outreach.

**5. Public Transportation:** Dane County and MadREP, in their Advance 2.0 Framework, have identified that the inflow of commuters into Dane during the workday necessitates expanded public and regional transit options to include bus-rapid transit and commuter rail. Dane County has recently begun plans to capitalize on the 2021 federal Infrastructure Investment and Jobs Act which provided for over sixty-six billion dollars in funding for state and local passenger rail services. In conjunction with the Department of Transportation and Amtrak, the Passenger Rail Station Study aims to explore the construction of a passenger rail service that would connect Madison to Milwaukee and Chicago. Kassel maintains extensive public rail, tram, and bus systems with major transit and rail component manufacturing companies, such as AKG Group, Hübner GmbH & Co., and KG Henschel GmbH, as well as Kassel Transport Company AG, which operates twenty bus lines, seven trams, and fifty-five miles of rail, transporting millions of passengers every year. Dane County could seek information on the feasibility and implementation of commuter rail, while MadREP could explore opportunities for manufacturing components in Dane or working with German corporations by engaging with WFG and Kassel's local government.

**6. Recommendations and Next Steps:** To foster bilateral economic development in both Dane County and the District of Kassel, the Office of the Dane County Board of Supervisors might, in conjunction with the Madison Region Economic Partnership and the German - American Chamber of Commerce for the Midwest, work with Wirtschaftsförderung Region Kassel, to employ their connections with companies in their respective locations to facilitate direct foreign investment and communication between corporate representatives of Dane and Kassel's bike component manufacturers. Additionally, given Dane County's recent initiatives to develop and implement renewable energy and public transportation infrastructure, working relationships could similarly be established between private solar and rail system manufacturers. In the public sector, WFG's and Kassel's research institutes' experience in transitioning economies and workforces, solar energy, and public transit could inform Dane County's government in its efforts. Finally, the University of Wisconsin and the University of Kassel could establish formal research relationships in areas of mutual overlap, especially in the field of solar energy, to better inform their respective governments and local corporations.

**7. Acknowledgments:** Lauren Kuhl from the Office of the Dane County Board of Supervisors for supervision and guidance throughout the project. As well as Supervisor Chuck Erickson; Dr. Amy Gangl and Dr. Gavin Luter from the University of Wisconsin - Madison; Jason Fields, president of MadREP, and Gene Dalhoff, Vice President of Talent and Education of MadREP; Christian Strube from WFG; and Harald Kühlborn from the Public Outreach Work, Culture, and International Cooperation District Hall, Kassel.