



TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

2nd Quarter 2015 (April– June 2015)

QUARTERLY HIGHLIGHTS

Thai Summit American Corporation Expands Operations in Howell

Thai Summit American Corporation is expanding their Michigan operation in Howell. Thai Summit is a tier-1 automotive supplier and metal stamping company. The Ann Arbor SPARK team and the City of Howell worked with Thai Summit for over a year to support the expansion, which includes a property tax abatement supported by the City of Howell. The project is expected to be complete by 2017 and involves \$50 million of investment, including \$12.5 to be used for a new building. The company expects to add 30 jobs as a result of the expansion.



Thai Summit is the only known Thailand-based investment in Michigan, and has actively supported economic development in the region for years, and continues to be a financial supporter of the EDCLC. We appreciate Thai Summit's investment in Livingston County, and we look forward to working with them as they continue to grow in our region.

Prepared for the Economic Development Council of Livingston County



Toyoda Gosei Hosts Ribbon Cutting for Expansion of Brighton Location

Toyoda Gosei Co. Ltd. is expanding in the U.S., and changing at the top. The firm will merge its two facilities in Brighton and Howell into one larger facility in Brighton. Toyoda Gosei dedicated the new plant on May 12, which is already home to the Brighton arm of the company.



Consolidation of production equipment from the two plants will be complete by 2017. The new facility has a floor area of about 1.5 times the two previous plants combined, the company said. The firm said it will add at least 36 jobs, bringing total employment to 400. Toyoda Gosei invested about \$11 million in the expansion.

Toyoda Gosei produces plastic fuel tubes from nylon at the facility.

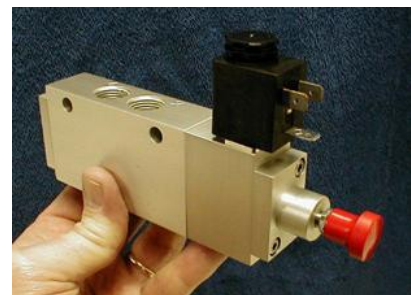
Tadashi Arashima has been promoted to chairman of the board at the firm's June board of directors meeting with Naoki Miyazaki taking over the president's duties. Masayoshi Ichikawa was promoted to executive vice president and representative director. Arashima will oversee the entire operation and chair the board meetings in addition to representing Toyoda Gosei in its various automotive industry related associations.

“North America is the most important market for us, and we don't want to miss any opportunity,” Arashima said in a *Rubber & Plastic News* article. “We are investing in North America to meet the customer's requirements and not missing any opportunities.”

Ann Arbor SPARK has been working with TG Fluids' executive team and our municipal partners to support the consolidation efforts.

AIRman Products LLC Moves Operations to Livingston County

AIRman Products, LLC. will be moving their Michigan operation to Green Oak Township at 6150 Whitmore Lake Road. The company, headquartered in Wixom, produces pneumatic valves, actuators, and controls. Their move involves a \$2 million investment, and the company expects to add over 70 new jobs by the end of 2017. The teams at Ann Arbor SPARK, Green Oak Township, and the Livingston Michigan Works! have been working with the company for nearly a year to support this project. The SPARK team is currently working with the AIRman team to find training funding opportunities.



Prepared for the Economic Development Council of Livingston County



We welcome AIRman Products, LLC. to our region, and look forward to working with them on their expansion.

Rex Materials Invests in the Region

After 36 years at the Meadowbrook Farms location on Grand River in Fowlerville, Rex Materials has moved its corporate headquarters and research facility to a new, modern facility at 1600 Brewer Road in Howell Township. The move will mark the end of a 10 month construction project, resulting in the full relocation of staff to the new office space on April 27th.



“This new location will result in a significant upgrade of our research and design facilities” said CEO David Rex. “We have designed the building specifically to support the collaborative design process between our engineering team, our customers and our production facilities, as well as our upgraded computer and communication technologies.”

“The three million dollar investment is a commitment to the future of Rex Materials in Livingston County and to our employee base. We wanted to create a space everyone could enjoy while also making it easier for teams to collaborate. The open floor plan and the large window should create a wonderful space to work.”

Rex Materials is a manufacturer of specialty refractory materials with customers in 35 countries. Applications range from insulation for residential furnaces, pool heaters, kilns, and small industrial furnaces to heaters for plastic injection molding and blow molding equipment. Rex Materials also supplies materials for transporting molten aluminum in primary aluminum plants worldwide.

The SPARK team has been working with the team at Rex to explore new business markets internationally, and provide project management support during their move into the new facility.

Littlite Looks to Expand its Reach Internationally

Littlite, a light manufacturer in Hamburg, is looking to expand into new markets this year. Littlite offers more than 300 types of task lamps that can be used for permanent mounting or temporary purposes. These lights have long, adjustable arms and small



Prepared for the Economic Development Council of Livingston County

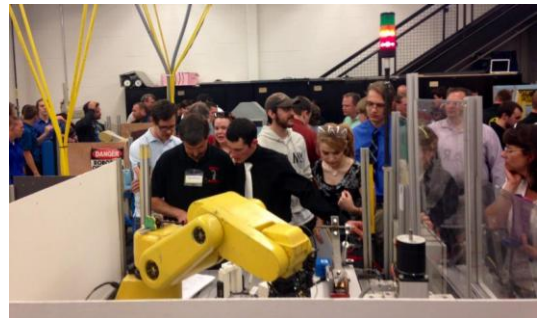


lights that offer bright illumination for specific spaces. The 19-person firm produces their products in Michigan, and is now looking to expand its sales abroad. The company recently went on a trade mission to Chile and Colombia with the MEDC to help facilitate business connections abroad. Littlite has grown steadily over the past few years, notching a few percentage points of revenue growth here and there. Jim Fackert, the company's president, is aiming for 5 percent growth this year as he and his team work to export more of its products.

The company's core business has been in the entertainment industry, such as people handling music equipment at concerts and needing small but strong lights to work. Littlite has since expanded its clientele to include public safety workers and healthcare facilities. Its products have become ubiquitous across North America. "We're trying to get into South America," general manager Rhonda Fackert says.

Pinckney Robotics Team National Champions in SkillsUSA Competition

Pinckney High School once again hosted a Career and Technical Education (CTE) Open House event after sweeping the 2015 SkillsUSA competition. Student work in robotics, manufacturing, technical education, and various IT fields were put on display at the open house this May.



In 2014, the Pinckney Robotics class won the SkillsUSA National Championship in Mechatronics, and this year they won the entire competition, which includes Mechatronics and Robotics. In 2014 the Pinckney Robotics program received an award for excellence from the EDC, as well as the Outstanding Workforce Development award from the Livingston County Workforce Development Council for their efforts. It is great to see these organizations working together to grow talent in our region.

The Pinckney Robotics program partners with businesses in the region in order to mentor and support their students. If you are interested in learning more, contact program director Sean Hickman at shickman@pinckneypirates.org.

ZF's Merger with TRW Includes Investment in the Region

German transmission maker ZF Group has completed the acquisition of Livonia-based TRW Automotive in a \$12.4-billion deal. TRW has facilities in Tyrone Township and Fowlerville. The merger creates the world's third-largest



Prepared for the Economic Development Council of Livingston County



auto supplier with 130,000 employees and annual sales of more than \$34.2 billion. From the *Detroit Free Press*:

“ZF Group, which makes transmissions and chassis parts, bought the company for its sensor and electronics technology that could be key in the future development of autonomous vehicles and advanced safety features.

Fred Hubacker, managing director of Conway MacKenzie, said the deal is part of a rising trend towards mergers among automotive suppliers.

"This is more of a story of continuing supplier consolidation and each side brings unique strengths and product offerings and technologies to the new enterprise that makes this deal make sense, and there will be more deals just like it," Hubacker said.

The closing of the deal marks the start of the integration process of TRW that is projected to last three to five years. The new company will market itself with the logo ZF TRW. The parent company, based in Germany, operates under the name ZF Friedrichshafen AG. TRW will operate within the larger company as a new division called Active & Passive Safety Technology.

TRW's history dates back to the early 1900s when it was making valves and wooden wheels for Henry Ford's Model T in North America.”

Ann Arbor SPARK has been in contact with leadership at the facilities in Tyrone Township and Fowlerville regarding the merger, and we look forward to working with them to support their growth in the region.

[Michgian Delegation Visits Eberspächer Headquarerts in Germany](#)

Ann Arbor SPARK was fortunate to participate in the City of Ann Arbor’s Sister City relationship with Tübingen, Germany. This relationship has provided the team at SPARK an opportunity to learn more about a region that has contributed much to Michigan’s economy. Germany continues to be one of the most active countries in new investment into the U.S., and in Michigan. Literally thousands of people in Michigan work for German-owned companies.

This relationship has given the SPARK team an opportunity to learn about Tübingen’s regional economy, identify partnerships and investment opportunities in Michigan, and connect with



Prepared for the Economic Development Council of Livingston County



our existing German-based companies in new ways. The delegation had an opportunity to meet with Eberspacher, one of Livingston County's growing German companies.

Last year, German investment in Michigan was significant and included local projects like Eberspacher's expansion in Brighton – more than doubling their building and bringing new operations into the region. Suffice to say, Germany is a key market for new job growth in our state and our region, and a strategic focus for SPARK. The SPARK team looks forward to growing these partnerships and opportunities for our companies and our region.

A special thank you to the Brighton Chamber of Commerce for bottling a sample of beer produced in Livingston County to take over to the team at Eberspacher. The gesture was greatly appreciated!

Jonathon Younkman Joins Ann Arbor SPARK Team to Lead Livingston County Efforts

Ann Arbor SPARK is pleased to announce that Jonathon Younkman has joined the team at the Senior Business Development Manager for Livingston County. Jonathon joins the team with previous experience working for the Michigan Economic Development Corporation, in the Michigan legislature, and most recently as a member of the executive team for a golf equipment manufacturing company in Michigan. Jonathon will be running the business development program for Livingston County.

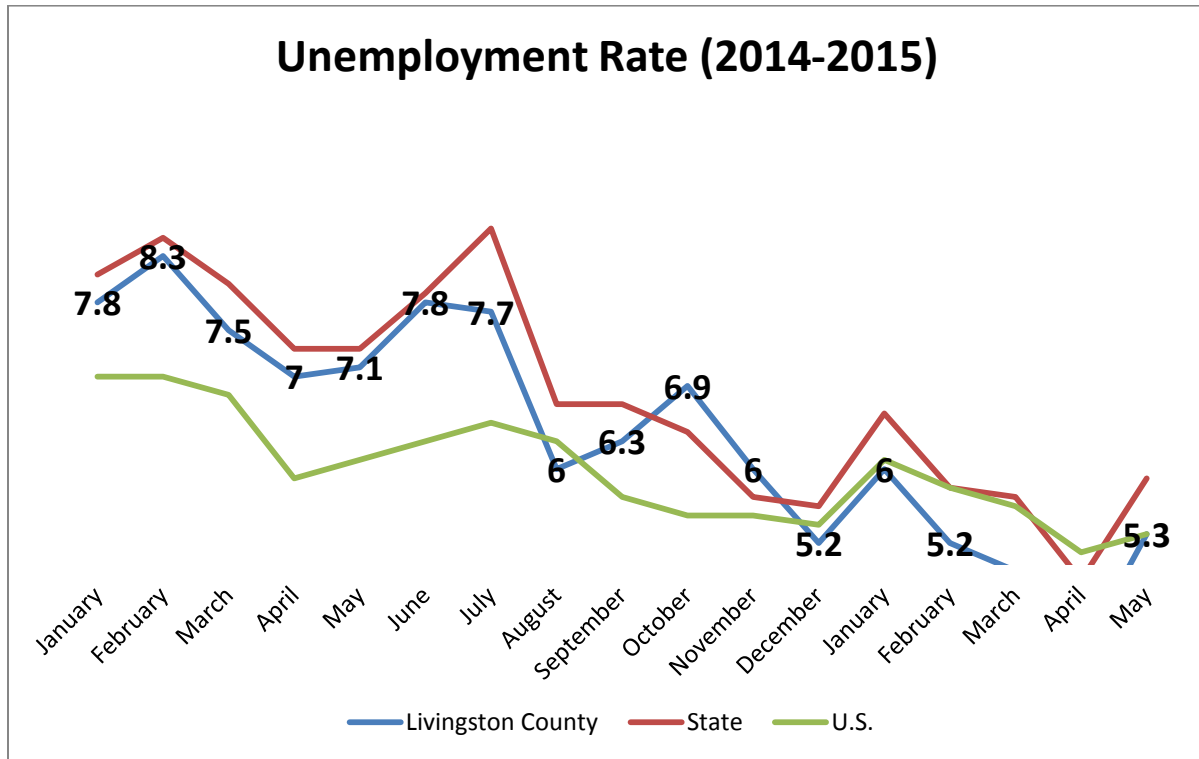


The team at Ann Arbor SPARK has had the pleasure of supporting several major events in Livingston County this summer. SPARK has sponsored the summer golf outings of the Brighton, Howell, and Hartland chambers of commerce, as well as the Michigan Challenge BalloonFest in Howell. Phil Santer spoke to the Hartland Chamber of Commerce about opportunities for partnership in June, and Anna Zinkel was a volunteer at BalloonFest. The team at SPARK looks forward to continuing to support economic growth in Livingston County for years to come.

Prepared for the Economic Development Council of Livingston County

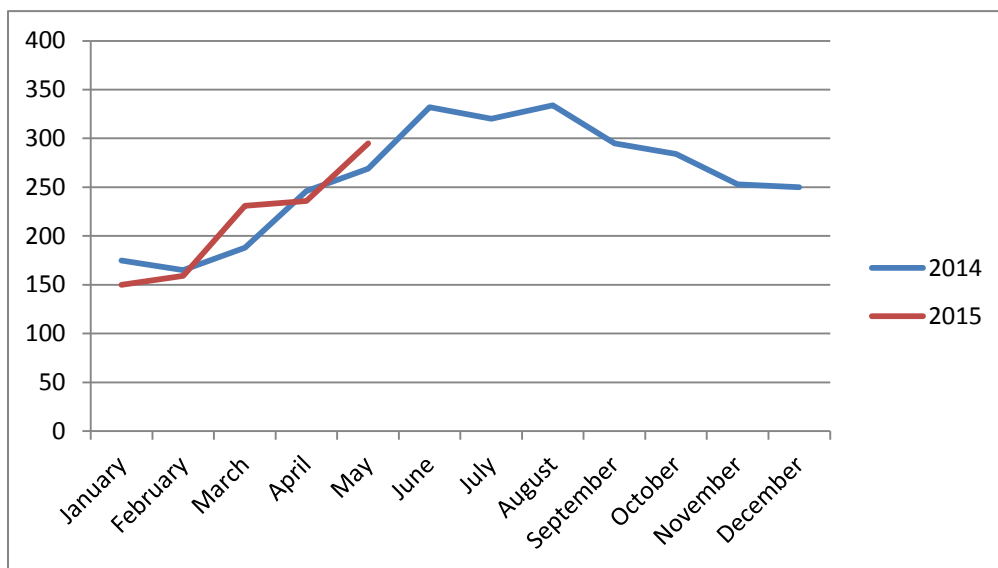


UNEMPLOYMENT RATE



Source: MI Department of Technology, Management & Budget

HOUSING SALES IN LIVINGSTON COUNTY

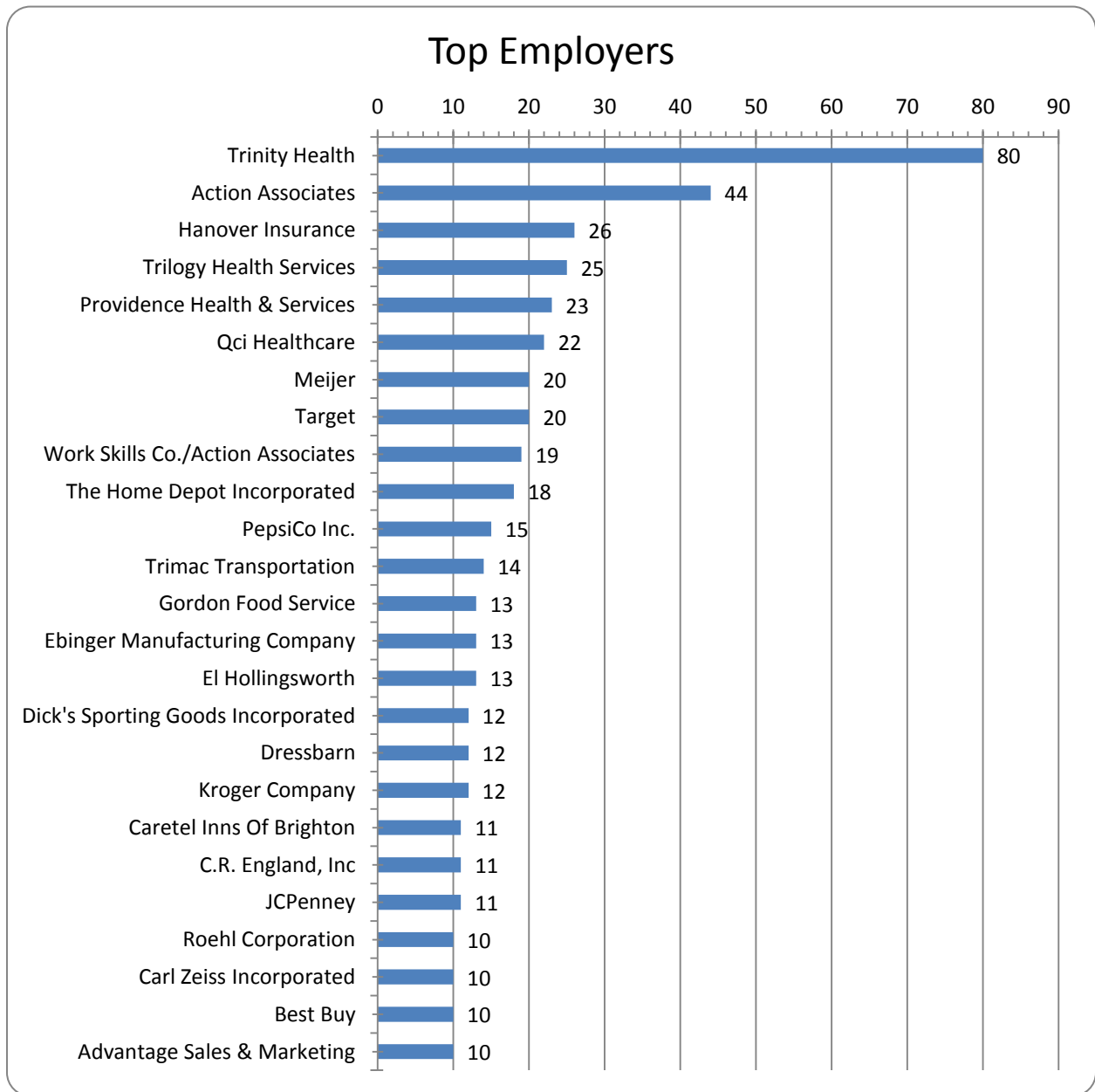


Source: Livingston County Association of Realtors

Prepared for the Economic Development Council of Livingston County



TOP 20 EMPLOYERS BY NUMBER OF JOB POSTINGS (2015 – Q2)

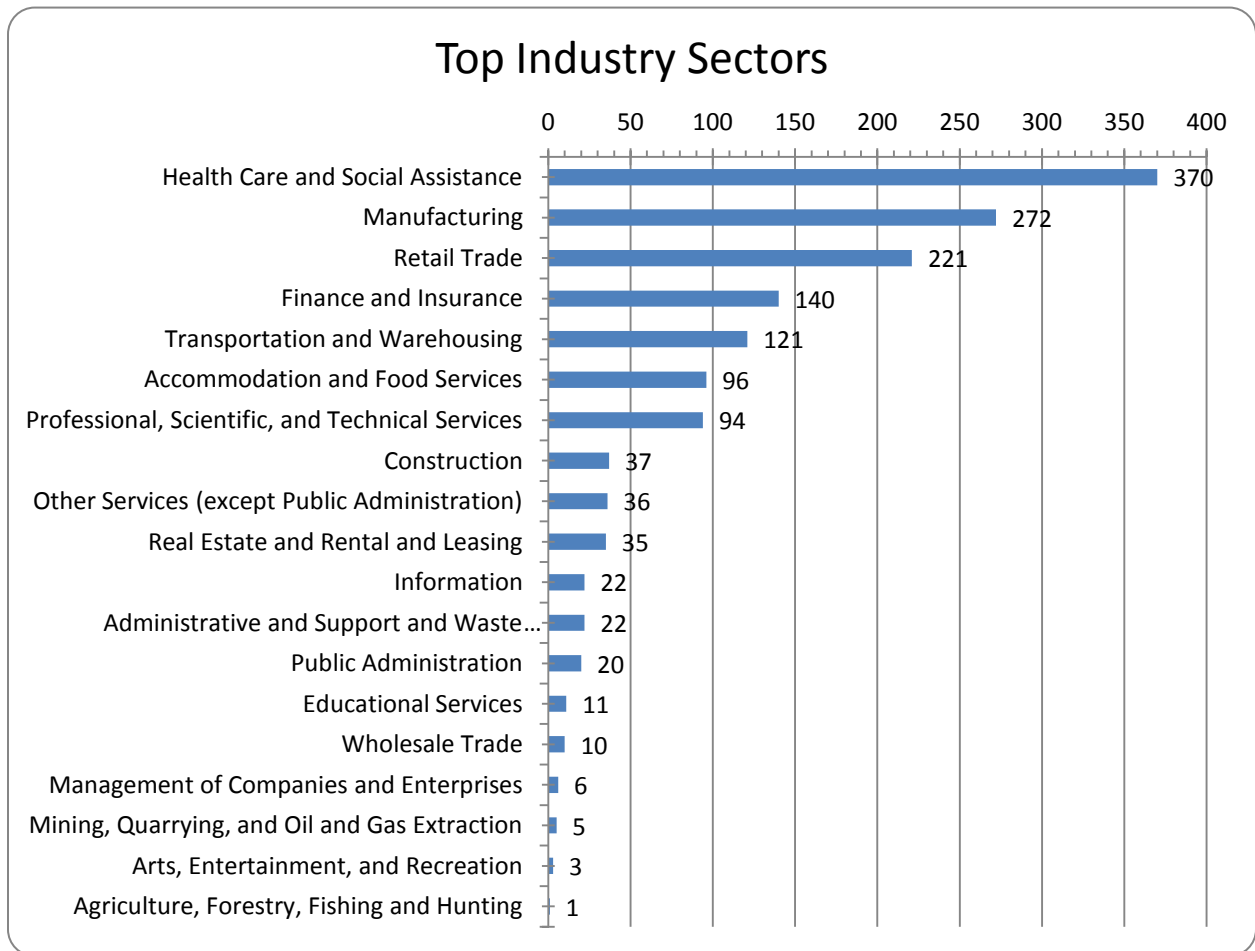


Source: Burning Glass & Workforce Intelligence Network

Prepared for the Economic Development Council of Livingston County



TOP 20 INDUSTRY SECTORS BY NUMBER OF JOB POSTINGS (2015 – Q2)

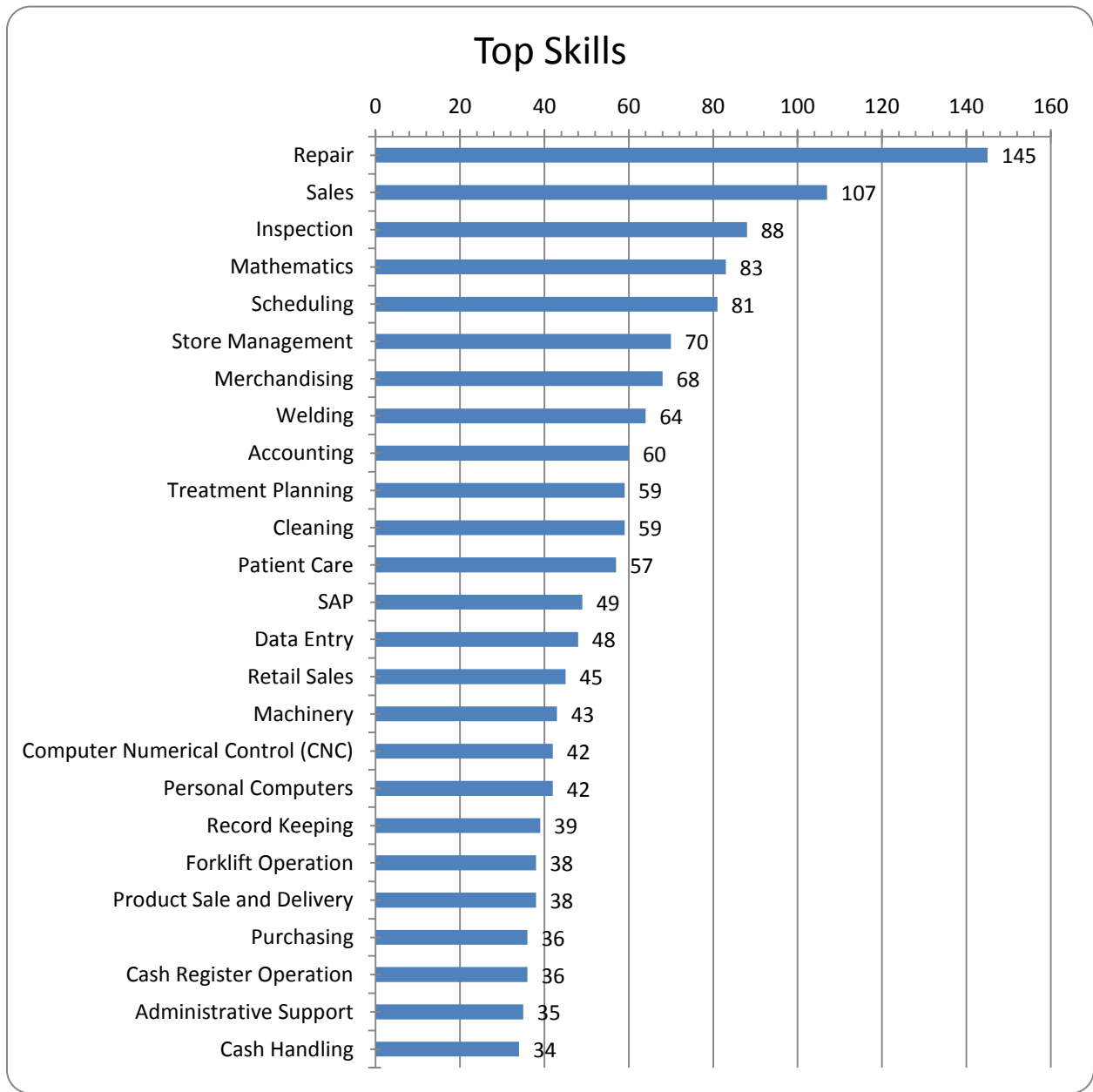


Source: Burning Glass & Workforce Intelligence Network

Prepared for the Economic Development Council of Livingston County



TOP SKILLS INCLUDED IN JOB LISTINGS (2015 – Q2)

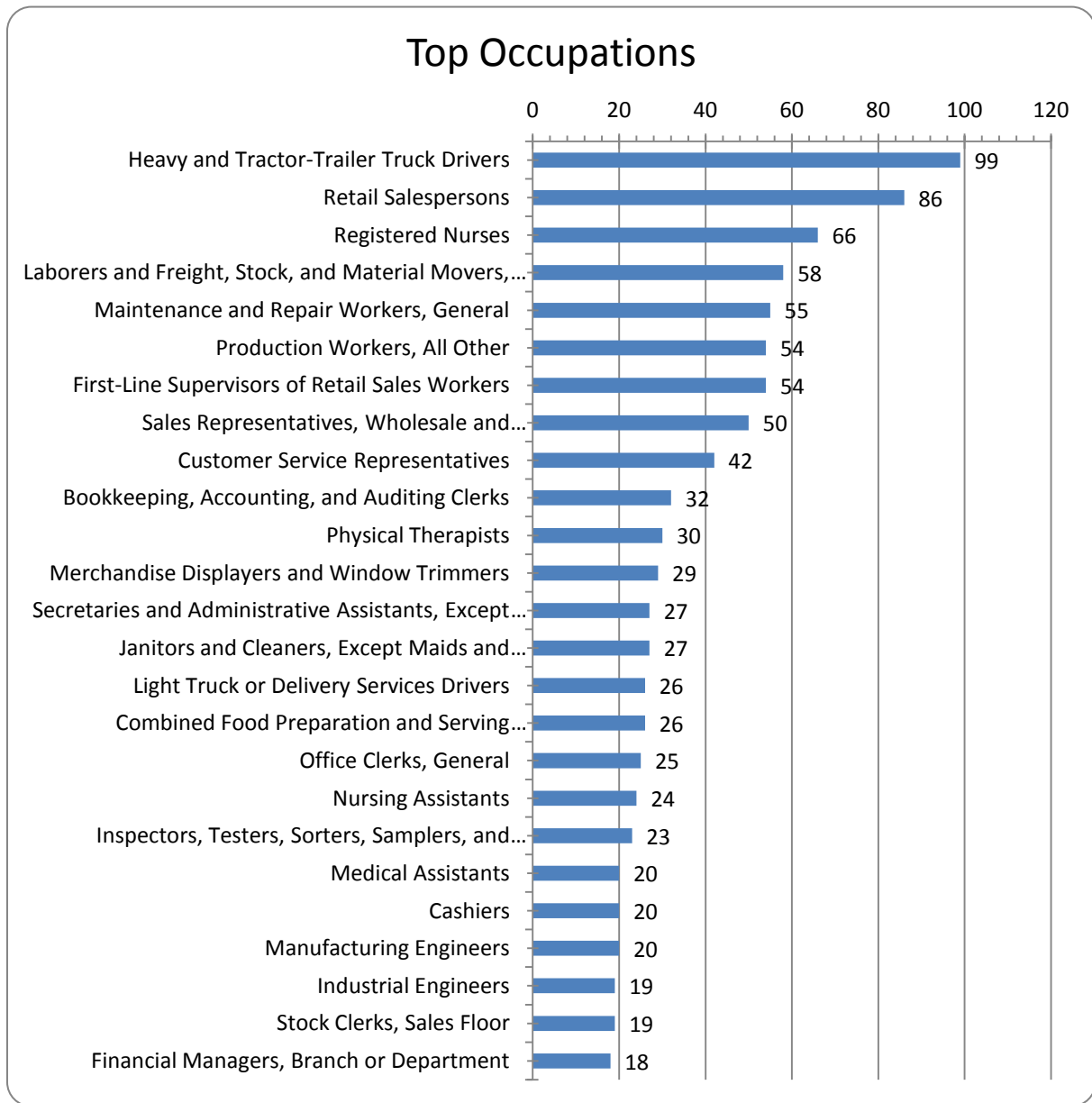


Source: Burning Glass & Workforce Intelligence Network

Prepared for the Economic Development Council of Livingston County



TOP OCCUPATIONS (2015-Q2)



Source: Burning Glass & Workforce Intelligence Network

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

| | |
|-------------|--------------|
| 2013 | 14.4% |
| 2014 | 13.9% |

Source: Livingston County Equalization Reports

Prepared for the Economic Development Council of Livingston County



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.

2015 CALL PROGRAM

| Company | Location |
|--|---------------------|
| Peaker Services | Brighton |
| Quick Switch Therapy | Brighton |
| Ignite XDS | Brighton |
| Consultx | Brighton |
| Eberspacher North America Inc. | Brighton |
| TG Fluid Systems | Brighton |
| Medical Comfort Specialists | Brighton |
| Joshua Tree Products | Brighton Township |
| Advantage Pharmacy Service | Brighton Township |
| BWI Group | Brighton Township |
| Templar Integrated Security Systems, LLC | Brighton Township |
| C.H. Robinson | Brighton Township |
| Asahi Kasei Plastics North America | Fowlerville Village |
| CSIG Holding Company | Genoa |
| Crash Tool | Genoa |
| Smart Technologies, LLC | Genoa |
| Remold Products, LLC | Genoa |
| Wyman-Gordon Forgings | Green Oak |
| GKI | Green Oak |
| Carl Zeiss Industrial Metrology, LLC | Green Oak |
| Vconverter Corp. | Green Oak |
| Flexible Metal | Hamburg |
| Key Plastics | Howell City |
| Abberant Ales | Howell City |
| Thai Summit | Howell City |
| Michigan Piano Moving Company | Howell City |
| Electric Apparatus Company | Howell City |

27 Records

Prepared for the Economic Development Council of Livingston County



PROJECT PIPELINE

| | |
|------------------------------|-----------------|
| Number of Projects | 27 |
| Potential New Job Creation | 925 |
| Potential Capital Investment | \$206.2 million |
| Average Age | 165 Days |

COMPANY VISITS, SUCCESSES, & ON-GOING PROJECTS

| | |
|------------------------------------|----------------|
| Company Visits | 28 |
| Referrals | 21 |
| Number of Successes | 5 |
| Employment Multiplier of Successes | 3.0 |
| Job Creation Assistance | 120 |
| Capital Investment Assistance | \$57.9 million |

PROJECT PIPELINE

| Unique ID | Probability (%) | Potential Investment | Potential Job Creation |
|-----------|-----------------|----------------------|------------------------|
| 4845 | 90 | \$770000 | 6 |
| 7222 | 90 | TBD | TBD |
| 7001 | 90 | TBD | TBD |
| 7503 | 50 | TBD | 70 |
| 101 | 25 | TBD | TBD |
| 4618 | 25 | TBD | TBD |
| 7465 | 20 | TBD | TBD |
| 7526 | 20 | \$5000000 | TBD |
| 7629 | 20 | TBD | TBD |
| 7266 | 20 | TBD | TBD |
| 5071 | 20 | \$20000000 | TBD |
| 2891 | 20 | \$3000000 | TBD |
| 2891 | 20 | TBD | 100 |
| 2891 | 20 | TBD | TBD |
| 5607 | 20 | TBD | TBD |
| 1029 | 20 | TBD | TBD |
| 4377 | 20 | \$1200000 | 380 |
| 7505 | 20 | TBD | 60 |
| 101 | 20 | TBD | TBD |
| 101 | 20 | TBD | TBD |
| 101 | 20 | TBD | TBD |

Prepared for the Economic Development Council of Livingston County



| | | | |
|------|----|-------------|-----|
| 4696 | 20 | TBD | TBD |
| 4682 | 20 | TBD | TBD |
| 4700 | 20 | TBD | 100 |
| 90 | 10 | \$1200000 | TBD |
| 3280 | 10 | \$15020000 | 129 |
| 101 | 1 | \$160000000 | 80 |

27 Records

REMOVED FROM THE PIPELINE

| Unique ID | Reason for Removal |
|-----------|----------------------------|
| 2891 | Located outside region |
| 7559 | Located outside region |
| 7178 | On hold |
| 4937 | Project not moving forward |
| 4665 | No response from company |
| 7052 | On hold |
| 4731 | On hold |
| 4610 | On hold |
| 6279 | On hold |
| 2891 | No response from company |

10 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.

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

