



TO: Economic Development Council of Livingston County



FROM: Ann Arbor SPARK

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

4th Quarter 2014 (October – December 2014)

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Prepared for the Economic Development Council of Livingston County



TG FLUID SYSTEMS EXPANDING, ADDING OVER 36 JOBS IN THE CITY OF BRIGHTON



In November, TG Fluid Systems announced plans to expand in the City of Brighton, adding 36 new jobs and investing nearly \$13 million. Below is an excerpt of the press release from the Michigan Economic Development Corporation, which offered financial assistance to support their growth in Michigan over competing locations around the country. SPARK provided assistance to the company throughout the application process and will provide hiring support for new jobs. The City of Brighton staff also worked with the company in their application to the Michigan Department of Transportation (MDOT). You can read the full press release on SPARK's blog: <http://blog.annarborusa.org/tg-fluid-systems-expanding-in-brighton-adding-36-new-jobs/>.

TG Fluid Systems, a subsidiary of Toyoda Gosei North American Corporation, is expanding in the City of Brighton with support from the Michigan Strategic Fund, the Michigan Economic Development Corporation announced today. The expansion is expected to generate nearly \$13 million in new private investment and add 36 new jobs.

“Michigan leads the nation in manufacturing jobs growth, and the new jobs resulting from TG Fluid Systems’ expansion will keep us moving in the right direction,” said MEDC president and CEO Michael A. Finney. “The company’s decision to expand in Michigan demonstrates our state’s strong advantages as a great place to do business.”

TG Fluid Systems USA Corporation, a subsidiary of Toyoda Gosei North American Corporation, is a plastic extrusion and forming manufacturing company. The company has experienced significant growth due to its highly automated forming and assembly system and plans to expand operations in the City of Brighton. The project will generate a total capital investment of up to \$12.9 million and create 36 jobs, resulting in a \$150,000 Michigan Business Development Program performance-based grant. SPARK has offered support to the project in the form of hiring assistance, and also provided assistance to the company throughout the process of applying for and securing incentives from the state. For employment opportunities with TG Fluid Systems, please send an email to tgfs.resume@tggroupna.com.

The Michigan Department of Transportation is currently reviewing an application for a Transportation Economic Development Fund grant to make local roadway repairs necessary for the TG Fluid Systems project.

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“We are happy that TG Fluid Systems USA Corporation will remain in the City of Brighton,” said TG Fluid Systems USA President Toru Koyama. “We are looking forward to a long and successful working relationship with the State of Michigan and the City of Brighton.”

PEPSI TO INVEST AND EXPAND IN THE CITY OF HOWELL

In October, Pepsi Bottling Group received a property tax abatement from the City of Howell to expand its bottling facility. Pepsi is installing blow-molding equipment to convert plastic pre-forms into bottles, or manufacture PET bottles. As part of the expansion, Pepsi will invest nearly \$15 million and add five new jobs.

The City of Howell has awarded Pepsi a 12-year property tax abatement to support the real property improvements of the project.

“Pepsi is another global brand that sees the value of tapping in to the manufacturing talent and infrastructure in the Ann Arbor region,” said Paul Krutko, president and CEO of Ann Arbor SPARK. “Self-manufacturing bottles instead of purchasing bottles from a supplier is a key way that Pepsi can save money. The ability to leverage the assets of this region is a distinct competitive advantage for Pepsi.”

With more than 380 employees, Pepsi Bottling is one of the major manufacturing operations in the City of Howell.

Pepsi’s expansion in the City of Howell involves a total investment of more than \$14.9 million in personal and real property. The project involves a small build out of Pepsi’s plant.

Ann Arbor SPARK has been engaged with Pepsi for several months, and provided technical support on the property tax incentives process, and also outlined the recent statewide changes to personal property tax.

LIVINGSTON COUNTY EMPLOYERS RECEIVE THOUSANDS IN TALENT DEVELOPMENT TRAINING GRANTS

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 awarded training grants totaling more than \$350,000 to eight Livingston County companies through the state's Skilled Trades Training Fund. The fund provides support for employer-led training projects in an effort to better align talent with employer needs. The companies plan to train more than 150 current employees and hire at least 140 new workers in the next year. The grants will be administered locally by Livingston County Michigan Works!

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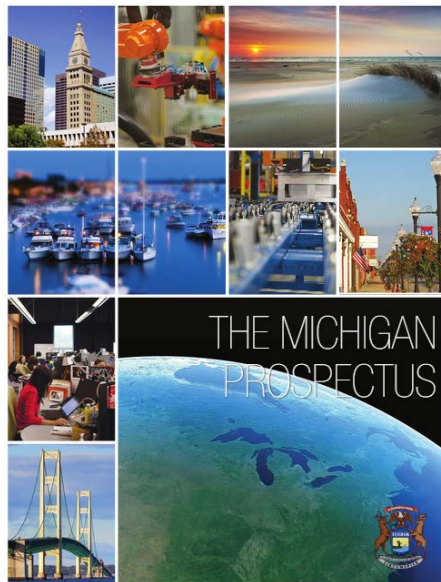


The companies awarded grants include:

- AA Gear and Manufacturing Inc. of Howell Township, \$47,040
- Asahi Kasei Plastics North America of Fowlerville, \$16,800
- Magna Atreum of Howell Township, \$36,425
- Chassix Inc. of Howell Township, \$30,390
- CRW Plastics USA Inc. of Genoa Township, \$47,425
- Diamond Chrome Plating of Howell, \$35,174
- TG Fluids of the City of Brighton, \$25,578
- Thai Summit America Corp. of the City of Howell, \$112,926

"We are pleased that we can help these companies address their talent needs," said Bill Sleight, director of Livingston County Michigan Works! "These training funds will help companies increase the skills of their current and future employees and improve our local economy."

MICHIGAN MARKETING DOCUMENT FEATURES LIVINGSTON COUNTY PROPERTIES FOR WORLDWIDE AUDIENCE



In October, the Michigan Economic Development Corporation issued a revised version of "The Michigan Prospectus," a document intended to highlight some of Michigan's development opportunities to investors located outside of the state. The document showcases opportunities throughout the state by region. Page 16 of the document features two opportunities in Livingston County – the "Howell development area," which is owned by the City of Howell and sits in Marion Township and the City; as well as South Latson, which is the development opportunity available through the new Latson Road interchange. If you'd like more information about this project, or have a site you would like to showcase, contact Phil Santer for more information.

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You can read the entire Michigan Prospectus: <https://medc.app.box.com/MI-Prospectus-2-0>

EDCLC ANNUAL MEETING HIGHLIGHTS COUNTY GROWTH, AND THE EFFECTS OF THE AUTOMOTIVE REBOUND IN MICHIGAN

In November, the Economic Development Council of Livingston County held its annual meeting at Cleary University to discuss the growth of the community and recognize key projects and partners within Livingston County. The meeting featured three awards and a keynote address by Kristin Dziczek of the Center for Automotive Research.

The awards went to:

- Eberspacher North America with the 2014 “Project of the Year” for their expansion in the City of Brighton;
- The Pinckney Robotics Team for “Talent Innovation” with their focus on connecting students with employers;
- Livingston County Michigan Works! for “Partner Innovation” with their continued dedication to employer outreach.

You can see an overview of the “Project of the Year” here:

<https://www.youtube.com/watch?v=YYII8FfjCLE>, and review the slides from Kristin Dziczek’s presentation here: http://www.annarborusa.org/sites/default/files/content-documents/auto_industry_update-november_2014.pdf.

An excerpt from the Livingston Press & Argus’s coverage of the event:

“Local and state economic issues were the focus of the Economic Development Council of Livingston County’s annual meeting, held Tuesday at Cleary University. Speakers tempered good news with some harsh realities. The good news locally is that there has been \$95 million in new business investment over the past 30 months, bringing the promise of 520 additional jobs. Recent arrivals — like Thomson Plastics in Genoa Township, expansion projects at existing facilities like Eberspacher in Brighton and reinvestment like the \$15 million PepsiCo recently committed to its Howell bottling plant — show the county’s regional approach to development is working, EDC Chairman Scott Griffith said. “It happens when we think regionally,” Griffith said. At the same time, Griffith noted a “skills gap” continues to exist between the type of workers businesses need and those available in the county workforce.

With Griffith’s earlier comments in mind, the EDC honored the Pinckney High School robotics program, the local Michigan Works! office and Eberspacher during its 2014 awards ceremony, also held during Tuesday’s annual meeting.

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The robotics program received the EDC's Talent and Partner Innovation awards, while Eberspacher's \$51 million expansion was named the county's Project of the Year. Pinckney's robotics program provides real world job training, program director Sean Hickman said.

'When people visit us, they are stunned,' Hickman said. 'It's not Tinker Toys. They're working with real world machines.'"



Thank you to the sponsors of the event, including presenting sponsor Lake Trust Credit Union, as well as Consumers Energy, Dollar Bill Printing, and Russell Video for their tremendous support.

EDCLC AND ANN ARBOR SPARK RENEW ECONOMIC DEVELOPMENT RELATIONSHIP FOR LIVINGSTON COUNTY

In December, the EDCLC and Ann Arbor SPARK agreed to another three year economic development relationship for Livingston County. The relationship has received statewide recognition as a best practice for regional economic development, and Ann Arbor SPARK is excited at the prospect of building on the region's success over the next three years. The contract, which begins in 2015 and extends through 2017, is based on renewed relationships with the EDCLC's municipal partners, in addition to its private sector sponsors.

"Ann Arbor SPARK is pleased to be able to partner with Livingston County on economic development efforts; this partnership is a terrific win for the entire region," said Paul Krutko, president and CEO, Ann Arbor SPARK. "The competition for business location and expansion is fierce, and the combined assets of the Ann Arbor region - talent, infrastructure, and cost of doing business - is what helps us attract and retain leading global businesses."

The Board of Directors of the EDCLC has also expanded, with each municipal partner now represented.

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LIVINGSTON EDUCATIONAL SERVICE AGENCY WORKS TO CONNECT LOCAL EMPLOYERS WITH THE EDUCATIONAL SYSTEM

In December, the Livingston Educational Service Agency (LESA) and Ron Long of First National Bank convened employers to discuss increasing career awareness of students throughout Livingston County. The renewed focus on career awareness includes easy access to internships, participation in a “talent tour” of career options in the region, or participation in an online company profile called MI Bright Future.

Intern Livingston has been one of the regional assets discussed in SPARK’s company visits since beginning our work in Livingston County, and we are energized by the increased outreach to the business community from the education providers in the region. This is a great opportunity to help proactively address the ongoing need for talent in Michigan.

Employers with an interest in participating in the program can sign up here:

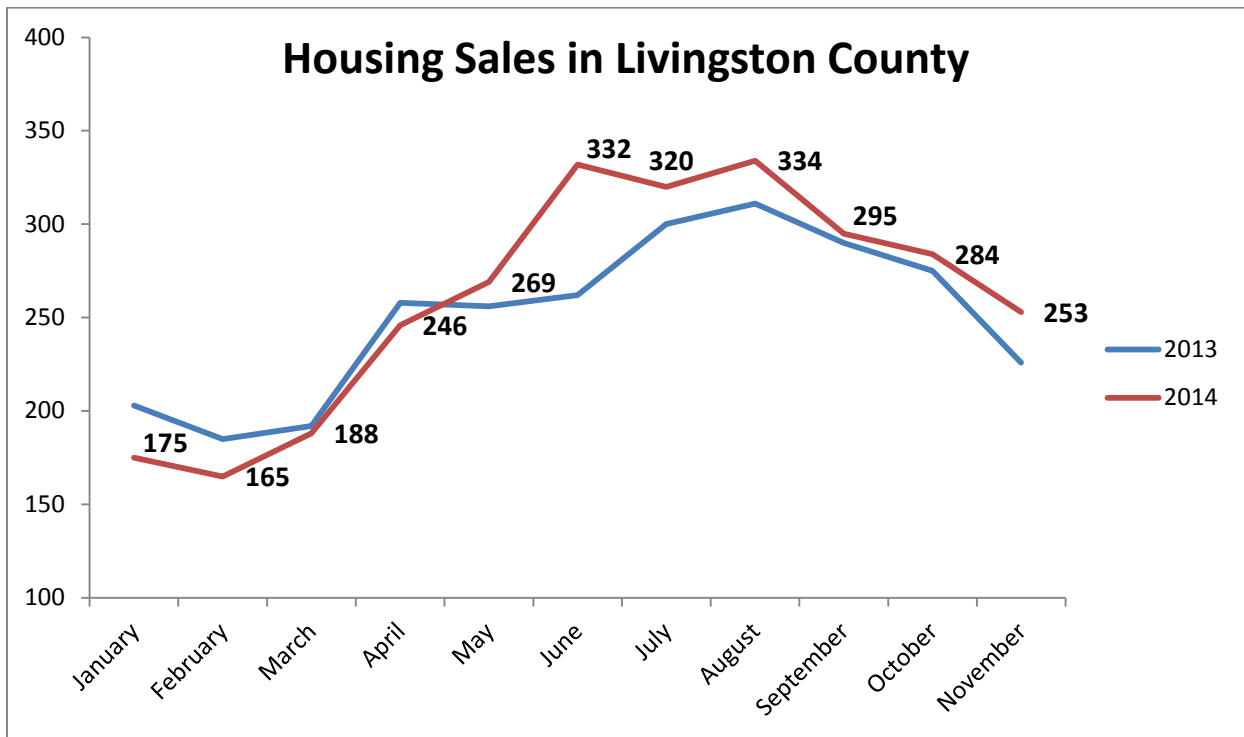
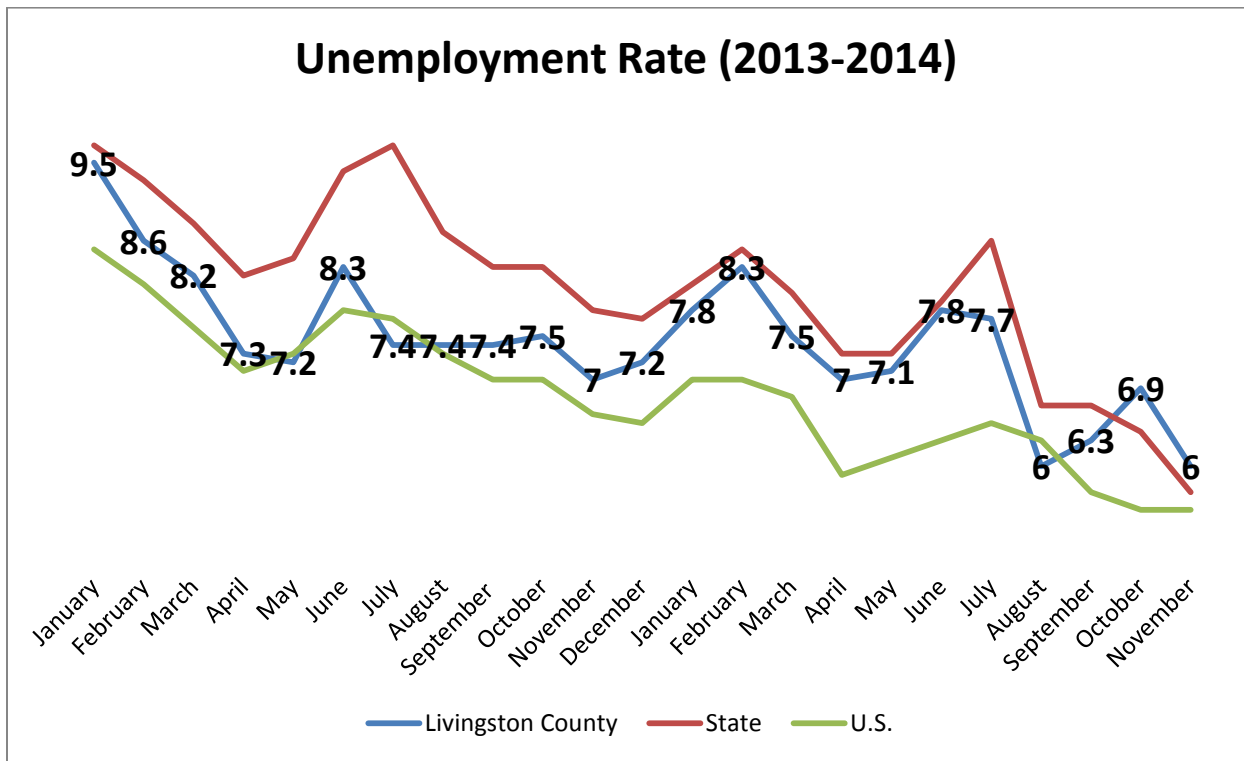
http://www.internlivingston.org/employer_involvement_discussion.html.

Read more about the program in the Press & Argus’s overview here:

<http://www.livingstondaily.com/story/news/education/livingston-county/2014/12/29/new-push-internships-starts/20989705/>.



DASHBOARD

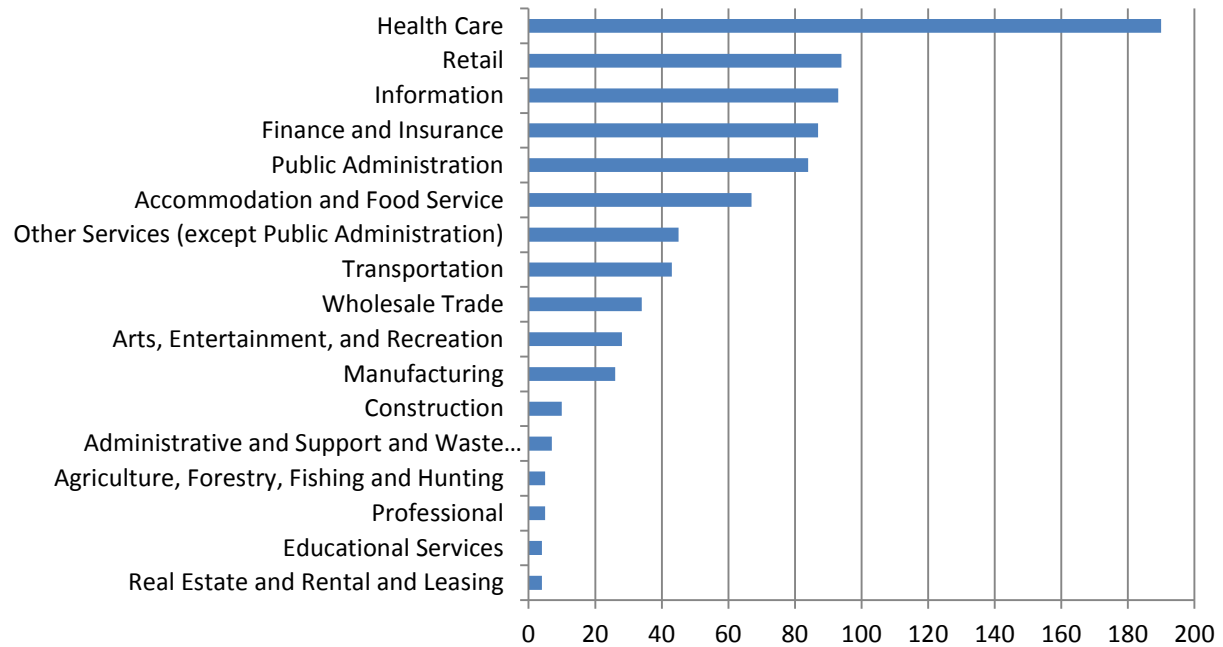


Source: Livingston County Association of Realtors

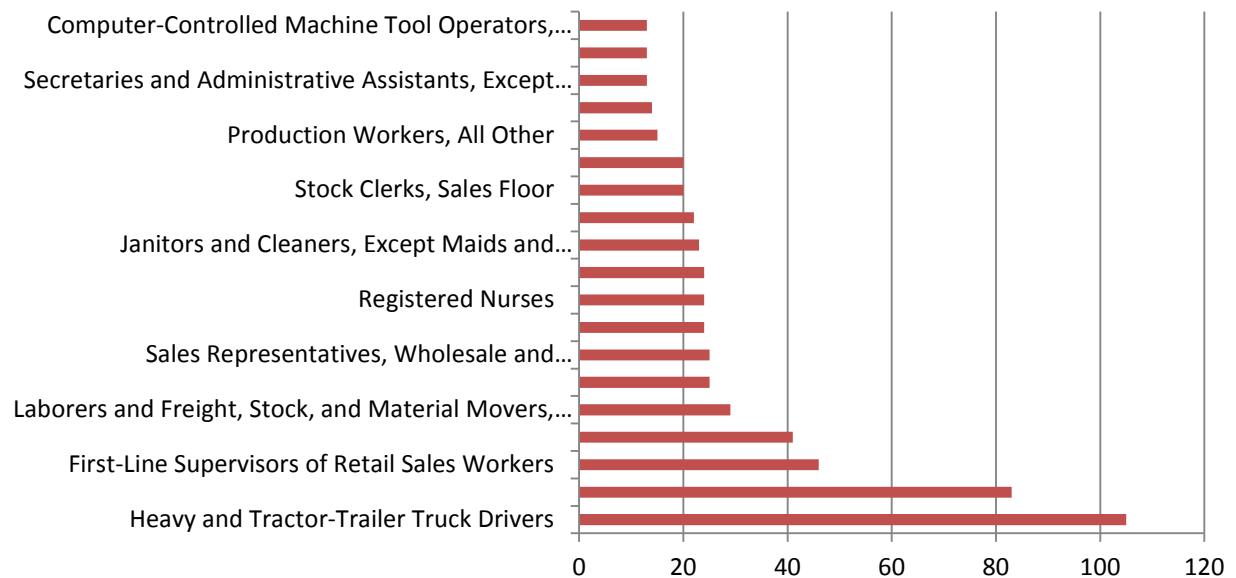
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Job Postings by Industry Sector* Livingston County -- 4th Quarter 2014



Job Postings by Occupation* Livingston County - 4th Quarter 2014



Source: Workforce Intelligence Network

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

2012	15.4%
2013	14.4%
2014	13.9%

Source: Livingston County Equalization Reports

WARN NOTICES & CLOSURES (Q4-2014)

NONE

2014 CALL PROGRAM

Company	Location
Modern Content, Inc.	Brighton
Dunnage Engineering	Brighton
Total Solutions	Brighton
Micro Works Computing, Inc.	Brighton
Mobileteer, LLC	Brighton
Medical Comfort Specialists	Brighton
Corrigan Oil Company	Brighton
Sunberry Limited, LLC	Brighton
Templar Integrated Security Solutions, LLC	Brighton Township
Lake Trust Credit Union	Brighton Township
Xspond Inc.	Brighton Township
ASTI Environmental	Brighton Township
iVantage Group	Brighton Township
t2 designs inc.	Brighton Township
The Straits Lighting Company	Brighton Township
Novi Precision Products, Inc.	Brighton Township
Hug-A-Plug, Inc.	Brighton Township
Nikon Metrology	Brighton Township
Social Eyes on Business	Brighton Township
Asahi Kasei Plastics North America	Fowlerville Village
Ashland Aluminum Company, LLC	Fowlerville Village
Total Security Solutions	Fowlerville Village
Dedoes Innovative Manufacturing, Inc.	Fowlerville Village
CRW	Genoa
Precision Stamping	Genoa
Battery Solutions	Genoa
Triton Stormwater Solutions	Genoa
Smart Technologies, LLC	Genoa
CenTech, Inc.	Genoa
ToolWorx Information Products, Inc.	Genoa
Chemco Products Inc.	Genoa
Dun-Rite Machining, Inc	Genoa

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Three 60 Corp.	Genoa
Export Corporation	Green Oak
Vectorall Manufacturing, Inc.	Green Oak
Aspen Technologies Inc.	Green Oak
Brighton NC Machine Corporation	Green Oak
Zero Gravity Filters	Green Oak
Excelda Manufacturing	Green Oak
Lowry Computer Products, Inc.	Green Oak
Electro Power Systems, SpA	Green Oak
Commercial Construction Inc.	Green Oak
CGE Energy	Green Oak
Benecor	Green Oak
eSigns.com	Green Oak
Gordon Food Service	Green Oak
Wedge-Mill Tool Inc.	Green Oak
Engineered Performance Materials	Green Oak
Extreme Machine	Hamburg
Progressive Metal Forming, Inc.	Hamburg
TwoSix Digital	Hamburg
CAE, Incorporated	Hamburg
Koppert	Hartland
Citizens Management Inc.	Howell City
Citizens Insurance Company	Howell City
Intertwine Corporation	Howell City
Key Plastics	Howell City
Thai Summit America Corporation	Howell City
Armor Protective Packaging, Inc.	Howell City
Thomson Plastics, Inc.	Howell Township
Rex Materials	Howell Township
99mainstreet	Howell Township
Crosswinds Aviation	Howell Township
Ideal Setech Share-The-Spare, LLC	Howell Township
Performance Fabricating, LLC	Howell Township
MetPro Group	Howell Township
Carcoustics USA, Inc.	Howell Township
Munsell's Poultry Processing	Iosco
TRW Automotive	Tyrone Township

*69 records

PROJECT PIPELINE*

Number of Projects	21
Potential New Jobs Creation	1,601
Potential Capital Investment	\$104.8 million
Average Age	169 Days

*As of January 2, 2015

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COMPANY VISITS, SUCCESSES & ON-GOING PROJECTS

Company Visits	69
Referrals	115
Number of Successes	6
Employment Multiplier of Successes	3.0
Job Creation Assistance	247
Capital Investment Assistance	\$83 million

PROJECT PIPELINE*

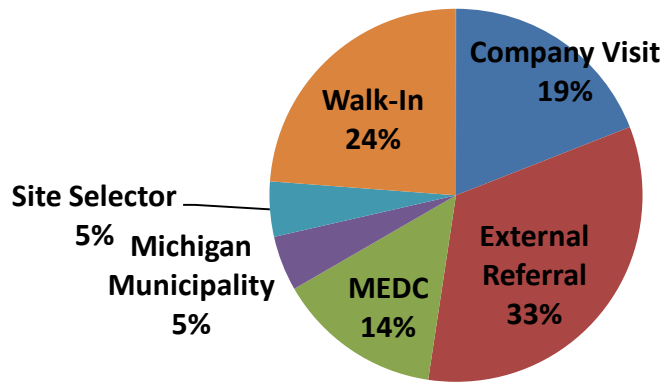
Unique ID	Probability (%)	Potential Investment	Potential Job Creation
7280	75	TBD	TBD
7001	60	TBD	TBD
3280	50	\$15,020,000	129
2891	25	TBD	TBD
6938	25	TBD	TBD
7222	25	TBD	TBD
6279	25	TBD	TBD
7052	20	\$10,000,000	50
4845	20	\$800,000	6
7178	20	\$10,000,000	40
4618	20	TBD	TBD
4937	20	TBD	400
7304	20	TBD	TBD
4377	20	\$1,200,000	380
0101	20	\$2,100,000	31
4665	20	TBD	70
7126	20	\$1,500,000	50
4610	20	TBD	TBD
4700	20	\$13,000,000	TBD
0090	10	\$1,200,000	TBD
4643	5	\$50,000,000	445

*As of January 2, 2015

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Pipeline Lead Sources



REMOVED FROM THE PIPELINE

Unique ID	Reason for removal from the pipeline
4706	Found location outside of Livingston County
5093	No economic development services required
4837	No economic development services required
4697	Lack of a response from company



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 job effects of 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.

***NOTE:** Changes to the software used by the Workforce Intelligence Network have affected the types of reports available. These changes no longer allow comparisons of current quarter demand with prior years, as was previously presented in the quarterly reports.



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