



TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

1st Quarter 2015 (January – March 2015)

QUARTERLY HIGHLIGHTS

Willow Run Test Labs, LLC to Redevelop Former Green Oak Township Restaurant into Testing & Engineering Facility

Willow Run Test Labs, LLC (WRTL), which provides independent testing and verification services to the automotive industry, is planning to relocate and renovate a former restaurant site along US-23 in Green Oak Charter Township. WRTL allows companies to independently test and verify wireless technologies, which is crucial in meeting federal and international regulatory standards for vehicles. The company, which currently employs 3 engineers, will renovate the site to allow for vehicle testing, and hopes to add several new employees at the facility over the next 24 months. Dr. Joe Brunett, an electrical engineer, will utilize the facility to work with companies from around the world in testing and developing electromagnetic measurement services.



“SPARK is pleased that a company like Willow Run Test Labs has chosen to locate and grow at its new facility in Brighton. The location at the cross roads of US-23 and I-96 is an ideal place for customers and engineers to gather to complete this work,” said Paul Krutko, Ann Arbor SPARK’s CEO.

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"WRTL is very excited for the opportunity to build out our test and measurement facility in Green Oak Township. This location provides us with an ideal location and community to serve our clients in South East Michigan," said Dr. Joe Brunett.

Ann Arbor SPARK partnered with the company and the broker to identify opportunities at the location, research specifics of the site, and plans to continue working with the company as they invest at the site.

TwoSix Digital Expanding in Brighton

TwoSix Digital, a Michigan-based digital marketing agency that specializes in digital strategic assessments, has found new space in downtown Brighton.

The company is led by Livingston County resident and 25-year tourism industry veteran, Dave Serino. The organization was founded in 2014 and is Serino's second start up venture after spending two years heading up US operations for a Vancouver, Canada based tourism agency. Serino founded his initial start up consulting agency, Gammet Interactive in 2000, and its educational entity, the Social Media Tourism Symposium, in 2009. TwoSix Digital also publishes a quarterly Digital Engagement Ranking that evaluates the 50 state tourism organizations on their digital and social media marketing presence.

One of TwoSix Digital's biggest clients is Pure Michigan, the official travel and tourism organization for the state of Michigan. Dave Serino presented at the 2015 Pure Michigan Governor's Conference on Tourism. His presentation, titled "How to Create Content that Converts & How to Build an Audience That Engages," touched on a number of ideas and worked to inform people of some of the free tools at their disposal to help reach the right audience and get them to advocate for their brands. The event was attended by travel and tourism marketers, CVB's, hoteliers, exhibitors and everyone else in between.

The organization also works with tourism clients all over the country including destinations like Tunica, Mississippi, Branson, Missouri, Sault Ste Marie, and Oregon. Just this month, Dave Serino participated in the Oregon Governor's Conference on Tourism in Eugene, Oregon.

The company's future plans include growing the Brighton location to 3 full-time employees within the next year. They also utilize several subcontractors in Michigan for project support. Ann Arbor SPARK partnered with TwoSix Digital to identify appropriate space in Brighton and supported their hiring through its online Job Portal.



The City of Brighton Pursues MDOT's Transportation Economic Development Fund to Support New Jobs in Brighton

This quarter, the Michigan Department of Transportation (MDOT) is awarding a state transportation economic development grant to the City of Brighton, in Livingston County, that will support 211 full-time jobs. The Transportation Economic Development Fund (TEDF) Category A grant totaling \$379,876 will leverage \$12,943,000 in private investment, at a private/public investment ratio of 34-to-1.



TOYODA GOSEI

Toyoda Gosei (TG), a global company that researches, develops and manufactures a wide variety of products primarily in automotive and optoelectronic (LED) is expanding its operation by acquiring a vacant manufacturing facility in Brighton off Brighton Interior Drive. As part of their expansion in North America, TG also was considering locations in a different state and Mexico. The company plans to invest \$12,943,000 in the facility, retain 175 existing jobs and add 36 new full-time employees.

Brighton Interior Drive between Challis Road and Nemco Way is in very poor condition and in need of reconstruction to accommodate the additional employee and commercial traffic generated by the development. The City of Brighton will reconstruct Brighton Interior Drive, as well as make drainage improvements as necessary. This project will give TG improved access to their new facility, improve safety, and preserve the all-season designation of the roadway.

Enacted in 1987 and reauthorized in 1993, the TEDF helps finance highway, road and street projects that are critical to the movement of people and products, and getting workers to their jobs, materials to growers and manufacturers, and finished goods to consumers.

The City of Brighton staff pursued the TEDF grant. The State of Michigan had previously announced support for the company's growth through the Michigan Business Development Program and talent support through Ann Arbor SPARK.

Pure Michigan Business Connect Facilitates Business Partnerships in Livingston County

Pure Michigan Business Connect (PMBC) is a multi-billion dollar public/private initiative developed

by the Michigan Economic Development Corporation (MEDC) connecting buyers to suppliers of



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Michigan goods and services. Michigan companies can sign up for free to access this premier business-to-business (B2B) network and be introduced to opportunities to expand their supply chain within the state and access Michigan service providers, including pro bono and discounted services, such as legal, accounting, Web development, logistics and human resource assistance. Growing second-stage companies are also encouraged to explore PMBC and apply to the Economic Gardening® program, which offers powerful resources to launch companies into the next stage of growth at no additional cost to those who qualify.

Through PMBC, the MEDC partners with local and global purchasers to organize dedicated buyer-supplier matchmaking summits by working with buyers across industries to identify critical supply chain gaps or new innovation opportunities. PMBC then qualifies and schedules meetings with Michigan suppliers, providing potential solutions to buyers to fill these gaps. Upcoming summits include a Quicken Loans Matchmaking Summit, a Pure Michigan Gaming Summit, and a Flagstar Bank Vendor Innovation Series.

This quarter the team at Ann Arbor SPARK successfully connected companies in Livingston County, including one in Hartland Township and one in Green Oak Township, to PMBC for sales opportunities. More information on the program may be found at www.PureMichiganB2B.com.

[Jaime Portillo of TG Fluids Systems Speaks at Statewide Economic Development Association's Capitol Day in Lansing](#)



The 2015 Michigan Economic Developers Association (MEDA) Capitol Day took place in February in Lansing. Capitol Day is MEDA's annual legislative conference. This one-day

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conference includes sessions on the latest legislative issues related to economic development as well as State and Federal agency updates on economic development initiatives and laws. Capital Day also provides a unique opportunity to sit down one-on-one with your local legislator and discuss issues specific to your community or region.

This year Jaime Portillo, a Training Analyst at TG Fluids, participated on a panel of CEOs and human resources professionals during the MEDA at the invitation of Ann Arbor SPARK. Discussion topics included finding talent, retaining talent, and what legislators can do to help attract and retain talent in Michigan. Mr. Portillo offered TG Fluids' experience with workforce training programs as a way to engage their talent pipeline in Livingston County.

[Armor Protective Packaging of Howell Named Among Michigan 50 Companies to Watch for 2015](#)

Armor Protective Packaging is an international corrosion management systems and corrosion inhibitor provider with global reach and a world-class reputation for quality and service. The company was founded in 1979 by John Holden under the name of SKS Industries, and became known as Armor Protective Packaging in 2004. The company has continued to expand their national and global reach, and this year they were ranked among the Michigan 50 Companies to Watch for the year of 2015.



The award theme was “Unleashing Innovation and Growth,” and the selection of winners was based upon criteria in market expansion, job creation, technological innovation and community impact. ARMOR has been a stakeholder in the corrosion management field for more than 35 years during which the company has experienced extensive industrial expansion and global reach. ARMOR customers include GM, Ford, BMW, Federal Mogul, Cummins, Brembo, Nissan, Eaton and Siemens. Company sales have grown 76% over three years with 2014 sales approaching \$20 million.

ARMOR strategically innovated a business-to-consumer division called Workshop Hero in 2009 at the height of a recession that crippled the automotive industry. Workshop Hero's award-winning product, Metal Rescue Rust Remover Bath, has made major in-roads into the retail sector with placement in all US Home Depot stores and in several large retail chains in Canada.

In 2014, in further commitment to its people, customers, and hometown of Howell, Michigan, ARMOR doubled its industrial space by purchasing and re-purposing a former production facility

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in Howell. ARMOR International Headquarters is unique, inspiring, and able to accommodate the continued growth projected for years to come. The Howell Chamber and Ann Arbor SPARK nominated the company for the award.

Livingston Ranked Richest County in Michigan

A 24/7 Wall Street report released in February of this year declared that Livingston County is the richest of the 83 counties in the state of Michigan for 2015. 24/7 Wall Street is a financial website that publishes a list of the richest county in each of the United States annually. The site makes its determination by reviewing the five-year estimated median annual household incomes from 2009 through 2013 from the U.S. Census Bureau's American Community Survey. Livingston County has a median household income of \$72,359.



Community leaders note that this positioning is a result of the economic growth that the county has seen over the past few years, and a positive sign of more growth to come. As Ron Long points out in an interview with *The Livingston Daily*, Livingston County is uniquely positioned just north of Ann Arbor, and just southeast of Lansing and East Lansing, which is attractive to companies in the manufacturing and tech industries.

John Moyer, President of Asahi Kasei Plastics North America, Encourages Young Students to Learn More about Manufacturing



John Moyer and the team at Asahi Kasei Plastics North America are doing their part to encourage young students in Michigan to learn more about the manufacturing industry in our state. Asahi Plastics produces high performance plastic compounds for OEMs and tier suppliers around the globe. Their North American headquarters is located in Fowlerville, and they have subsidiaries and clients all over the world. The company was recently featured in *Plastics News*

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for creating a new PP compound that will be used to build lightweight interior and exterior automotive parts. They also saw a 10% increase in sales for their North American operation during the 2014 fiscal year.

As an active member of the Capital Area Manufacturing Council (MAMC), Asahi Kasei participates in the Michigan Manufacturer's Connect program. The Michigan Manufacturers Connect (MMC) is a partnership between WLNS TV-6, the Capital Area Manufacturing Council (CAMC) and a select group of local manufacturers. The Initiative focuses on addressing middle-skills and skilled-trade jobs in Mid-Michigan.

This collaborative engagement effort, by area manufacturing companies, is not just an average advertising campaign. The goal is to educate and provide awareness of the Manufacturing industry, particularly here in Mid-Michigan. The MichiganMC.com website provides the opportunity for individuals to connect with the partner companies and to provide resources to aid in the path to a successful career in Manufacturing.

[Click here](#) to see a video of John Moyer using an analogy between creating plastics and making pasta to engage a group of students in a conversation about manufacturing.

Retention Calls Lead to Financial Opportunities

Retention Calls are a vital component to a robust economic development program. One reason to set up a retention call / company visit is to learn more about possible financial opportunities for the company. The business development team at Ann Arbor SPARK can walk companies through a variety of potential financing options, depending on what your company's needs may be. Some such options are MEDC funding programs, state and federal grant money, and partnerships with local lenders. The team at SPARK is able to recommend options for your company.



The SPARK team met with a company in Brighton Township this December, where the need for financing was identified. Based on our experience, we successfully connected the company with a finance option that allowed them to meet their working capital needs and access sales growth. The company had been searching for financing for several months prior to our meeting, and we are happy to have been able to assist them in reaching their next level of growth.

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GKI Foods in Green Oak Township Receives Training Support through the Skilled Trades Training Fund (STTF)

Following up on marketing done by Ann Arbor SPARK and Livingston County Michigan Works! in the third quarter of 2014, the Michigan Workforce Development Agency continues to award training grants to firms in Livingston County. This quarter, GKI Foods in Green Oak Township was awarded a Skilled Trades Training Fund Grant of over \$36,000 that will support the training of 27 employees at its facility in Green Oak Township.



The success of the STTF in Michigan, including Livingston County, has prompted Governor Snyder to request that the fund be doubled in the 2015-2016 State Budget.

Hamburg Township's Progressive Metal Forming, Inc. to be Featured on Manufacturing Marvels®

Manufacturing Marvels® is going to showcase Progressive Metal Forming, Inc. in a segment on deep drawn stamping. Based in Hamburg, Michigan, Progressive Metal Forming, Inc. has more than 50 years experience and was approached by Manufacturing Marvels® because of their long history, success and industry leadership. The segment aired on Monday, April 6 on the Fox Business Network®.



Progressive Metal Forming (PMF) specializes in deep drawn stamping, a manufacturing process in which sheet metal is forced into a die to form components such as housings and enclosures. Manufacturing Marvels will highlight PMF's unique ability to customize its services to meet the clients' needs by performing all work in-house. This allows PMF to produce everything from eyelets to off road equipment while ensuring it provides the highest quality and most cost-effective solutions.

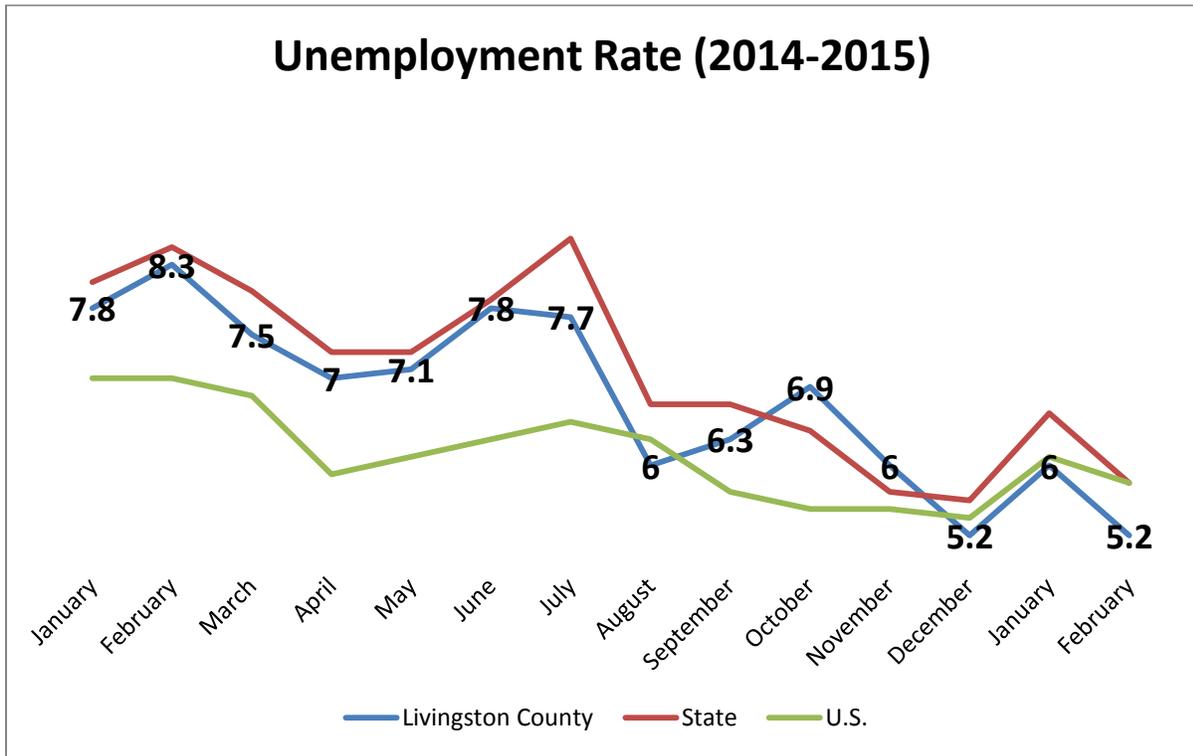
'We are honored to have the opportunity to showcase our capabilities to such a broad audience,' said Progressive Metal Forming Owner Roland Owens.

PMF is dedicated to meeting customer needs by providing innovative deep draw solutions to companies around the world. From designing and building prototypes to producing the finished goods, all processes are performed in-house in the USA, delivering the highest quality most cost effective products. For more information visit pmfdraw.com.

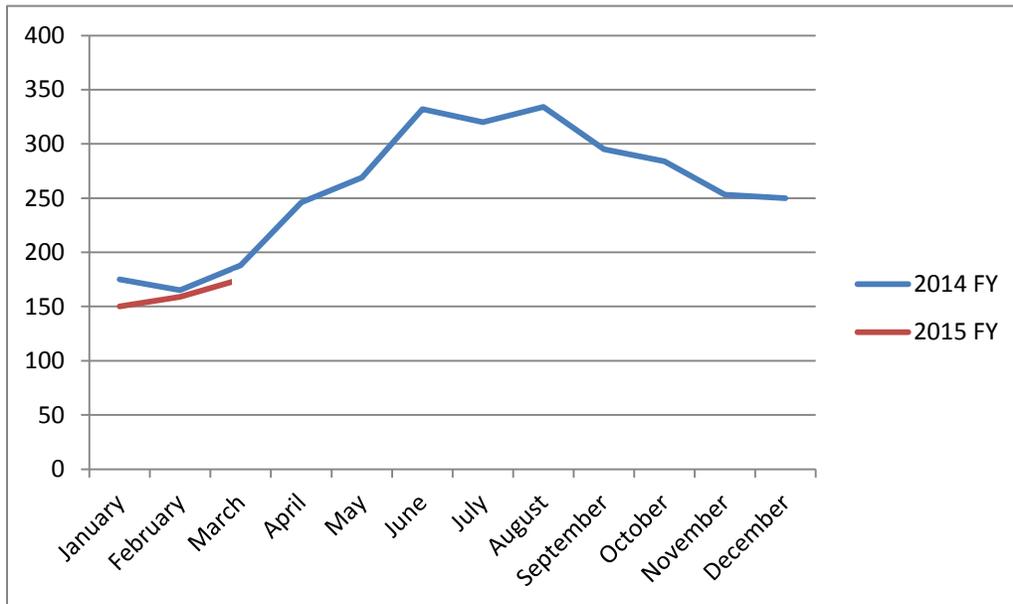
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UNEMPLOYMENT RATE



HOUSING SALES IN LIVINGSTON COUNTY

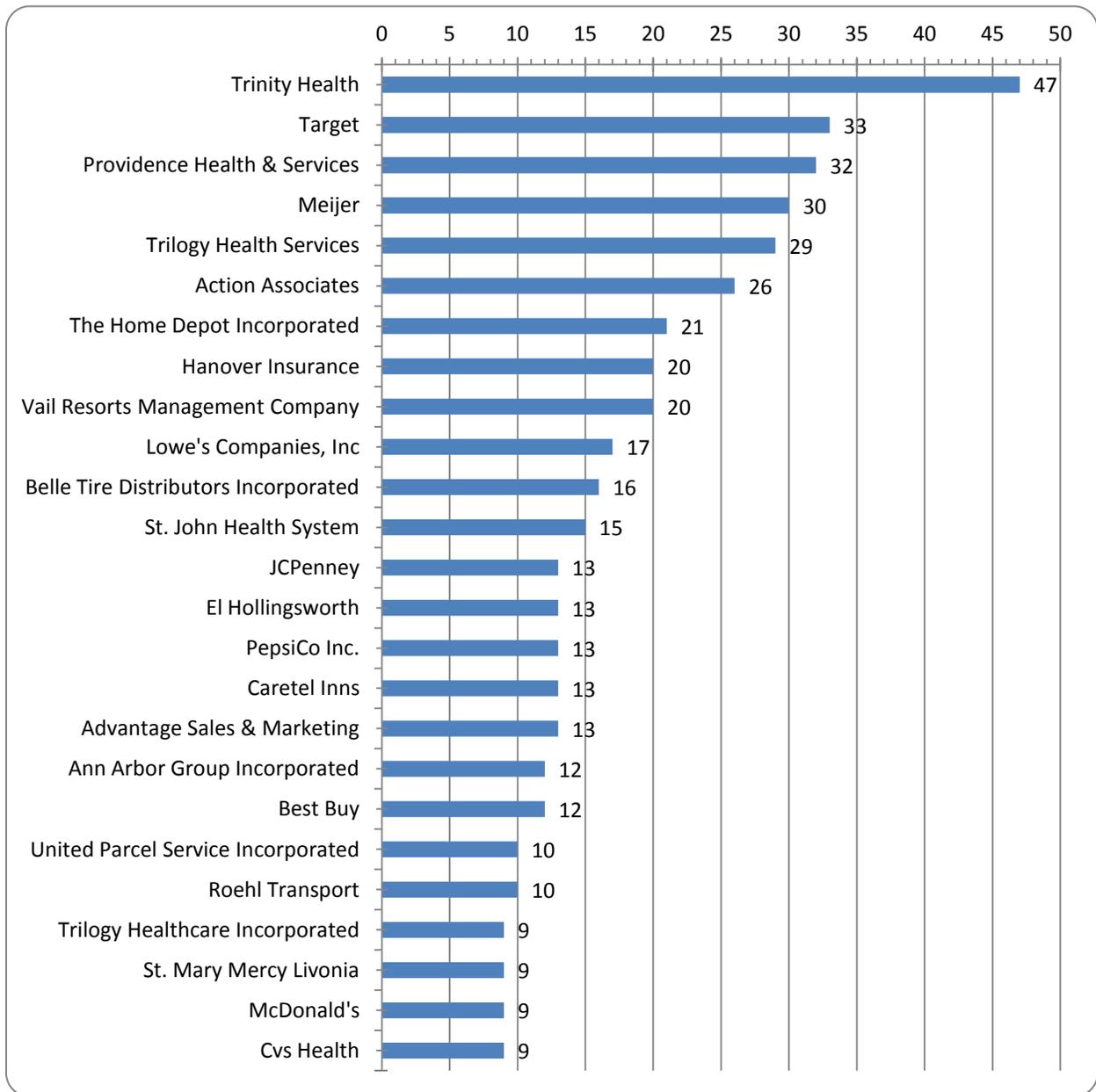


Source: Livingston County Association of Realtors

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TOP 20 EMPLOYERS BY NUMBER OF JOB POSTINGS (2015 – Q1)

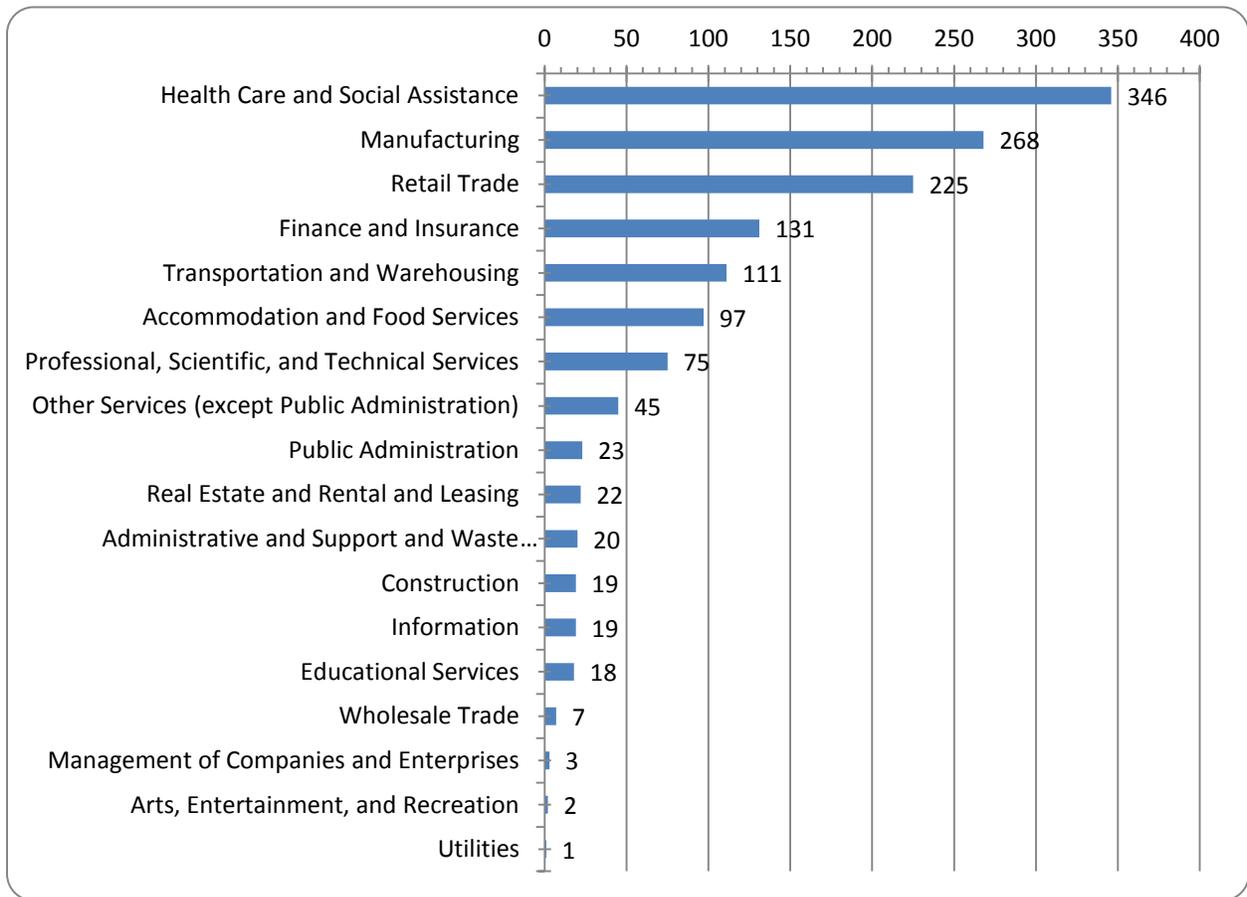


Source: Workforce Intelligence Network

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TOP 20 INDUSTRY SECTORS BY NUMBER OF JOB POSTINGS (2015 – Q1)



Source: Workforce Intelligence Network

Note: Current occupational data for Livingston County is not available at this time.

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

2013	14.4%
2014	13.9%

Source: Livingston County Equalization Reports

WARN NOTICES

No new WARN notices in the region. “WARN” is the Worker Adjustment and Retraining Notification and helps ensure advance notice in cases of qualified plant closings and mass layoffs.

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2015 CALL PROGRAM

Company	Location
Consultx	Brighton
Eberspacher North America Inc.	Brighton
TG Fluid Systems	Brighton
Medical Comfort Specialists	Brighton
Advantage Pharmacy Service	Brighton Township
BWI Group	Brighton Township
Templar Integrated Security Systems, LLC	Brighton Township
C.H. Robinson	Brighton Township
Crash Tool	Genoa
Smart Technologies, LLC	Genoa
Remold Products, LLC	Genoa
GKI	Green Oak
Carl Zeiss Industrial Metrology, LLC	Green Oak
Vconverter Corp.	Green Oak
Michigan Piano Moving Company	Howell
Electric Apparatus Company	Howell
Thai Summit America Corporation	Howell

17 Records

PROJECT PIPELINE

Number of Projects	25
Potential New Job Creation	1,439
Potential Capital Investment	\$77.3 million
Average Age	188 Days

COMPANY VISITS, SUCCESSES, & ON-GOING PROJECTS

Company Visits	17
Referrals	13
Number of Successes	2.0
Employment Multiplier of Successes	3.0
Job Creation Assistance	14
Capital Investment Assistance	\$300,000

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PROJECT PIPELINE

Unique ID	Probability (%)	Potential Investment	Potential Job Creation
7522	90	\$2,100,000	76
4700	75	\$42,000,000	30
7001	60	TBD	TBD
4845	50	\$800,000	6
101	25	TBD	TBD
4618	25	TBD	TBD
2891	25	TBD	TBD
7222	25	TBD	TBD
6279	25	TBD	TBD
7011	25	TBD	18
7526	20	\$5,000,000	TBD
1449	20	TBD	TBD
7505	20	TBD	60
5607	20	TBD	TBD
2891	20	TBD	TBD
7465	20	TBD	TBD
4665	20	TBD	TBD
4937	20	TBD	400
4377	20	\$1,200,000	380
7266	20	TBD	TBD
7178	20	\$1,000,000	40
4610	20	TBD	TBD
7503	10	TBD	300
3280	10	\$15,020,000	129
90	10	\$1,200,000	TBD

REMOVED FROM THE PIPELINE

Unique ID	Reason for Removal
7126	Operation was dissolved by parent company
4665	On hold
4643	On hold; unable to find appropriate space

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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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