

Ann Arbor SPARK-Livingston Quarterly Report

2nd Quarter 2013 (April-June 2013)

TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

QUARTERLY HIGHLIGHTS

Spotlight on a Referral: Companies in Livingston Undergo "Economic Gardening"



Better information, better decisions— and a better way to help your company!

You know more about your company than anyone else. But like most CEOs, you could probably use some help when it comes to decisions about new markets, generating sales leads or deriving more value from your website. We realize you wouldn't typically look to economic development or entrepreneur support organizations for this type of help but that may be changing with our Pure Michigan Economic Connect economic gardening network.

Economic gardening represents a new way of thinking about supporting growth companies and letting business owners know how important they are to our local economy. So instead of offering traditional incentives like tax credits or real estate discounts, we're offering something that might be even more valuable to you: information—strategic information—gathered with your guidance and specifically for your company. We've observed this model in many other areas around the country, and the results tell us it's time to bring it to Michigan!



Here's how it works: Partnering with the National Center for Economic Gardening, we are using our regional networks to provide virtual access to teams of highly skilled research specialists that will be matched with a select group of qualifying companies. Using private conference calls and a secure online workspace this team will interview the company to help identify specific issues. The team devotes about 36 hours to each company over the course of a few weeks as they work quickly to deliver action-oriented information.

We emphasize the phrase "select group of qualifying companies" because this program is available only to companies that meet certain criteria—and it's offered to them at no cost. As a growing company, you make a positive impact on our local economy. We want to help you make an even bigger impact. Economic gardening services are specifically designed to help growing companies make better decisions while navigating the challenges associated with growth.

Who should apply?

- To be eligible for the program, participants must:
- Be a for-profit, privately-held company headquartered in the region for at least the past two years.
 - Generate annual revenue of between \$750,000 and \$50 million.
 - Employ between six and 99 full-time employees.
 - Demonstrate growth in employment and/or revenue during two of the past five years.
 - Have potential revenue growth in the next three years that exceeds \$1 million.
 - Provide products or services beyond the local area to regional, national or global markets.
 - Be referred by a local MEDC partner, business development manager or an entrepreneur support organization.

What to expect

Fees: Costs are covered by the Michigan Economic Development Corporation.

Time: Accepted companies will spend eight to 12 hours collaborating with their research team. The team, in turn, will be spending additional time behind the scenes working on your company's issues.

Potential issues: Identifying and prioritizing sales leads and business opportunities; refining your core strategies and business model; and using social media to connect with customers; and create buzz about your products or services.

Logistics: You don't even have to leave your office. All communications are handled through the phone and a secure online portal where a workspace will be assigned to your company.

Eligible companies must:

- Be a for-profit company, headquartered in the region for at least the past two years
- Generate annual revenue between \$750,000 and \$50 million
- Employ between six and 99 full-time employees
- Demonstrate growth in employment and/or revenue during the past five years
- Have potential revenue growth in the next three years that exceeds \$1 million
- Provide products or services beyond the local area to regional, national or global markets
- Be referred by Ann Arbor SPARK

To date, five Livingston County firms have either completed the program or are currently undergoing the process, resulting in new market opportunities or confirmation that they are on a growth path. More information on the program [may be found here](#).

On the Move: Companies make their home in Livingston County

Aero & Auto Stud Specialists, Inc., a production supplier of studs, bolts and other fasteners for the aerospace, automotive, and other industries, is moving into a facility in Green Oak Township. The company, which is currently located in New Hudson, outgrew their facility and identified a larger building in Livingston County. The move to the new building will double their floor space, allowing them to increase services and production. This is the first facility relocation the company has made in its history. Aero & Auto Stud Specialists is working with the Michigan Manufacturing Technology Center and Livingston County Michigan Works! on training and operations in the new location.

Eastern Tool & Machine, a fabrication business, is moving their operation from Ohio to Livingston County. The owners are local to the area and have a long history in manufacturing and manufacturing education. The company works in automotive;

Livingston County has been one of the most active regions in the state for a new, targeted economic gardening program available through the Michigan Economic Development Corporation (MEDC). Economic gardening provides strategic and customized information that, in addition to traditional economic development tools, can aid and encourage a business' growth.

MEDC's no-cost economic gardening program, developed with the help of the Edward Lowe Foundation, matches companies with highly-skilled research specialists. The team spends up to 36 hours working with the company to identify needs and provide action-oriented information.

custom light design and fabrication; custom metal sign building; custom design, and defense-related industries, and plans to employ five people. They also have an interest in continuing manufacturing education locally.

The Ashland Aluminum Company is opening an aluminum rolling mill in Fowlerville to produce aluminum for the automotive and stamping industries. The mill will be the first of its kind in Michigan. They plan to be operational in late August, employing three people immediately with the opportunity to add five to 10 people soon after.

Ann Arbor SPARK has supported these projects in a variety of ways, including providing access to market information, assisting with financing programs, suggesting service providers to address issues, troubleshooting programs, and connecting to utility providers.

Abroad: Michigan's Lt. Governor visits Koppert's HQ in The Netherlands



Executives from Koppert Biological Systems meet with Lt. Governor Calley

In April, Lt. Gov. Brian Calley met with executives of key Dutch food and agriculture companies to discuss investment opportunities in Michigan, including Koppert Biological Systems, which is based in Hartland Township.

"Agriculture is a vital industry for both the Dutch and Michigan economies and we have many growth and expansion opportunities within our agri-food sectors," Calley said. "We value the ties we have with our Dutch partners and look forward to pursuing more ways to work together."

Joining Calley in the meetings was Michigan Department of Agriculture and Rural Development Director Jamie Clover Adams.

"This mission is about cultivating new relationships with our Dutch partners while highlighting the various food and agriculture investment possibilities available in Michigan," Clover Adams said. "We're a state ripe with economic prospects. We have the agricultural diversity, water supply, and desire to expand food and agriculture production."

Koppert Biological Systems develops pollination and pest management systems for agricultural crops. It is a privately owned firm that employs more than 800 people worldwide, including 25-30 in Hartland. The operation in Hartland grows bumblebees that are used to naturally pollinate crops. The full story may be found here: <http://1.usa.gov/117LW6b>

Manufacturing Opportunities: Capital Area Manufacturing Council Expands into Livingston County

[The Capital Area Manufacturing Council \(CAMC\)](#) is a consortium of C-level executives from manufacturing firms throughout mid-Michigan, tasked with working together to improve Michigan's manufacturing competitiveness by addressing and tackling common issues. Ann Arbor SPARK recently convened a group of 25 individuals representing 20 manufacturing firms from around the county for an introductory session on CAMC.

The CAMC provides manufacturers in Livingston County with several peer-to-peer resources on how to:

- Increase profits and cash flow through business transformation.
- Implement lean strategies that streamline processes and improve production times.
- Increase knowledge of industries best practices by networking with innovative and forward-thinking peers.
- Build a middle-skilled workforce through collaborated training efforts and outreach to Michigan's youth.
- Reduce voluntary employee turn-over by improving employee/employer relations to create a positive work environment.
- Increase local customer and supplier base, yet be competitive globally.
- Develop marketing strategies to grow or diversify in other industries.

Prepared for the Economic Development Council of Livingston County





Representatives from Thai Summit America Corporation, Asahi Kasei Plastics North America, Brighton NC Machine, and Conatus, Inc., among others at the CAMC Lunch & Learn Session at the Greater Brighton Area Chamber of Commerce.

Getting Hired: 2013 Livingston Regional Job Fair

Several hundred job seekers attended the 2013 Livingston Region Job Fair, held in April at the Crystal Gardens Banquet Center in Howell.

"With the improving economy, more employers are hiring for a variety of positions from entry level to management in manufacturing, retail, food service, health care, information technology and finance, as well as self-employment," said William Sleight, director of Livingston County Michigan Works!

According to Sleight, 63 exhibitors attended the event seeking employees and 90 percent of those businesses that responded to a follow-up survey found qualified applicants.

The job fair also proved to be a great experience for the several hundred job seekers who attended. Many commented they were able to find employment that was right for them. Those who obtained employment were pleased to obtain a permanent position. Emily, one of those successful job seekers, was able to secure seven interviews and three job offers.

Ann Arbor SPARK served on the Employer Committee, tasked with recruiting employers in Livingston and Washtenaw counties to exhibit at the fair.



Ann Arbor SPARK's presence at the 2013 Livingston Regional Job Fair

Site Selector Marketing in Chicago & New York

In April & June, the Ann Arbor region was represented by SPARK at site selector marketing blitzes in Chicago and New York. Site selectors are location decision consultants hired by firms to choose a location for investment. The "blitz" involves meetings with multiple site selectors and participants include economic development organizations from around Michigan.

The feedback from site selectors indicates that perceptions about Michigan are changing, although work still needs to be done to tell the story of our state. They also indicated that regionalism is a helpful approach to economic development, as companies often look past municipal lines when considering investment decisions.

Focus on Sales: Procurement teams from DTE Energy, Consumers Energy & the Pure Michigan Business Connect Visit Livingston County



In May, the [Pure Michigan Business Connect](#) team visited Livingston County to discuss their Business-to-Business (B2B) web platform that allows Michigan businesses to find other local businesses for their needs. Under the Pure Michigan Business Connect program, DTE Energy and Consumers Energy have committed to increasing their Michigan-based procurement by a combined \$750 million. Procurement teams from DTE and Consumers Energy also provided an overview their procurement process for Livingston companies. Attendees had the opportunity to meet with business service providers to explore the different resources available to them. The event reached approximately 50 individuals.

Five Livingston County Firms Participate in the 2013 Pure Michigan Business Connect Ford Matchmaking Summit

The 2013 Pure Michigan Business Connect Ford Matchmaking Summit, hosted by Ford and the Michigan Economic Development Corporation (MEDC), in partnership with the Detroit Regional Chamber, provided an opportunity for Michigan businesses to help other Michigan businesses grow and be more competitive. Ford brought 12 of its purchasing teams together with 30 of its Tier 1 purchasing teams to connect them to qualified Michigan suppliers. The company spent more than \$15 billion last year with Michigan suppliers. A video overview of the event may be found on the following page:

Prepared for the Economic Development Council of Livingston County





Pure Michigan Business Connect | 2013 Matchmaking Summit



Dual Use Technology Briefing

Ann Arbor SPARK partnered with the [U.S. Army Tank Automotive Research, Development, and Engineering Center \(TARDEC\)](#), the [Procurement Technical Assistance Center \(PTAC\)](#), and a number of other organizations for a Dual Use Technology Briefing held at Washtenaw Community College. Participants learned about the Army's [Small Business Innovation Research \(SBIR\)](#) program and TARDEC's [Cooperative Research and Development Agreement \(CRADA\)](#) program. The purpose of this event is to help businesses understand how the SBIR and CRADA programs work and how to participate. These programs allow for interested organizations to collaborate with the government on research initiatives. Partner organizations such as PTAC, Ann Arbor SPARK, Miller Canfield, BBC, and the U-M Automotive Research Center discussed business services available to participants. The event reached approximately 30 individuals.

Focus on Early Stage Companies: Funding Opportunities through the Michigan Pre-Seed Capital Fund

In April, Joe Licavoli, Ann Arbor SPARK's manager of capital programs, provided a lunch & learn presentation to the Michigan Technology Network (MiTN) at the Greater Brighton Area Chamber of Commerce on the Michigan Pre-Seed Capital Fund. The Michigan Pre-Seed Capital Fund provides access to early-stage capital investment or microloans to help companies develop and bring innovative technologies to the marketplace more quickly.

Phoenix Environmental recognized as one of the 2013 "Michigan 50 Companies to Watch"

Phoenix Environmental, which has an office in Green Oak Township, was recognized as one of the "Michigan 50 Companies to Watch" in May.

As the company stated: "Companies making it to the 'Michigan 50 Companies to Watch' list are a remarkable group of second-stage companies. Defined as having six to 99 full-time-equivalent employees and generating \$750,000 to \$50 million in annual revenue or working capital from investors or grants, these companies form the backbone of Michigan's economy. Representing all regions of the state and a diverse range of industries, companies like Phoenix Environmental are known for their exceptional entrepreneurial leadership, creation of innovation or use of innovation in creative ways, and their sustainable competitive advantage."

Find out more on the company's website:

<http://phoenixenv.com/news.php>

International Economic Development Council (IEDC) 2013 Spring Conference

In June, Ann Arbor SPARK hosted the International Economic Development Council (IEDC) 2013 Spring Conference. The conference took place from June 9-11 at the Michigan League in downtown Ann Arbor. Economic developers from around North America attended the 2013 Spring Conference to discover emerging opportunities and grasp industry trends. Attendees also learned how to leverage assets of their communities and industrial base in order to stimulate the growth of new clusters, companies, and jobs. Featured industries for the 2013 Spring Conference included automotive research and development, higher education, energy conservation, homeland security and defense, and healthcare information technology.

An article on the conference from [AnnArbor.com](#) is available [here](#).

Ann Arbor SPARK Receives AEDO Designation

During the International Development Council Spring Conference, Ann Arbor SPARK was designated as an Accredited Economic Development Organization (AEDO) from the International Economic Development Council. The AEDO program accredits local and state economic development entities, regional public-private economic development partnerships, the economic development departments of utility companies, and nonprofit business associations.

In order to receive this designation, Ann Arbor SPARK was rigorously evaluated by leading economic development professionals. For more information on this designation, please click [here](#).

Prepared for the Economic Development Council of Livingston County



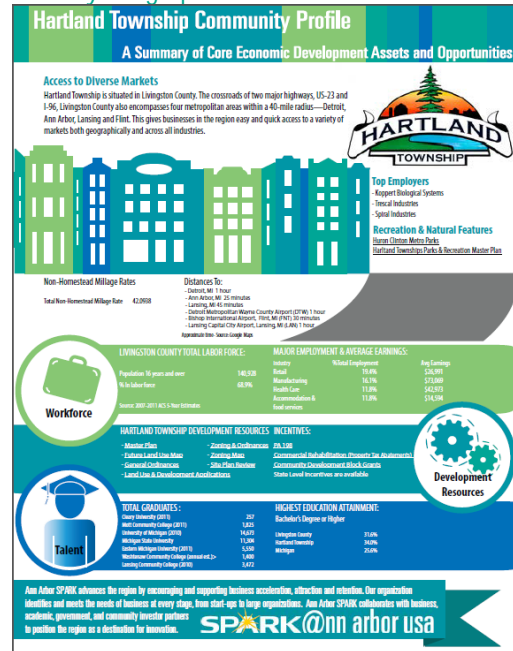
Mark Your Calendar: Redevelopment Ready Communities (RRC) Training Series in Southfield

Training will take place on the Redevelopment Ready Communities® (RRC) Best Practices in Southfield on July 30 from 10 a.m. to 4 p.m. The trainings are aimed at building capacity of local governments in communities eager to work toward and adopt RRC best practices. Participants in the first session will receive detailed information and examples on implementation steps for best practice on community plans and public outreach, including:

- Creating or updating a local redevelopment plan
- Coordinating your capital improvement plan with your master plan, redevelopment strategy and municipal budget
- How subarea plans connect to RRC principles
- Planning for public participation

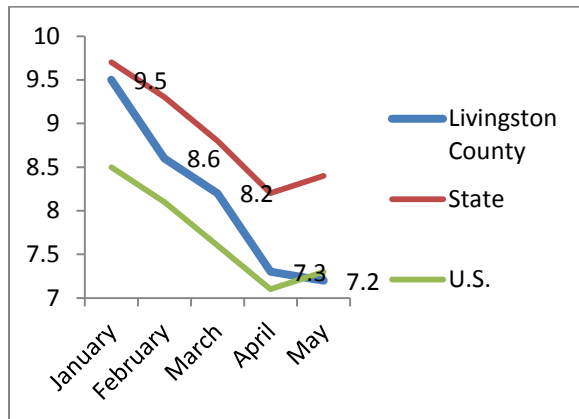
The training curriculum will include explanations of RRC evaluation criteria and provide instruction for local staff and officials on how to include needed RRC elements in your redevelopment plan. Registration for this event is \$50 and includes lunch. Please click [here](#) to register. Contact RRC@michigan.org with any questions.

Community Infographics Now Available



An easy way to share the opportunities and assets is through an infographic. Infographics on the talent, workforce and development resources are available. For more information, contact Phil Santer (Phil@AnnArborUSA.org).

UNEMPLOYMENT RATE



REAL-TIME JOB OPENINGS BY INDUSTRY IN LIVINGSTON COUNTY (2ND QUARTER 2013)

Industry	Total Number of Jobs	Percentage of Total Jobs
Retail Trade	167	18.8%
Manufacturing	163	18.3%
Health Care and Social Assistance	144	16.2%
Accommodation and Food Services	90	10.1%
Finance and Insurance	84	9.4%

(Source: Workforce Intelligence Network)

REAL-TIME OCCUPATION NEEDS IN LIVINGSTON COUNTY (2ND QUARTER 2013)

Occupation	Percentage of Total Jobs
Sales and Related	17.3%
Production	11.0%
Office and Administrative Support	10.7%
Healthcare Practitioners and Technical	7.4%
Food Preparation and Serving Related	7.2%
Installation, Maintenance, and Repair	7.0%
Transportation and Material Moving Management	6.9%
Business and Financial Operations	4.8%
	4.6%

(Source: Workforce Intelligence Network)

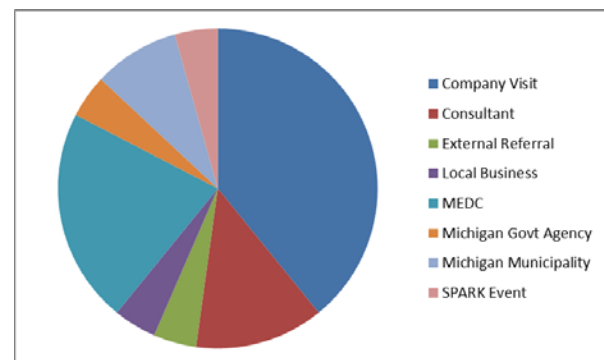
PROJECT PIPELINE

Number of Projects	21
New Job Creation	341
Capital Investment	\$57.6 million
Average Age	172 Days

PROJECT PIPELINE

Account ID	Probability	Investment	Job Creation
4610	65	\$3,000,000	4
5627	65	\$15,000,000	51
5597	50	\$30,400,000	172
6348	50	TBD	TBD
4837	30	TBD	4
6585	25	TBD	12
0090	25	\$1,200,000	TBD
1752	25	\$3,000,000	12
6698	20	TBD	15
0101	20	TBD	TBD
4877	20	TBD	TBD
6623	10	TBD	TBD
4633	10	TBD	TBD
6594	10	TBD	TBD
5587	Low	\$5,000,000	67
4922	Low	TBD	TBD
6528	Low	TBD	TBD
4633	Low	TBD	4
4866	Low	TBD	TBD
0101	Low	TBD	TBD
6324	Low	TBD	TBD

LEAD SOURCE



COMPANY VISITS & ON-GOING PROJECTS

Company Visits	27
Referrals	41
Job Creation Assistance	284
Capital Investment	\$30.5 million
Assessment	

Prepared for the Economic Development Council of Livingston County



Company Visit Report

Company Name	Municipality
ATSI Environmental	Brighton Township
BWI Group	Brighton Township
Carl Zeiss Industrial Meteorology, LLC	Green Oak
CEI Roofing, Inc.	Genoa
Center PowerD Management, LLC	Green Oak
CRW Plastics	Genoa
Dewitts Radiators	Genoa
Dun-Rite Machining, Inc.	Genoa
Electric Apparatus Company	Howell City
ElectroJet	Green Oak
Excelda Manufacturing	Green Oak
Extreme Machining	Hamburg
Falcon Stamping	Genoa
General Motors Milford Proving Grounds	Brighton Township
Insulgard Security Products	Brighton
LadderPort	Green Oak
Little Diablo Salsa	Howell City
Lowry Computer Products	Green Oak
Mobileteer	Brighton
Modern Content, Inc.	Brighton
Phoenix Environmental, Inc.	Green Oak
Rhe-Tech, Inc.	Handy
Sport View Technologies	Green Oak
Total Security Solutions	Fowlerville Village
Ultimate Tube Bender Parts Plus, Inc.	Brighton
Wedge-Mill Tool, Inc.	Green Oak
Xspond, Inc.	Brighton Township
27 Records	

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.

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.



www.AnnArborUSA.org
734-761-9317