



TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

2nd Quarter 2014 (April – June 2014)

Package Design & Manufacturing to Expand in Green Oak Township

Package Design & Manufacturing (PDM), a customized protective package company based in



Green Oak Township, is set to expand its headquarters facility, investing more than \$1 million with plans to add up to 10 new jobs. The company, which serves the automotive, aerospace, military and other markets, has seen significant job growth over the past few years, and is seeking to create efficiencies by consolidating operations at a single facility. The expansion will allow the company to continue operations in Livingston County, instead of seeking other opportunities outside of the region.

In May, Green Oak Township approved a property tax abatement for the project under PA 198 of 1974, which made the expansion options feasible within Green Oak Township. Ann Arbor SPARK worked with PDM and Green Oak Township to create a partnership that helped the company secure tax incentives to ensure the company's growth in the region.

The project involves \$1 million in investment to their facility and about \$250,000 in personal property investment. The company currently employs about 62 employees and designs customized packaging for its customers around the county.

Prepared for the Economic Development Council of Livingston County



Lake Trust Credit Union Headquarters Breaks Ground in Brighton Township; Wins the SPARK “Project of the Year”

In June, Lake Trust Credit Union celebrated the groundbreaking of its planned headquarters in Brighton Township with an event featuring live music, a food truck and highlights of the new facility. Local media coverage of the new facility may be found here: [“Innovative HQ to rise in county.”](#) As the story indicates,

“Lake Trust’s new, \$30 million headquarters at Old U.S. 23 and Spencer Road will have open work spaces, a fitness center, a porch and a patio. The facility will also have a cafeteria, a walking trail on the perimeter of the property available for employees and the public, and community rooms on the ground level that can be used by the public.



David Snodgrass, Lake Trust Credit Union President and CEO, said the new facility will reflect the company’s focus on creating a culture of innovation and collaboration. The company will build a LEED-certified, 100,000-square-foot headquarters. LEED, which stands for Leadership in Energy and Environmental Design, is a certification program that recognizes best-in-class building strategies and practices.

“The space that we’re creating is very un-bank-like ... very un-corporate-like,” Snodgrass said. “It would be space that you would probably assume would be occupied by a company like Google or Facebook.”

The credit union is bringing all of its employees — currently spread out at facilities in Lansing, Plymouth and Brighton — under one roof. The headquarters will initially have 240 employees and room to grow to 350 employees.”

Of the expansion, Ann Arbor SPARK president and CEO Paul Krutko said, “Lake Trust chose to make this significant investment in Livingston County because they recognized that Livingston offers a low cost of doing business, easy access for its employees and the ideal property where a campus can be built to specification.”

In May, the Lake Trust Credit Union project was awarded the Business Development Project of the Year at Ann Arbor SPARK’s Annual Meeting. More information on the award may be found [here](#). Paul Krutko also sat down with Brian McVeigh to record a CEO Podcast: Conversations on Economic Opportunity. The podcast may be [heard here](#). An aerial overview of the future headquarters facility may be viewed [here](#). More information on the new headquarters may be found online at <http://www.laketrust.org/hq>.

Prepared for the Economic Development Council of Livingston County



Eberspaecher Holds Job Fairs in Support of Expansion; Project Receives Support from MDOT & the City of Brighton's Planning Commission

In May, Eberspaecher held job fairs to support their planned expansion in the City of Brighton. Eberspaecher is a German-based automotive manufacturer that recently announced plans to add several hundred jobs in Michigan, including 100 within the City of Brighton. The company plans to significantly expand its facility in the City of Brighton, which was outlined in SPARK's Q1 report.



In June, the Michigan Department of Transportation approved a \$415,000 grant under the [Transportation Economic Development Fund](#), which Ann Arbor SPARK and City staff worked to complete for the project. Also in June, the City of Brighton's Planning Commission approved plans for the expanded facility.

Key Plastics & TG Fluid Systems Receive Workforce Grants; Thai Summit Awarded for their Relationship with Livingston County Michigan Works!

In late June, Key Plastics (City of Howell) and TG Fluid Systems (City of Brighton) received grant awards under the [Skilled Trades Training Fund](#), a \$10 million statewide initiative designed to increase the skillsets of existing employees and help companies train new employees. Several companies in Livingston County received grants during the initial launch of the program; however, Key Plastics and TG Fluid Systems were recently awarded grants to train new employees that will be hired over the next several months. Key Plastics was awarded \$30,000 to train 25 new employees and TG Fluid Systems was awarded \$40,000 to train 30 new employees. These awards were quickly administered by Livingston County Michigan Works!, and the Workforce Development Agency, and required collaboration from Ann Arbor SPARK and the Michigan Economic Development Corporation. Nearly \$500,000 in funding from this program was designated for Livingston-based companies since October 2013.

In addition, Thai Summit America (City of Howell) and Action Associates were recently honored at the Michigan Works! Association Prosperity Awards 4 for their partnership with Livingston County Michigan Works!. The Prosperity Awards showcased economic impact resulting from newly created jobs, transformational training and effective talent pipeline development. During the event, state legislators presented tributes to award winners, who had the opportunity to tell their story and the role Michigan Works! played in their success. Thai Summit is expanding rapidly and Livingston County Michigan Works! has helped train both their new workforce and their existing workforce. The nomination featured a recent job fair sponsored by Action Associates and Michigan Works which generated more than 100 qualified applicants and resulted in more than 60 hires.

Prepared for the Economic Development Council of Livingston County



Local Companies Take Advantage of SPARK Services in Ann Arbor

Companies in Livingston County continue to take advantage of services offered in Ann Arbor, including “Careers over Coffee”, a casual opportunity for job seekers to engage with companies around the region. Over the past quarter, Promess Inc. of Green Oak and Ignite XDS of Brighton Township participated in the event in their search for software engineers. In addition, Intertwine Corporation, based in Howell, is a software service for manufacturing companies and recently participated in Ann Arbor SPARK’s Boot Camp, an intensive opportunity for startups to move to the next level. “Boot Camp teaches you an efficient way to validate your business concept. The program is designed for entrepreneurs who are prepared to assess and validate the feasibility of their business concept, build their business model and find beta customers. Not only will you learn this method in concept, you will get hands-on assistance in actually using this method to test your ideas over an intense nine weeks.”

More information on these programs may be found here:

- [Careers over Coffee](#)
- [Entrepreneur Boot Camp](#)

Livingston County Regional Job Fair

In April, Livingston County Michigan Works! hosted the annual Livingston County Regional Job Fair, which featured more than 50 employers and several hundred job seekers at Crystal Gardens. Exhibitors included Asahi Kasei Plastics North America (Fowlerville), Lake Trust Credit Union (Brighton Township), Thai Summit America (City of Howell), AA Gear & Manufacturing (Howell Township), Ignite XDS (Brighton Township), TG Fluid Systems (City of Brighton), and several others. Information on the job fair, including a full list of employers, members of the organizing committee, and others, [may be found here](#).

SPARK Launches the Virtual Business Advisor to Assist with Company Development



In June, Ann Arbor SPARK launched the Virtual Business Advisor, a free online assessment tool that aims to assist entrepreneurs and small businesses as they work towards their next stage of growth.

Companies can visit www.VirtualBusinessAdvisor.com to take a 10-minute assessment, and receive a detailed report with feedback, advice, and specific suggestions to help grow their company. Companies can also view links to low and no-cost resources that will help them plan their next steps towards becoming a successful business owner.

Prepared for the Economic Development Council of Livingston County



There are three assessments currently available with the tool, including Entrepreneur Ready, Business Ready, and Business Fitness. The tool provides a customized snapshot and assessment of the company, and then provides information and suggestions on services that can help the company progress. The tool also contains information that will help business owners determine other ways to support their business operations.

Manufacturing Best Practices Tour of Asahi Kasei Plastics North America

In June, the Capital Area Manufacturing Council (CAMC), a manufacturing peer group based in Lansing, offered a tour of Asahi Kasei Plastics' facility in Fowlerville. CAMC, which offers peer networking, discussions on manufacturing-specific topics of interest, and opportunities for human resource managers to engage on talent-related issues, has expanded its footprint to include Livingston County-based manufacturers. Asahi Kasei Plastics is one of the Livingston-based members of CAMC.



The tour involved a discussion on Asahi Kasei Plastics' use of "Tooling U," a customized, online training tool used to track training progress and deliver training materials to their employees. Following the overview, participants were offered a tour by employees who were part of Kettering University's co-op program, which pairs academic study with training at facilities around Michigan.

Startup Weekend is coming to Downtown Howell



An "idea to business-reality" event, Startup Weekend Howell will be held the weekend of November 7-9 at the third floor community room of First National Bank, 101 E. Grand River in the heart of downtown Howell, Michigan.

Prepared for the Economic Development Council of Livingston County



A 54-hour “marathon for entrepreneurs,” Startup Weekend is an international phenomenon, a global grassroots movement to bring entrepreneurs together to create businesses over a long weekend. The weekend is centered on action, innovation, and education.

The weekend is interspersed with encouragement and coaching. Sean Heiney, director, new product initiatives for Barracuda Networks is one of the speakers/coaches already recruited for the Howell event.

Startup Weekend Howell is organized by a group of entrepreneurs and entrepreneurial supporters including Candy Jones-Guerin, owner of WebWorld Advantage; Fabrizio Tarara, co-owner of Frontal Lobe Coworking; Susan Pominville, owner of Abovo Visual Communications; Phil Santer of Ann Arbor SPARK; and Pat Convery, president of the Howell Area Chamber of Commerce.

According to the organizers of the Howell event, the goal is to create several new businesses by the end of the weekend.

All Startup Weekend events follow the same basic model: anyone is welcome to pitch their startup idea and receive feedback from their peers. Ideas can be technology or product-based.

With the help of a facilitator, teams organically form around the top ideas (as determined by popular vote) and then it’s a 54 hour frenzy of business model creation, coding, designing, and market validation. The weekend culminates with presentations in front of local entrepreneurial leaders with another opportunity for critical feedback.

Participants must register in advance for the event. Ticket prices range from \$75 to \$99, depending on the level of participation. Discounts for students are available.

For more information or to register for Howell Startup Weekend, visit www.howell.startupweekend.org and click the “register” button.

The Howell Startup Weekend team is recruiting sponsors for the weekend. Sponsorships range in the \$500-\$1500 range and include an array of recognition before, during and after the weekend. For more information on sponsorships call Pat Convery at the Howell Area Chamber of Commerce at 517-546-3920.

Startup Weekend is the largest community of passionate entrepreneurs in the world, with over 1800 past events in 120 countries around the world.

The non-profit organization is headquartered in Seattle, Washington but Startup Weekend organizers and facilitators can be found in over 200 cities around the world. From Mongolia to South Africa to London to Brazil, people around the globe are coming together for weekend-long workshops to pitch ideas, form teams, and start companies. For more information, go to www.howell.startupweekend.org.

Prepared for the Economic Development Council of Livingston County



Pinckney High School & TG Fluids' Relationship Highlighted in Local Press

In June, the Press & Argus [highlighted the case study](#) of TG Fluid Systems, based in the City of Brighton, and Pinckney High School's award-winning robotics program. The story, reprinted here, was published on June 20th:

Robotics students finding good jobs

High school kids usually expect to be working an unglamorous job such as washing dishes, flipping burgers or waiting tables.

They simply don't have the skills for more advanced jobs.

This certainly isn't the case for Pinckney Community High School robotics students who are taking their classroom knowledge straight to the factory floors of local companies.

Students, some as young as juniors, have been hired to program and maintain equipment at local companies including TG Fluid Systems, H.H. Barnum Co. and Hatch Stamping Co.

Ryan Danko, Pinckney Community High School's 2014 valedictorian, said he was hired by TG Fluid in April 2013. He's one of five Pinckney robotics students hired by the Brighton company, which produces fuel and vapor lines.

The students are paid \$12.85 per hour. They work part time during the school year and full time during the summer.

"Everything you did in high school, you could see it here," Danko said.

"Everything was on a bigger scale, it was so exciting," he said.

Danko said robotics teacher Sean Hickman helped establish a connection between the school and company; he said Hickman also gave him a reference.

Danko said he was a little nervous at first about transitioning to a large-scale robotics operation, but it didn't last long.

"I was prepared," he said. "I was very surprised. I didn't expect to be as ready as I thought I was."

Danko, who will study bio-medical engineering at the University of Michigan in the fall, works in the company's lab testing existing and future parts. He said other students program and position robots, and others fix them. The other students include: Micah Stuhldreher, Matt Cromer, Wyatt Smrcka, Drew Gary and Susan Olson.

Prepared for the Economic Development Council of Livingston County



Hickman said the company hired a couple of students last year and really liked them, so it hired more students.

“It’s exciting for us,” Hickman said.

He said there’s a huge demand for controlled engineers — people who program robots — because most left the state during the recession.

“We’re helping fill that need right now, and locally,” Hickman said.

“It’s definitely validating our program here,” he said.

Shellie Rytlewski, human resources generalist at TG Fluid, said company officials visited the Pinckney robotics program and were “very impressed.”

“Their program is wonderful because it’s giving them actual skills they can take into a workplace,” Rytlewski said.

She said the company is hoping to build a relationship so that when these students finish college, they might return when they’re ready to join the work force full time.

Danko said his robotics job is much better than his last one, a dishwasher. He said that job became old in three weeks.

“This job is 100 times better than I could have hoped for,” he said. He enjoys walking through the factory floor and admiring everything.

“It hasn’t gotten old yet, and it’s been over a year,” Danko said.

Livingston County Publishes its Comprehensive Economic Development Strategy (CEDS)

In April, the Livingston County Department of Planning prepared and submitted a new Comprehensive Economic Development Strategy (CEDS). Required by the US Department of Commerce Economic Development Administration (EDA), the CEDS allows the County, along with its 20 municipalities, to qualify for federal EDA assistance.

The CEDS is designed to:

- Guide economic growth of the County, its member municipalities and the overall Southeast Michigan region.
- Help create jobs, job expansion, and job retention.

Prepared for the Economic Development Council of Livingston County



- Foster more stable and diversified economies and improves living conditions
- Provide a mechanism for coordinating the resources of individuals, organizations, local governments and private industry concerned with economic development

The full report may be [read here](#). Ann Arbor SPARK and the EDCLC provided comment on the report, which focuses attention on partnerships, like that between the EDCLC and Ann Arbor SPARK, as well as retention of existing businesses, which is a core activity for SPARK’s economic development work in Livingston County.

Case Study: The Importance of Company Visits

Company Visits are a core element of local economic development, providing an opportunity for a “check-up” on the business’s needs, their growth opportunities and current challenges. In today’s business environment, talent needs, access to capital and new sales opportunities are most often discussed, with information provided on no or low-cost resources that could assist them with these issues. These visits also provide opportunities to engage in activities that will hopefully retain the businesses in the region for the future.

These retention opportunities were clear in during a recent company visit. The company, a local manufacturer, had recently announced an expansion outside of Michigan due to their customers’ growth plans. The process had highlighted that there are opportunities for lower cost energy in other parts of the country, and they also perceived that manufacturing talent was more readily available elsewhere. Given the relationships that economic developers have on these topics, Ann Arbor SPARK is in the process of identifying opportunities to address these issues with partners like DTE Energy and the Michigan Economic Development Corporation’s Talent Team. Meetings with the company and these partners have been scheduled for the next quarter to discuss the company’s.

Company visits can help identify serious threats to a company’s location opportunities and provide opportunities to assist the company in their continued operation within a location.

Reminder: SPARK Service Brochures Available for Local Partners

Copies of SPARK’s Company Visit Brochures are available for local partners. Contact Phil Santer (phil@annarborusa.org) to request copies for your office.

TALENT ENHANCEMENT
One of the Ann Arbor region's greatest strengths is its well-trained workforce. SPARK can help you access resources for talent and workforce development including:

- Employee Training**
Tap into customized training at local colleges and universities, and connect with state-wide training programs and funding with Ann Arbor SPARK.
- Employee Training**
Ann Arbor SPARK provides, hosts, and promotes events to build your team's capabilities in such areas as finance, HR, marketing and operations. Update Ann Arbor SPARK's online search calendar for more information: AnnArborUSA.org/events.
- Employee Recruitment**
Team wants to connect employees and job seekers to free job postings and a 30-member in-network. Ann Arbor SPARK has your recruitment needs covered. Visit AnnArborUSA.org/jobs for more information.

PROJECT SUPPORT
Ann Arbor SPARK is here to assist your company with any growth opportunity. SPARK works closely with your company, the State of Michigan, and community leaders to ensure your project is a success.

- INCENTIVES**
SPARK will help you access incentives and support from the State, county or local community.
- Expenses & Site Assistance**
Get a quick snapshot of the local real estate market as you prepare to engage with a professional broker. Assistance includes:
 - Searches for industrial, office, retail, and lab incubator space and vacant land
 - Introductions to local officials, real estate brokers, service and utility providers, and property development, construction and engineering firms
 - Site tours

BUSINESS CONNECTIONS
Ann Arbor SPARK is connected to hundreds of companies, academic institutions, government, and other service provider resources. Based on your areas of need, we can facilitate introductions for you with the following SPARK partners:

- Government**
 - Michigan Economic Development Corporation
 - County and Local Governments in Washtenaw and Livingston Counties
 - Washtenaw and Livingston County Michigan Worker Associations
- Academic Institutions**
 - University of Michigan
 - Eastern Michigan University
 - Washtenaw Community College
 - Clatsop University
 - University Research Center
- Service Providers**
 - Utilities
 - Financial Institutions
 - Accounting and Legal Services
 - Real Estate Brokers

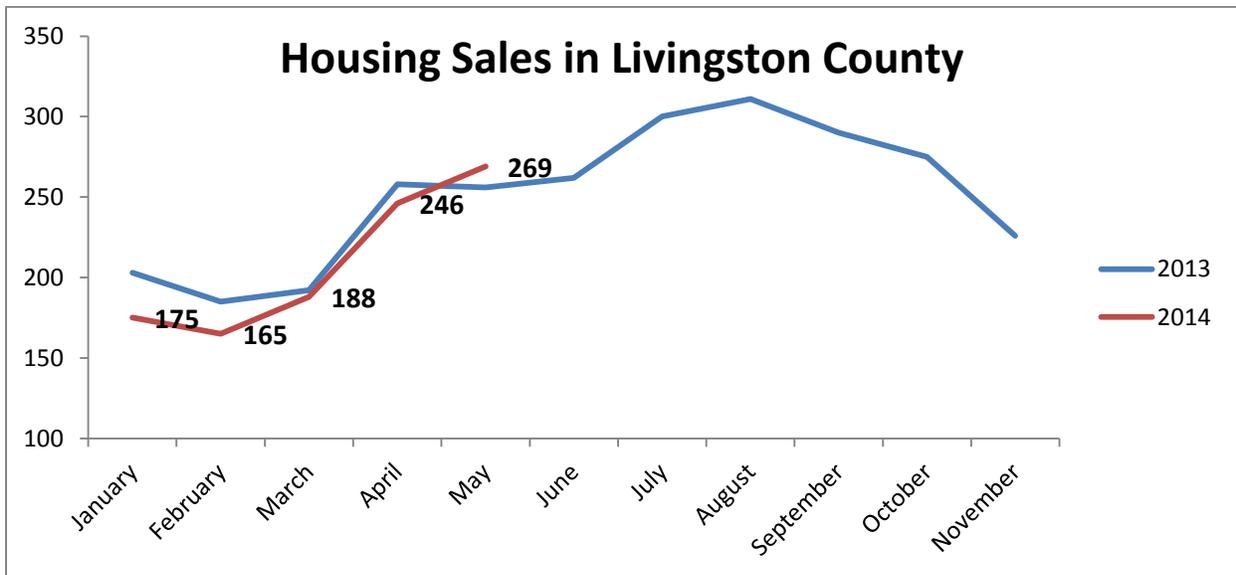
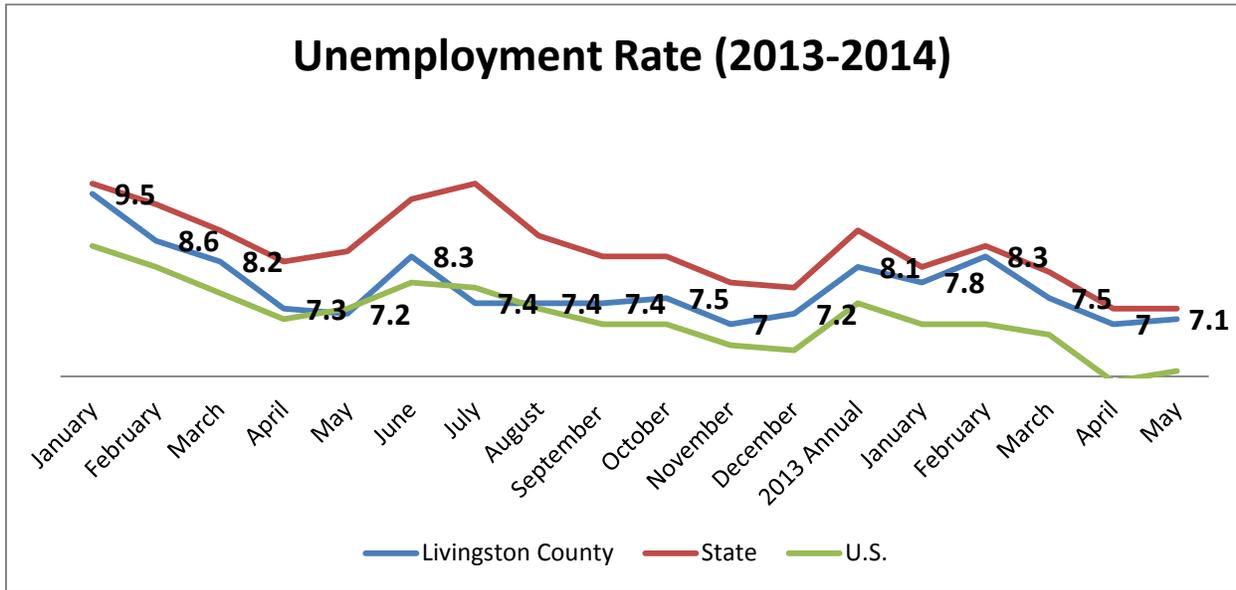
Research
Ann Arbor SPARK can provide key economic information to help your business grow, including labor and wages, demographics and market research.

SPARK @ann arbor usa
Contact with phil@annarborusa.org

Prepared for the Economic Development Council of Livingston County



DASHBOARD

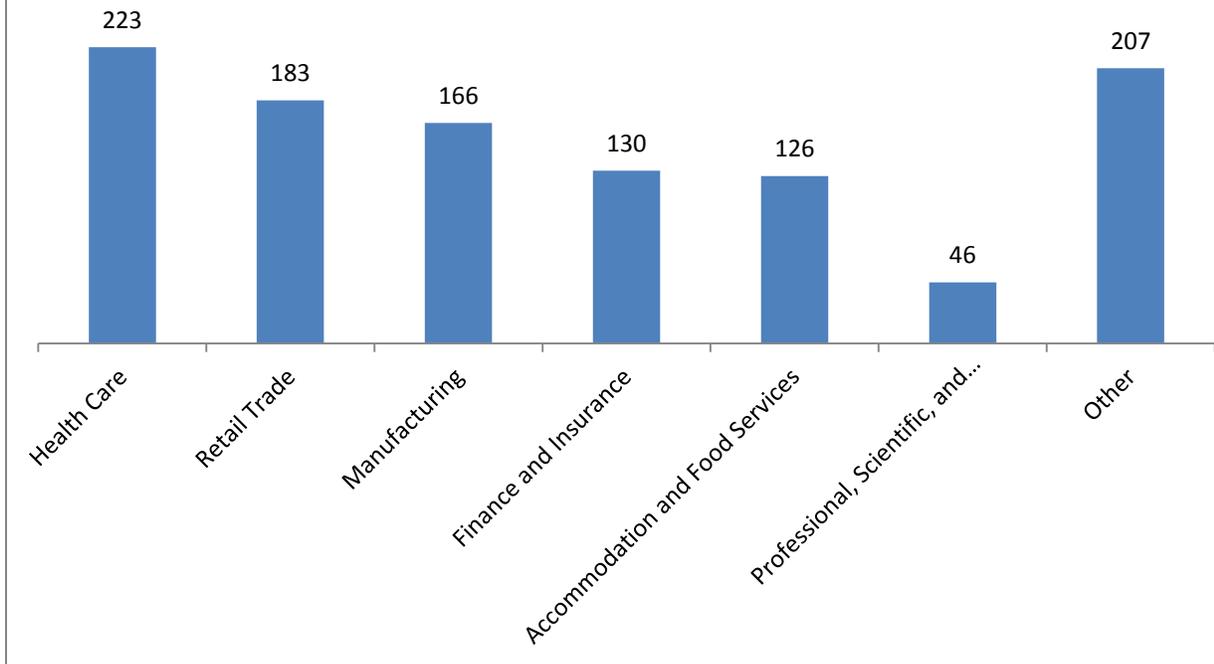


Source: Livingston County Association of Realtors

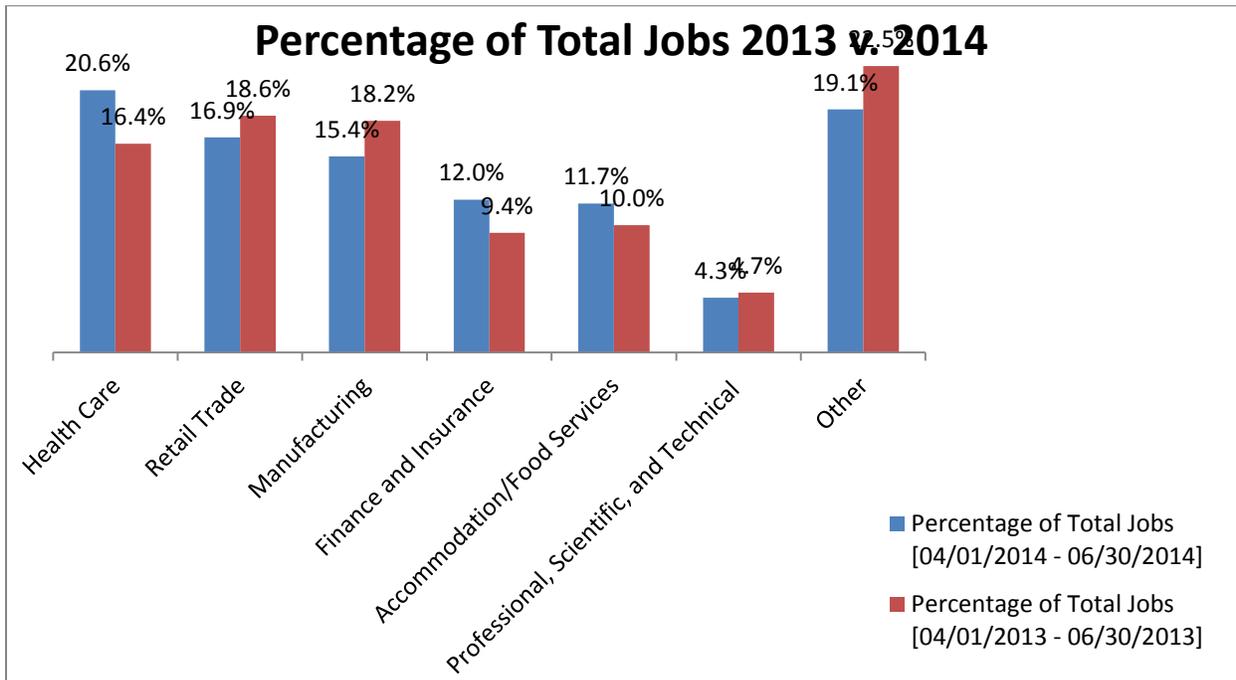
Prepared for the Economic Development Council of Livingston County



Total Number of Jobs by Industry (Q2-2014)



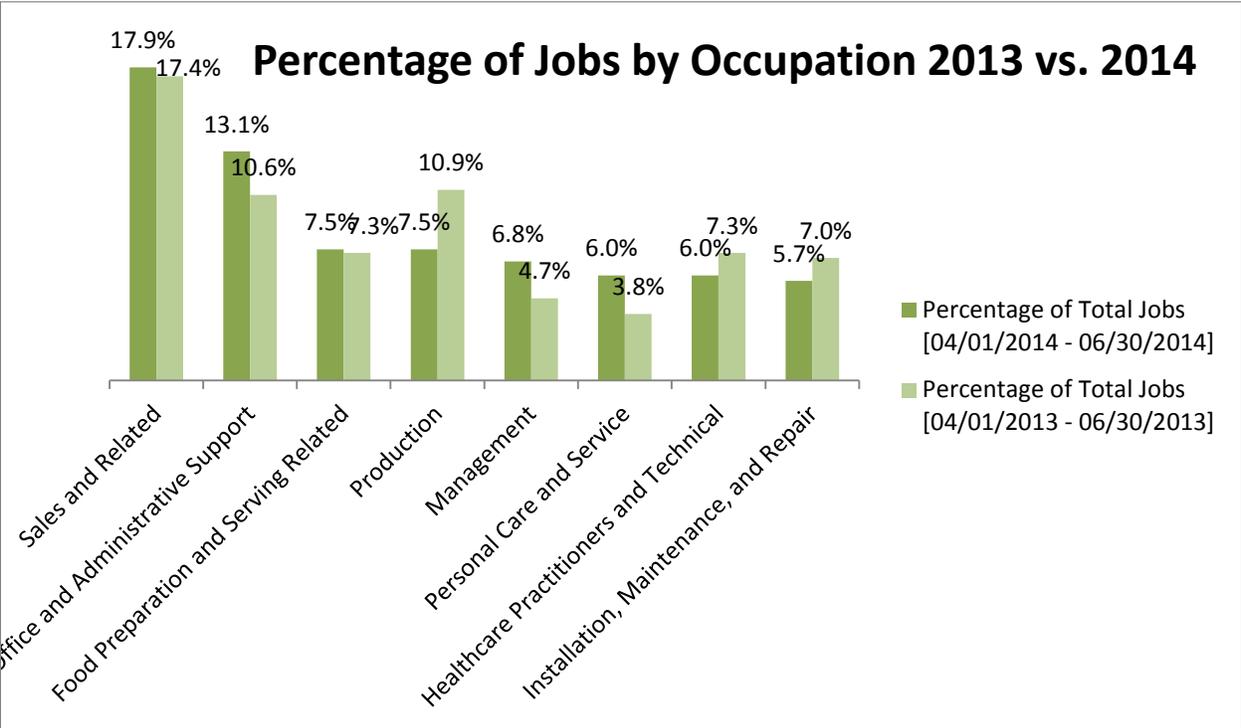
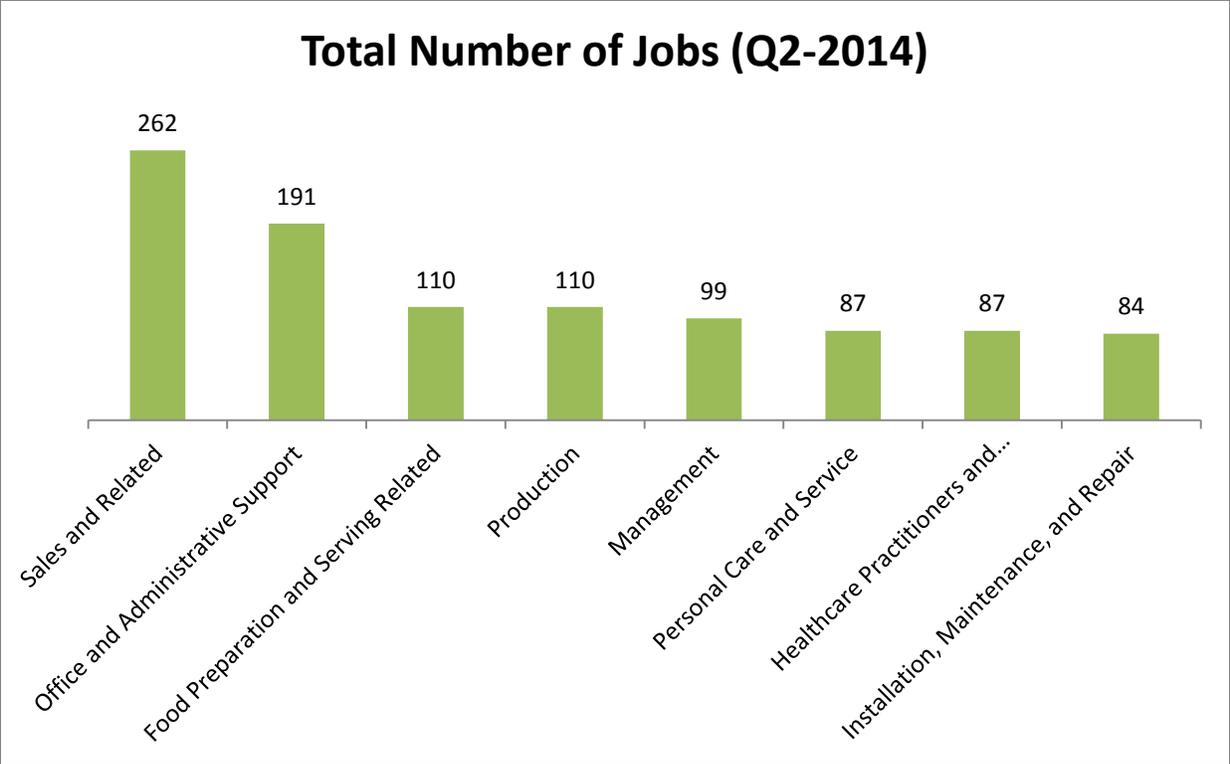
Percentage of Total Jobs 2013 v. 2014



Source: Workforce Intelligence Network

Prepared for the Economic Development Council of Livingston County





Source: Workforce Intelligence Network

Prepared for the Economic Development Council of Livingston County



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 & CLOSURES (Q2-2014)

Company	Location	Number of Jobs Affected
Machining Center, Inc.*	Brighton Township	40
Alpha Technology**	City of Howell	45

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

*Closure not reported through the WARN system. “[Rapid Response](#)” services were provided to employees by Livingston County Michigan Works! and Ann Arbor SPARK, including a resume blast to local employers.

**Notice of a request for [Trade Adjustment Assistance](#), which provides retraining benefits to employees who have lost their jobs as a result of foreign trade competition. Alpha Technology’s request for TAA was granted.

2014 CALL PROGRAM

Company	Location
Micro Works Computing, Inc	Brighton
Mobileteer, LLC	Brighton
Modern Content, Inc.	Brighton
Sunberry Limited, LLC	Brighton
ASTI Environmental	Brighton Township
Lake Trust Credit Union	Brighton Township
Nikon Metrology	Brighton Township
Novi Precision Products, Inc.	Brighton Township
Asahi Kasei Plastics North America	Fowlerville Village
Ashland Aluminum Company, LLC	Fowlerville Village
Dedoes Innovative Manufacturing, Inc.	Fowlerville Village
Total Security Solutions	Fowlerville Village
Battery Solutions	Genoa
CenTech, Inc.	Genoa
ToolWorx Information Products, Inc.	Genoa
Triton Stormwater Solutions	Genoa
Aspen Technologies Inc.	Green Oak
Benecor	Green Oak
Brighton NC Machine Corporation	Green Oak

Prepared for the Economic Development Council of Livingston County



Commercial Construction Inc.	Green Oak
Electro Power Systems, SpA	Green Oak
Excelda Manufacturing	Green Oak
Gordon Food Service	Green Oak
Vectorall Manufacturing, Inc.	Green Oak
Zero Gravity Filters	Green Oak
CAE, Incorporated	Hamburg
Extreme Machine	Hamburg
TwoSix Digital	Hamburg
Koppert	Hartland
Armor Protective Packaging, Inc.	Howell City
Key Plastics	Howell City
Thai Summit America Corporation	Howell City
Intertwine Corporation	Howell City
Ideal Setech Share-The-Spare, LLC	Howell Township
Munsell's Poultry Processing	Iosco

35 Records

PROJECT PIPELINE*

Number of Projects	19
Potential New Jobs Creation	776
Potential Capital Investment	\$105,550,000
Average Age	117 Days

*As of June 30, 2014

COMPANY VISITS, SUCCESSES & ON-GOING PROJECTS

Company Visits	35
Referrals	52
Number of Successes	3
Employment Multiplier of Successes	3.0
Job Creation Assistance	156
Capital Investment Assistance	\$55.9 million

PROJECT PIPELINE*

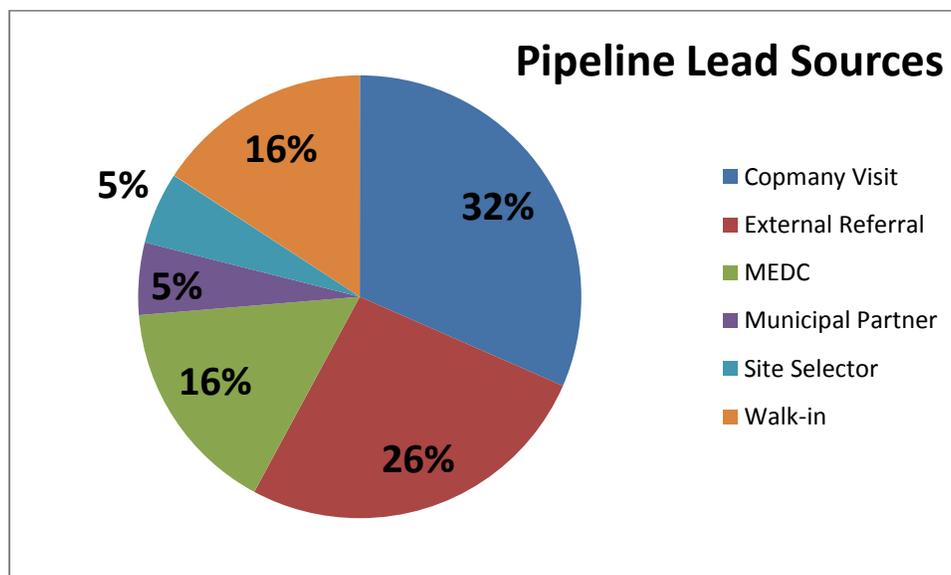
Unique ID	Probability (%)	Potential Investment	Potential Job Creation
7178	20	\$10,000,000	40
5591	20	TBD	TBD
3280	20	TBD	TBD
7052	20	\$10,000,000	50
4697	20	TBD	TBD
4665	20	TBD	70
4610	20	TBD	TBD

Prepared for the Economic Development Council of Livingston County



4704	20	\$19,500,000	6
4936	20	TBD	TBD
7126	20	\$1,500,000	50
5093	50	\$350,000	TBD
4643	5	\$50,000,000	445
6279	25	TBD	TBD
7011	10	TBD	18
4700	20	\$13,000,000	TBD
7001	20	TBD	TBD
0090	45	\$1,200,000	TBD
4633	10	TBD	TBD
4866	90	TBD	97
	Total	\$105,550,000	776

*As of June 30, 2014



REMOVED FROM THE PIPELINE

Unique ID	Reason for removal from the pipeline
6552	Lack of a response from company
4654	No services required
6528	On Hold
4863	No services required
6479	On Hold
7045	Lack of a response from company

Prepared for the Economic Development Council of Livingston County



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.



Prepared for the Economic Development Council of Livingston County

