



TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

CC: Board Members of the Economic Development Council of Livingston County

1st Quarter 2014 (January – March 2014)

QUARTERLY HIGHLIGHTS

Eberspaecher Announces Plans to Expand in the City of Brighton, Creating 100 New Jobs and Investing \$51 Million



Eberspaecher, a global Tier 1 leader in the development and manufacturing of exhaust system technology, has announced a significant expansion in Michigan beginning in late 2014 extending through 2019. This expansion includes investment of \$122 million USD and 545 new jobs in Michigan, with 100 of the new jobs targeted for the City of Brighton and \$51 million of new investment into the City.

The company is purchasing land in Michigan to expand its facilities in order to accommodate multiple actions: incremental business, increased vertical integration, and optimization of its manufacturing footprint.

The first phase of expansion will begin in Brighton, Mich. where the company will nearly triple the size of its current 110,000 sq. ft. plant. A minimum of 100 jobs will be added to support the manufacturing of exhaust systems and catalytic converters for commercial vehicles in the short term.

The search for additional manufacturing capabilities in Michigan is underway and further expansion is anticipated.

“We are pleased to announce that now is the right time for us to make this significant commitment to Michigan. We see the value in growing our presence here and now more than ever have the capacity to do so,” said Doug Swick, president of Eberspaecher Exhaust Technologies of the Americas. “We are truly excited to move forward with this strategic investment. These actions result from our demonstrated strength in the domestic market coupled with the skill base we currently experience in the Michigan community for the future.”

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As a result of Eberspaecher's commitment, the City of Brighton has offered tax incentives in addition to a \$4.5 million Michigan Business Development Program performance-based grant from the Michigan Economic Development Corporation.

"Partnering with the State of Michigan on this exciting expansion has helped us gain momentum and was instrumental in solidifying our critical decision to invest here," said Scott Trujillo, Vice President of Finance for Eberspaecher Exhaust Technologies of the Americas.

In addition to support from the state government, Ann Arbor SPARK, an organization dedicated to economic prosperity and development in the greater Ann Arbor region, has also helped bring Eberspaecher's expansion to fruition.

Since 2000, when the company developed its first facility in Michigan, Eberspaecher has grown significantly. Advanced technology and a strong portfolio of clean, robust exhaust systems enables Eberspaecher to help OEMs meet stringent CAFE regulations and reduce vehicle emissions.

"Eberspaecher's continued growth in Brighton shows that this region can meet the needs of a global manufacturing business," said Paul Krutko, President and CEO, Ann Arbor SPARK. "The company's aggressive hiring plans highlight a key asset that this region offers: Talent. Not only do we have more skilled and engineering talent than anywhere in the world, we have a diverse talent pool that can fill a range of positions, from programming to sales to management."

In March, the City of Brighton approved property tax abatements and a letter of support for transportation funding to assist the project to expand in Brighton. "Economic development is inherently a team sport, and the City of Brighton's Council and Staff worked tirelessly to secure this investment for the City, and the region. We are pleased to work as partners in the community on projects like this," said Paul Krutko.

[Thomson Plastics Opens Howell Township Manufacturing Facility, Plans to create 46 New Jobs and invest nearly \\$4 Million](#)



With support from Ann Arbor SPARK, Thomson Plastics, Inc. is expanding in Michigan, with a new manufacturing operation in Howell Township. As part of establishing its facility in Howell Township – its first in Michigan - Thomson Plastics plans to create 46 new jobs and invest nearly \$4 million over two years.

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"Thomson Plastics' decision to operate in Howell was due to the easy access to local expressway, and central location for major regions of automotive manufacturing in Michigan," said Rick Kibbey, President and Chief Operating Officer of Thomson Plastics. "In addition, the factory selected is in very good condition and has helped Thomson minimize launch costs."

Ann Arbor SPARK assisted Thomson Plastics, an injection-molding company headquartered in Thomson, Georgia, in applying for local incentives. In support of its new plant, Howell Township awarded Thomson Plastics, which serves the industrial and automotive markets, a 50 percent property tax abatement on their new investment.

Ann Arbor SPARK also helped the company coordinate with Michigan Works! and Mott Community College. The company is planning to participate in the Michigan New Jobs Training program that provides on the job training to new hires.

"Thomson Plastics chose to locate in Howell Township because of the manufacturing talent that it could hire here, ensuring it could quickly ramp up operations," said Paul Krutko, president and CEO of Ann Arbor SPARK. "Michigan's unmatched manufacturing expertise is a real asset for attracting and growing companies like Thomson Plastics."

Established in 1975, Thomson Plastics has developed processes that integrate the complexity of design with steady and reliable production. Thomson Plastics' facility in Thomson, GA has over 200,000 square feet dedicated to manufacturing, assembly and warehousing. With the recent addition of their facility in Howell Township, Thomson Plastics' two plastic injection molding locations have a press capability ranging from 165 tons to 3,150 tons. To learn more about Thomson Plastics, visit: <http://www.thomsonplastics.com>.

Workforce Development Agency Awards Grants to Livingston County Businesses for Job Training and Hiring

In January, The Michigan Workforce Development Agency announced Michigan Strategic Fund approval of \$2,484,203 in Skilled Trades Training Fund program grants to 18 Michigan Works! agencies around the state, including nearly \$155,000 to three companies in Livingston County. The funds will be awarded to Michigan companies for skilled trades training to better match talent with employer needs.

"The Skilled Trades Training Fund program bridges the gap between in-demand jobs and a niche pool of talent, enabling Michigan businesses to compete and expand," said Workforce Development Agency Director Christine Quinn. "Customized training, as identified by employers, provides career opportunities for workers and statewide growth."

Announced by Gov. Rick Snyder last year, the Skilled Trades Training Fund program provides competitive awards through Michigan Works! agencies and in cooperation with local partners to fund employer-driven training in high-demand occupations. Participating businesses must commit to hire participants at the successful completion of classroom training, or in cases of on-the-job or incumbent worker training, retain the employees at the completion of training.

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AA Gear & Manufacturing, Brighton NC Machine Corporation and Eberspaecher North America received a total of \$155,000 in grant funding from the program, which will support 190 new positions within Livingston County. "Thanks to the Skilled Trades Training Fund, we are able to help growing companies develop the skills of their current workforce through customized training services," said Bill Sleight, Director of Livingston County Michigan Works! "We are also working with our partners to help these companies recruit and identify the skilled new employees they need in order to grow and prosper in our community."

Pure Michigan Business Connect Hosts Livingston County Agricultural Producers



In March, the Pure Michigan Agriculture Summit, held by Pure Michigan Business Connect and the Michigan Department of Agriculture and Rural Development (MDARD), brought together agricultural growers, processors, grocers and institutional buyers for an invite-only business matchmaking event.

"It's exciting to bring together two of Michigan's greatest success stories — Pure Michigan Business Connect and our dynamic food and agriculture industry," Gov. Rick Snyder said. "This is the type of collaborative, innovative economic development initiative that is driving Michigan's comeback. We're confident that the partnerships developed at this summit will continue to grow, resulting in more and better jobs for Michigan families."

"Today's summit provided a great platform to bring Michigan buyers and suppliers around the same table to create new business opportunities for our state," said Jamie Clover Adams, MDARD director. "The networking and connections made today will lead to increased economic development and job creation with Michigan's food and agriculture industry."

"The Pure Michigan Business Connect Program is an innovative way for government to help Michigan businesses find new opportunities through market-based solutions, and we commend MDARD for its commitment to working with us and helping Michigan's food producers and suppliers grow," said Michael A. Finney, Michigan Economic Development Corporation (MEDC) president and CEO. "We estimate that since Pure Michigan Business Connect launched, the program has made possible \$1.6 billion in revenue for Michigan companies. This supplier summit, with nearly 70 procurement needs, will mean even more growth opportunities for Michigan businesses."

The summit, held in Lansing, launched a long-term commitment by both MDARD and MEDC to assist in supply-chain connectivity and create market access to help grow the food-processing industry and create jobs in Michigan.

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Throughout the day, more than 200 food and agriculture suppliers, growers and processors from around the state met with buyers from Gordon Foods, Kroger, Lipari, Meijer, SpartanNash, Sysco, Whole Foods and other large Michigan companies.

Companies also had the opportunity to attend breakout sessions to learn more about exporting their products and new manufacturing technology.

Launched in 2011, Pure Michigan Business Connect is a public-private alliance of the Michigan Economic Development Corporation, state agencies and major Michigan companies and organizations that connects Michigan companies to business resources.

The following companies from Livingston County participated in the invitation-only summit:

- Ashfield Cattle Company, Hartland Township
- Little Diablo Salsa, City of Howell
- Smitty's Sauces & Seasonings from Hell Michigan Inc, Putnam Township
- Sunberry Limited LLC, Brighton
- The Granola Tree, LLP, Genoa Township

[Virtual Business Advisor Reviewed in Livingston County](#)

Ann Arbor SPARK has partnered to create a new tool that will assist entrepreneurs and early stage businesses as they work towards their next stage of growth. The Virtual Business Advisor identifies personal and company strengths and weaknesses, and then benchmarks that information against other companies in the region. It also connects users to suggestions and available resources that address their unique needs. This tool consists of three unique assessments, which are made to determine the strengths and weaknesses of the business that is being analyzed. Each assessment is designed to take approximately 10-15 minutes to complete. Following the completion of the assessment, users are immediately e-mailed a customized report for their business that not only outlines their strengths and weaknesses, but also provides hyperlinks to valuable resources to further assist the user in growing and developing their business.

On February 20th, Ann Arbor SPARK hosted a BETA testing session for the VBA at the Greater Brighton Area Chamber of Commerce. The event attracted 20 local, small business owners. This tool is still in the BETA stage and is scheduled to launch later in the year of 2014.

[Upcoming Job Fair: 2014 Livingston County Regional Job Fair](#)

The 2014 Livingston Regional Job Fair will be held Wednesday, April 16, 2014 from 11AM-3PM at Crystal Gardens in Howell. Livingston County's premier recruiting and networking event will include a number of new features to enhance the experience for both job seekers and exhibitors. The Livingston Regional Job Fair provides recruiters with an opportunity to connect with hundreds of job seekers in a single day at a reasonable cost. Last year more than 50 employers recruited candidates in manufacturing, retail, banking, insurance, real estate, health care, information

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technology and more. In addition, more than 20 educational institutions and community agencies serving job seekers also exhibited at the job fair. This year, some of the featured employers are Thai Summit America, Asahi Kasei Plastics, Chem-Trend L.P, Cleary University, and Promess Incorporated.

Interested Job Seekers will be able to register online in order to attend the Livingston Regional Job Fair beginning February 20. By registering, individuals will receive frequent e-mail updates and notices about recruiters who will be attending the event, and about the workshops and services that can help them prepare for the job fair. Registrants will also qualify for our door-prizes donated by area businesses. For more information, visit <http://www.lcmw.org/>.

[A2 Tech Connect: Regional Information Technology Job Fair](#)



In March, Ann Arbor SPARK hosted the A2 Tech Connect, an informal job fair aimed at connecting great IT talent with local companies that are looking to grow. Over 100 open positions were offered and some of the best local technology companies, from large corporations to innovative start-ups, participated. Over 18 companies participated, including Ignite XDS (Xspond) from Brighton Township.

For job seekers, Ann Arbor SPARK's A2 Tech Connect job fair provided a direct way to interact and accurately gauge what - and who - is out there, with the right tools, the right culture, the right fit. Over 200 job seekers participated in the event. Thank you to our public partners who were able to assist in marketing this event to job seekers in the region.

[Paul Krutko: Want to Grow? Work Locally, but Think Globally](#)

Reprinted from the March 8th edition of the Livingston Press & Argus

Last year, Michigan set a record. Nearly \$60 billion in goods were exported from Michigan — a 3 percent increase from 2012. Every billion dollars of exports supports around 5,000 U.S. jobs, giving us a significant reason to focus our attention on these export markets.

Livingston County already competes in the global economy. Hundreds of people in the area work for firms based in Germany, Japan, The Netherlands and Thailand, among others. And companies in Livingston County export about \$775 million in goods and services annually, which accounts for more than 17 percent of the county's economic

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production. That means that nearly one in five dollars of the county's economic engine is dependent on countries other than the United States.

Successful companies know that they can compete globally by working locally. More than 95 percent of the world's consumers live outside of the United States, and three-quarters of the world's purchasing power exists elsewhere. With growing global economies, our local businesses could have as good a chance at scoring new business in Howell as they do in Hanoi.

Companies, like Brighton-based Hug-A-Plug, have set their sights on our neighbors to the north.

"Expanding into Canada increases our market potential by 33 percent with minimal changes to our marketing program," says Bob Green, President of Hug-A-Plug. "Existing distribution channels are a perfect fit for our product. With numerous transportation options and easily met import requirements, Canada is a great way for Hug-A-Plug to enter the export market."

Clearly, it takes a lot of work to enter any new market, let alone a foreign one. There are different rules, languages, customs and cultures to learn and understand. But there are also plenty of resources available to address those issues. For many years, the federal government has assisted companies in identifying potential foreign customers, and recently, the state of Michigan has provided assistance to companies that want to translate their marketing materials or attend a foreign trade show. There are even programs that can reduce the financial risk of securing new international clients.

Michigan is a terrific place to do business — we have 10 million consumers living here, and personal income is growing faster than it has in many years. But companies looking to grow should welcome the opportunity to compete globally. It will be a challenge, but it could pay off for businesses and their employees.

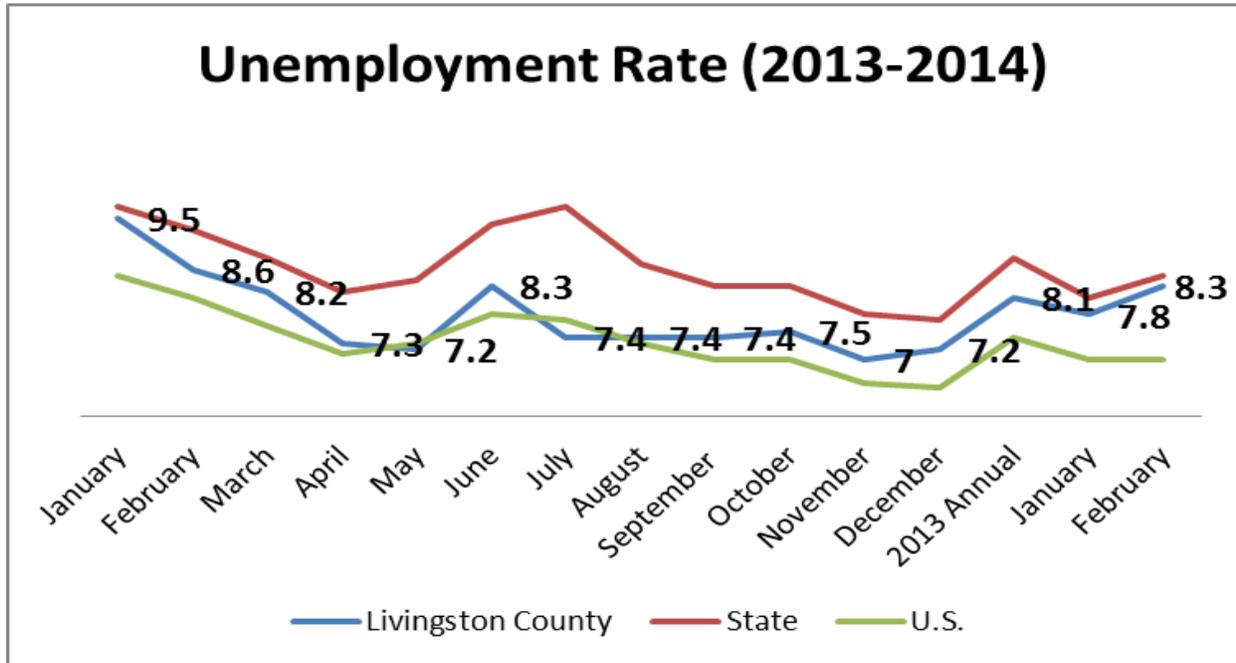
[Read the 2013 Regional Labor Market Review from the Workforce Intelligence Network Here:](#)



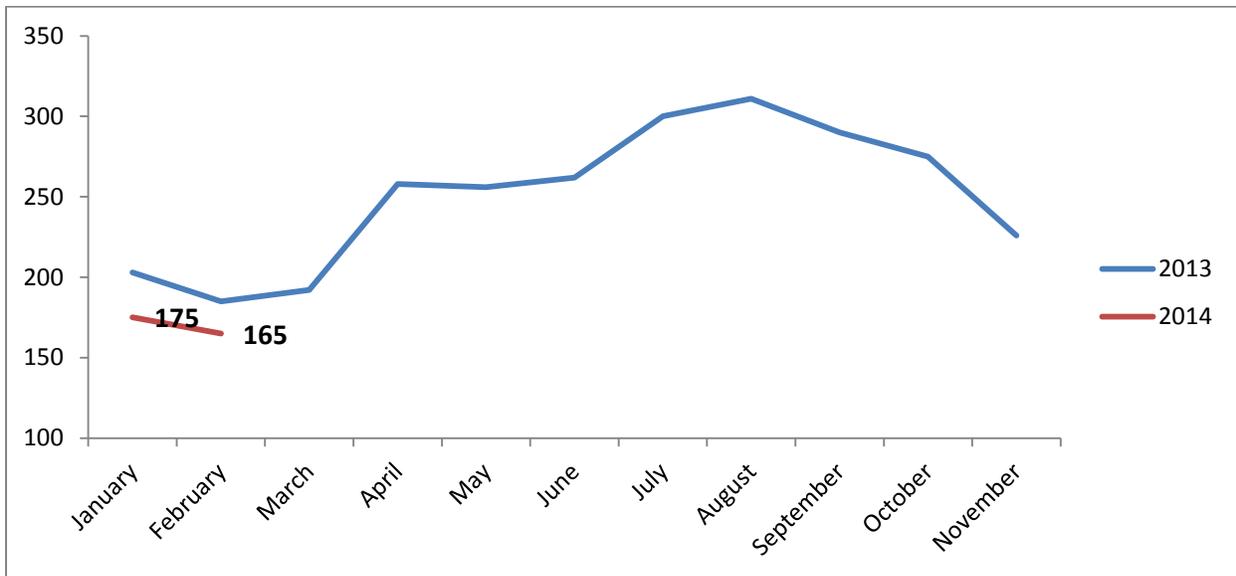
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DASHBOARD



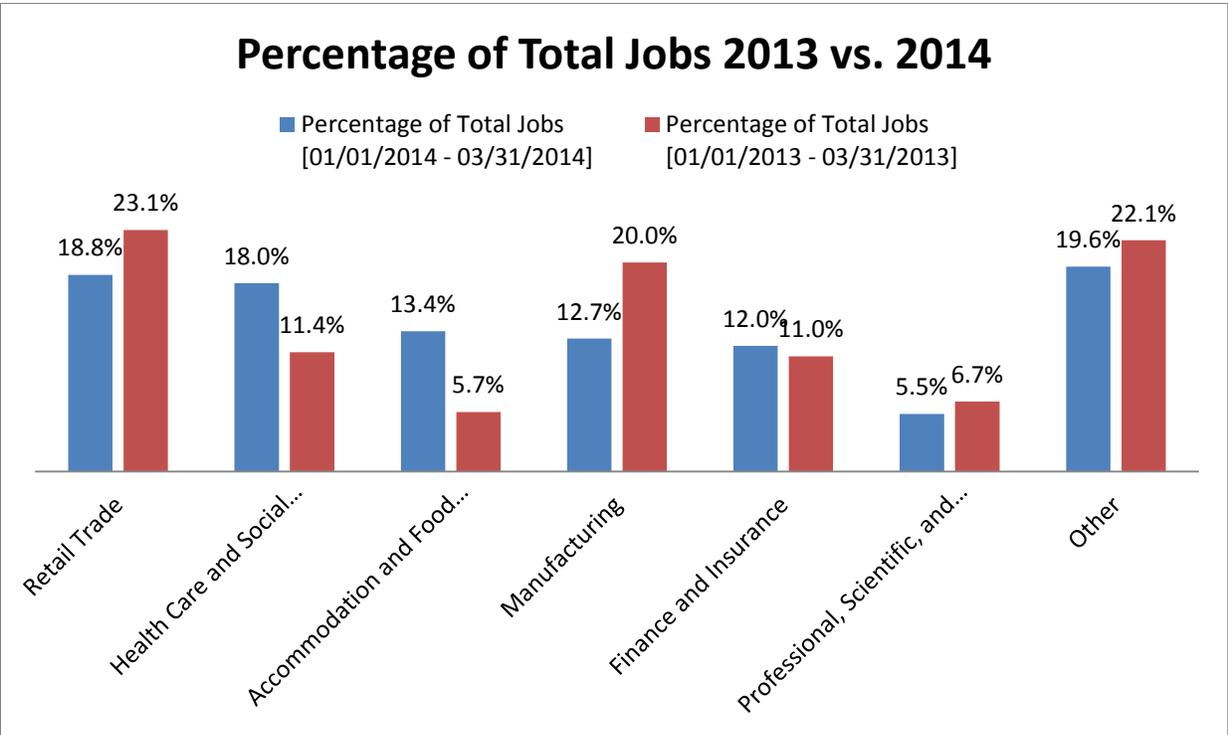
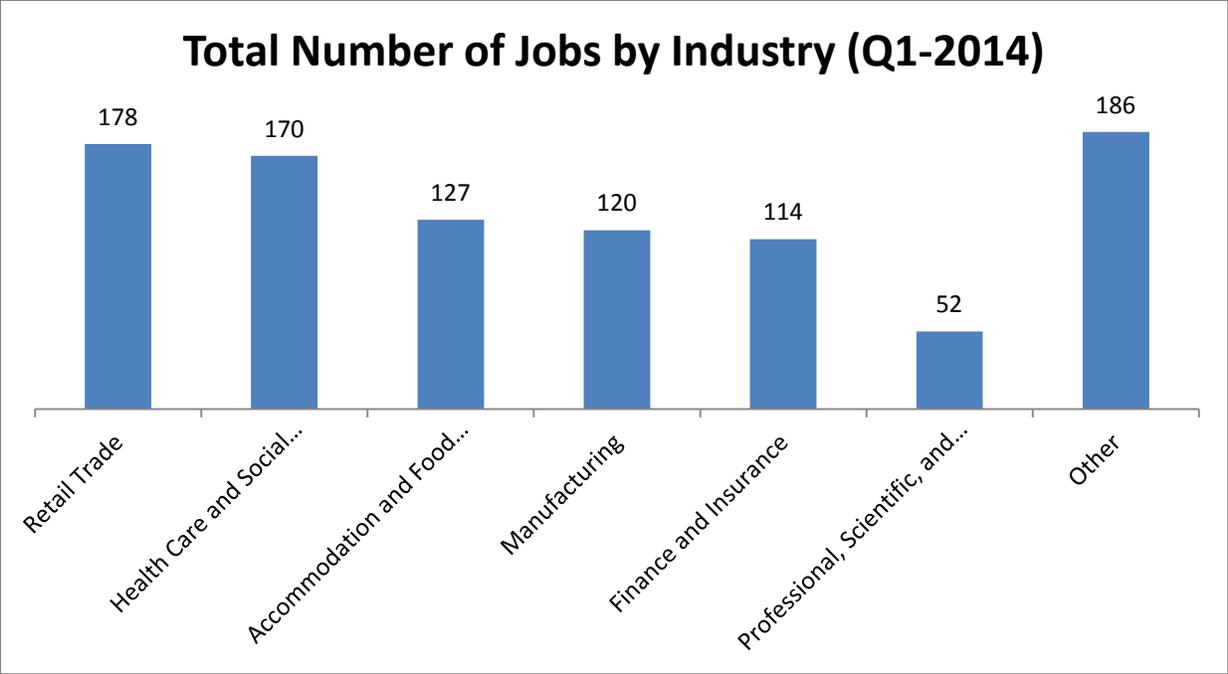
HOUSING SALES IN LIVINGSTON COUNTY



Source: Livingston County Association of Realtors

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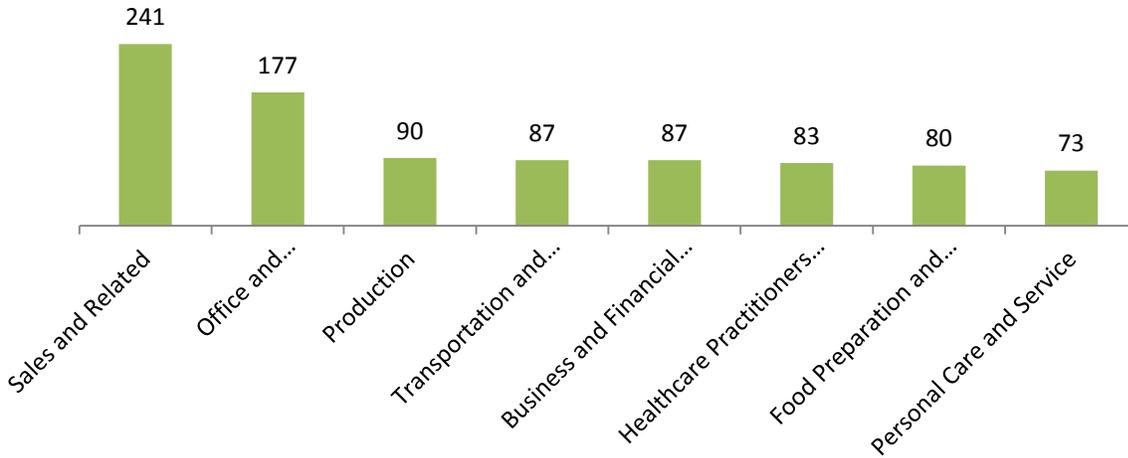


Source: Workforce Intelligence Network

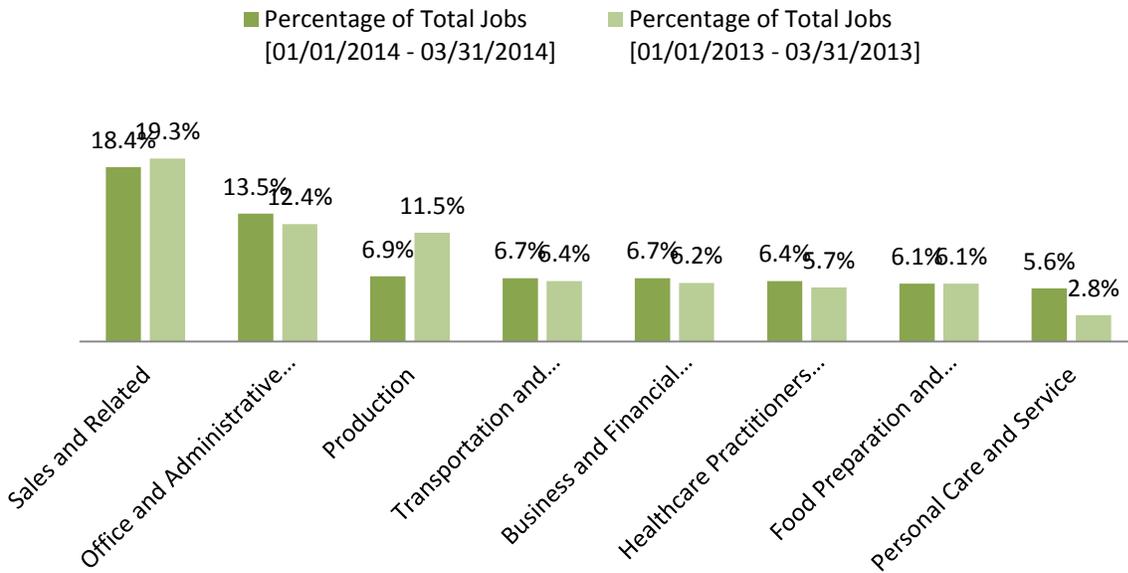
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Total Number of Jobs by Occupation (Q1-2014)



Percentage of Jobs by Occupation 2013 vs. 2014



Source: Workforce Intelligence Network

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PERCENT OF COMMERCIAL AND INDUSTRIAL PROPERTY AS TOTAL REAL PROPERTY TAX BASE

2012	15.4%
2013	14.4%

Source: Livingston County Equalization Reports

WARN NOTICES

Company	Location	Number of Jobs Affected
Liquid Manufacturing	Green Oak Township	200 (Some Seasonal)

“WARN” is the Worker Adjustment and Retraining Notification. WARN helps ensure advance notice in cases of qualified plant closings and mass layoffs.

2014 CALL PROGRAM

Company	Location
Koppert	Hartland
Micro Works Computing, Inc	Brighton
Zero Gravity Filters	Green Oak
Commercial Construction Inc.	Green Oak
Gordon Food Service	Green Oak
Battery Solutions	Genoa
Triton Stormwater Solutions	Genoa
CenTech, Inc.	Genoa
ToolWorx Information Products, Inc.	Genoa
Extreme Machine	Hamburg
TwoSix Digital	Hamburg
Thai Summit America Corporation	Howell City
Asahi Kasei Plastics North America	Fowlerville Village
Total Security Solutions	Fowlerville Village
Munsell's Poultry Processing	Iosco

15 Records

PROJECT PIPELINE

Number of Projects	14
Potential New Job Creation	166
Potential Capital Investment	\$19.5 million
Average Age	212 Days

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COMPANY VISITS, SUCCESSES, & ON-GOING PROJECTS

Company Visits	15
Referrals	21
Number of Successes	2
Employment Multiplier of Successes	3.0
Job Creation Assistance	146
Capital Investment Assistance	\$54.6 million

PROJECT PIPELINE

Unique ID	Probability (%)	Potential Investment	Potential Job Creation
6528	20	TBD	TBD
6552	15	TBD	TBD
6479	50	TBD	6
4654	30	\$1,200,000	11
7001	20	TBD	TBD
4700	20	\$13,000,000	TBD
7045	20	TBD	TBD
4866	90	TBD	97
4863	60	\$3,000,000	12
4633	10	TBD	TBD
0090	45	\$1,200,000	TBD
4703	90	\$1,100,000	10
6279	25	TBD	TBD
7011	25	TBD	30
Total		\$19,500,000	166

REMOVED FROM THE PIPELINE

Unique ID	Reasons for Removal from Pipeline
4610	No services required
6623	Lack of a response from company
4837	Unnecessary to business needs
0101	Lack of appropriate real estate options
6810	On Hold
2891	Lack of appropriate real estate options
6733	On Hold
5579	Lack of incentives
6594	Lack of appropriate real estate options

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QUARTERLY REPORT DEFINITIONS

COMPANY VISITS: Meetings with local businesses regarding their current business outlook. This is a core “economic gardening” strategy that provides opportunities for referrals like workforce development training, state-level resources, tax incentives, business development opportunities, cost reduction strategies, access to capital, etc.

EMPLOYMENT MULTIPLIER: Figure calculated by economic modeling through Regional Economic Models, Inc., which quantifies the indirect assistance provided through new job creation. For example, an employment multiplier of 2.0 would indicate that 1 new job would affect 2 total jobs (the new job itself, and another indirect job). Employment multipliers are based on the company’s industry and investment, among other factors.

PROJECT PIPELINE: The project pipeline represents potential projects that have been identified, along with their current status and probability of completion.

REFERRALS: Referrals to outside resources or value-added services provided by staff. This could include a referral regarding a state-level program, a review to determine the feasibility of entry into a new sector, or technical assistance with local or state-level programs.



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