

Ann Arbor SPARK-Livingston Quarterly Report

4th Quarter 2012 (October-December 2012)

TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

QUARTERLY & ANNUAL HIGHLIGHTS

Economic Development Council of Livingston County's Annual Meeting



The EDCLC hosted its 2012 Annual Meeting on October 30th at the Cleary University in Howell. Dick Posthumus, Senior Advisor to Governor Snyder, served as keynote speaker and over 100 were in attendance. Ann Arbor SPARK CEO Paul Krutko also spoke about the new partnership between SPARK and the EDCLC and reiterated the importance of regionalism and open source economic development.

"Advantage Livingston" Marketing Video



In partnership with the EDCLC, Ann Arbor SPARK and Advantage Livingston, a Livingston-focused business marketing video debuted at the EDCLC's 2012 Annual Meeting. The video highlights regional assets developed by Advantage Livingston and showcases the new investment announcement by Thai Summit Ogihara, as well as other regional employers like Citizens Insurance and CEBOS. The video may be viewed online at <http://youtu.be/CILGloYhxYQ>.

Livingston Business Services – For Local Partners

Local partners can download and utilize SPARK's Business Services guide for businesses looking to locate or expand in their area. The handout may be [found here](#) and provides information on entrepreneurial resources, workforce development, site assistance and financing programs.

Regional Investment & Hiring Highlights


- Brighton NC Machine in Green Oak Township received a property tax abatement on a \$2.5 million investment, which will support the creation of 10 jobs. SPARK assisted with the property tax abatement process.
- American Compounding Specialties in Brighton Township extended their investment period on a tax abatement approved in 2010. The company has increased its employment since moving to Brighton Township. SPARK assisted with the property tax abatement process.
- Nearly 40 referrals were made as a result of company visits in the fourth quarter, including referrals to job seekers that were ultimately hired by firms in Livingston County.

Company Visit Overview

The Ann Arbor SPARK Livingston team visited 60 Livingston-based companies between April and December 2012. These visits will continue to be a priority in 2013, with a focus on manufacturing, high-tech and agricultural operations. 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. It also serves as an outreach tool between local businesses and municipalities.

Washington MichAGAIN & Association of the United States Army

Representatives from SPARK, the Michigan Economic Development Corporation (MEDC), Automation Alley, and several



Michigan-based businesses traveled to Washington, DC in October to attend the annual meeting of the Association of the U.S. Army. The meeting served as a key marketing opportunity for businesses in the defense sector. SPARK also co-hosted a reception through MichAGAIN, a program aimed at bringing former Michigan residents, typically alumni of Michigan schools, back to Michigan. Sixty-nine individuals attended with 35 MichAGAIN leads identified.

Chicago Site Selector Blitz & MichAGAIN

SPARK representatives traveled to Chicago in November to participate in a site selector “blitz”. Site selectors are individuals who work with businesses to make location decisions throughout the country. We had the opportunity to meet with a number of site selectors to discuss changes in Michigan, projects in the Ann Arbor region, and their perspectives of the state. This event also overlapped with the MEDC’s Chicago MichAGAIN reception, which included 10 Michigan-based employers that highlighted opportunities here.

Livingston / SPARK Website Development

Since May, Livingston-focused data and resources have been continually added to the Ann Arbor SPARK website (www.annarborusa.org/expand-relocate/livingston-county). Information includes regional data, top employer and foreign investor lists, workforce information, and entrepreneurial service resources.

UPCOMING PROJECTS

PTAC Government Consulting 101 Seminar

The Procurement Technical Assistance Center (PTAC) has partnered with Ann Arbor SPARK and the Greater Brighton Area, Howell Area, and Hartland Area Chambers of Commerce to host a Government Consulting 101 Seminar at the Brighton Chamber on Wednesday, January 30 from 9 am to 12 noon. Attendees will learn what it takes to sell goods and services to the federal, state, and county governments, as well as learn about the services and support available through PTAC.

PARTNER UPDATES FROM LIVINGSTON COUNTY MICHIGAN WORKS!

Expanded Services to Local Businesses and Employers

During 2012, Michigan Works! worked on expanding its services to employers. These include providing facilities/space for interviewing for mass hirings, screening resumes of prospective employees, funding training to current employees to update skills and avoid layoffs and distributing information and funding for On-the-Job training and Internships.

Additionally, employers provided information on skills they need for their businesses. Michigan Works! looks to continue to become more responsive to employers and their needs in 2013 as we focus our resources on demanded skills.

Training Focused on Immediate Employer Needs

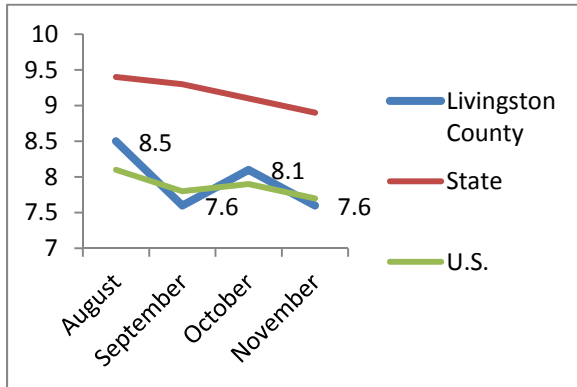
Following the State of Michigan’s lead, Livingston County Michigan Works! is transitioning to a system of demand-based training. This effort responds to the requested skills and needs of employers. With the use of real time data and feedback from employers in key industries, training will become more focused in areas where immediate openings exist.

Livingston County Michigan Works! is concentrating training funds in industry clusters such as advanced manufacturing, health care, information technology and financial services. The ultimate goal is to further support local employers and place job seekers into full time employment more quickly.

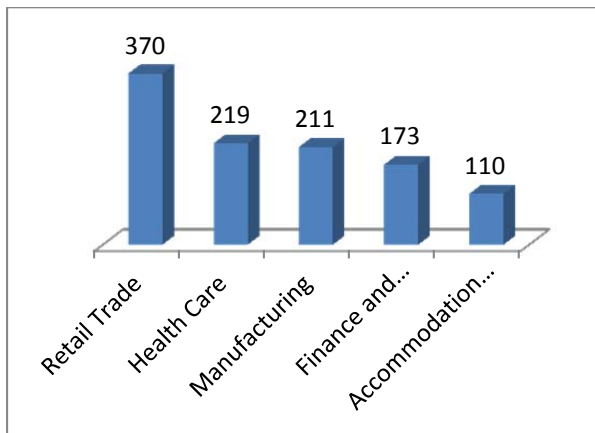
Data collection and employer involvement is key. The Workforce Development Council will engage local employers to validate trends revealed by the data and to identify ways that we can work with them to meet their workforce needs.

More information may be found in the Livingston County Michigan Works! annual report, found on their website: www.LCMW.org.

UNEMPLOYMENT RATE



REAL-TIME JOB OPENINGS



(July to December 2012, Source: Livingston County Michigan Works!)

ASSESSED VALUE OF COMMERCIAL AND INDUSTRIAL PROPERTY

	Real	Personal
2011	\$7,684,847,114	\$511,004,824
2012	\$7,435,910,644	\$531,433,094

(Source: 2011 & 2012 Livingston County Equalization Report)

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

15.4%

(Source: 2012 Livingston County Equalization Report)

PROJECT PIPELINE

Number of Projects	11
New Job Creation	425
Capital Investment	\$39,500,000

COMPANY VISITS & PROJECT SUCCESSES

Company Visits	60
Referrals	106
Job Creation	11
Assistance	
Capital Investment Assistance	\$2.5 million

PROJECT PIPELINE

Account ID	Probability	Investment	Job Creation
4998	80%	TBD	24
6167	50%	TBD	15
5587	50%	\$5,000,000	67
4608	50%	TBD	TBD
4610	30%	\$4,000,000	6
4837	30%	TBD	TBD
6267	25%	TBD	30
6348	25%	TBD	8
5627	20%	\$5,000,000	75
6250	10%	\$25,000,000	200
4737	10%	\$500,000	TBD

COMPANY VISIT REPORT (4TH QUARTER)

Company Name	Municipality
Boss Engineering	Genoa Township
Central Conveyor Company	Green Oak Township
Datapak Services Corporation	Howell Township
Export Corporation	Green Oak Township
Fowlerville Hardware	Fowlerville Village
Gordon Food Service	Green Oak Township
Intertwine Corporation	Howell Township
Joshua Tree Products	Brighton Township
Koppert	Hartland
Kraftwerk LLC	Hamburg
Legacy Center LLC	Green Oak Township
Littlite	Hamburg
MetPro Group	Handy
Precision Stamping	Genoa Township
Target Tracker	Putnam Township
Toolworx Information Products, Inc.	Genoa Township
Ventra Fowlerville, LLC	Fowlerville Village
Zero Gravity Filters	Genoa Township

COMPANY TRENDS & OPPORTUNITIES

- **GROWTH OPPORTUNITIES:** Companies continue to consider growth opportunities for the near future, with some taking the initial steps of considering what type of space is available in the market. SPARK assists with these opportunities by identifying space requirements, providing an overview of available properties on the market and solving other needs as they arise.
- **ACCESS TO TALENT:** Finding qualified talent continues to challenge businesses. Job openings and opportunities are available throughout Livingston County (see the chart above for specific industries seeking new hires); however, finding the right talent to fill those positions has proven difficult. Some firms have found success through word-of-mouth recruiting with existing employees or using temporary employment services to fill fluctuations in employment demand. SPARK, in partnership with Livingston County Michigan Works!, works to identify talent needs and connect them to an existing pipeline of candidates, or through SPARK's Job Portal.
- **DEBT FINANCING:** Many companies continue to finance projects through owner equity, meaning less reliance on traditional debt for financing projects. This represents a unique trend, as federal and state mechanisms have been developed to increase the availability of debt financing, which is perceived as difficult to obtain. SPARK can assist in identifying financing programs through state, federal or private resources.



Livingston County
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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.

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.