

# Economic Development Council of Livingston County

QUARTERLY ECONOMIC
DEVELOPMENT REPORTS 2021





Ann Arbor SPARK will advance the economy of the Ann Arbor region by establishing it as a desired place for innovation, business location and growth, and for talented people to live and work. The Ann Arbor region will be recognized for its academic, business, and community resources, and its collaborative culture. For more information visit: www.annarboruse.org

# **Quarterly Highlights**

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### **Guest Commentary with Howell Chamber of Commerce**

SPARK was invited to be a guest on WHMI with the Howell Area Chamber of Commerce during their weekly membership series. Marcia Gebarowski, Director of Business Development highlighted supply chain disruptions and issues around talent in our own backyard during her talk with Janelle Best, President of the Howell Area Chamber.

<u>LINK</u> to the video of full conversation which aired on WHMI

#### Local Business Secures \$13 M in Series AA Funding

Brighton-based FlexDex Surgical closed a series AA funding round, which brought in \$13 million for the company, led by Johnson & Johnson Innovation and Almeda Ventures.

FlexDex Surgical has developed a line of surgeonpowered devices that offer the precision of surgical robots yet priced like traditional surgical instruments. FlexDex is focused on developing robotics-inspired laparoscopic instruments for minimally invasive procedures.

"Our Engineering team has made great advancements in the design of our next generation devices, that build on the successes and experiences gained with the first generation FlexDex Needle Driver," said Dr James Geiger, Co-Founder and Chief Executive Officer of FlexDex

The new funding will enable FlexDex to upgrade its existing articulating needle driver, which is used to perform endoscopic suturing. The company will also continue to build out their portfolio with an entire line of laparoscopic instruments featuring robotic functionalities.

## Livingston Business Recognized for Growth

Kicking off a2Tech360, Ann Arbor SPARK presented its 23nd annual FastTrack Awards to 18 companies located in Washtenaw and Livingston counties. More than half of the 2021 FastTrack Award recipients were multiple-year winner, including Brighton-based **Thriving Minds Behavioral Health**.

FastTrack Awards are presented to companies with consistent and substantial records of growth. Recipients of this year's awards were required to have revenue of at least \$100,000 in 2016, with an average growth of at least 20 percent for the following three years.

Thriving Minds Behavioral Health received their second Fast Track award, celebrating consistent growth since 2015.

## Local Hospitality Industry Convenes Roundtable

SPARK, along with the Livingston County Convention and Visitors Bureau moderated a roundtable of local restaurant owners brought together by the Livingston Chamber Alliance. Justin Winslow, Director of the Michigan Lodging and Hospitality Association joined the discussion to share data and resources to the group. It is projected that 87% of restaurants are not staffed adequately to provide full service. This statistic rings very true locally according to restaurant owners. Businesses indicated inventory has become hard to find including various cups and lids, as well as the increase in cost of food. State officials also attended to hear from restaurant owners on the current state of need in the industry. LESA promoted their job shadow event, which allows students to meet with and tour local businesses, as a way to engage with local youth to promote job opportunities.

## **Events**

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## Talent Retention in a Changing Environment

Join business, government, and community leaders from across the region as we celebrate the successes in Livingston County with dinner and cocktails and an informative panel discussion on the current state of talent in Michigan.

#### Award Presentations:

Resilience Award | Talent Innovator Award | Project of the Year

#### **Registration Fees:**

\$300 Table of 8, and \$35 Individual tickets

#### A Special Thank You To Our Sponsors:





















#### **Panel Members:**

Dr. Alan Drimmer, President, Cleary University Shamar Herron, Executive Director,

Andrea Ferrario, Senior Director, Human Resources, Ascension

Michigan Works! Southeast

Dr. Mike Hubert. Director. Livingston Educational Services Agency Suzy Murphy, Vice President, Work Skills

You're Invited!



Scan this or Register at A2SPARK.org/EDCLC2021

# Local Dashboard

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The local dashboard tracks demographic trends that are important measures of economic growth. Please note: this data does not reflect the impact of the COVID-19 Crisis as the data is in arrears. The data is compiled from a range of sources, including the Bureau for Labor Statistics, the Census, the Livingston County Association of Realtors, and more. The trend arrow reflects the change in quarterly data, using the most recent data available. Timing of updates vary by source.



Unemployment

#### 02 2021

Michigan: 4.9% Livingston: 2.8%

County decreased from 0.6% from Q1 to Q2 2021. This accounts for businesses reopening back up throughout pandemic. The local unemployment rate remains lower than the state unemployment rate that decreased 0.4% from Q1 to Q2 2021

Source: BLS LAUS



Wages

#### 01 2021

Michigan: \$1,155 Livingston: \$923

The unemployment rate in Livingston The average weekly wage in Livingston County decreased \$146 from Q4 2020 to Q1 2021. The average weekly wage in Livingston County remains lower than the average weekly wage statewide which decreased \$102 from Q4 2020 to Q1 2021.

Source: BLSQCEW



## LaborForce

#### 02 2021

Michigan: 4,710,499 Livingston: 97,566

The labor force in Livingston County increased by 0.714% from Q1 to Q2 2021. During the same time period, the labor force in Michigan decreased by 0.025%. The labor force consists of individuals working or seeking employment.

Source: BLSLAUS



## MFG Employment

#### 01 2021

Michigan: 582,238 Livingston: 9,332

Employment in manufacturing decreased by 5.012% in Livingston County from Q4 2020 to Q1 2021. Employment in manufacturing however increased by 0.899% statewide between during the same time period.

Source: BLS QCEW



## **Job Postings**

#### 03 2021

Livingston: 8,956

The total number of job postings in Livingston County decreased by 7% from Q2 2021.

Source: Workforce Intelligence Network



## Home Sales

#### 03 2021

Livingston: 939

The number of cumulative residential and condo sales in Livingston County increased by 31.7% in Q3 compared to Q2 which recorded 713 combined residential and condo sales.

Source: LCAR

# **SPARK Metrics**

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The project pipeline July 1, 2021 - September 30, 2021

## PROJECT PIPELINE

Pipeline metrics track projects that SPARK staff are currently working to complete. If and when these projects are complete, they will contribute additional jobs and capital investment into the local economy.

31

Projects in Pipeline

826

Potential New Job Commitments \$48M

Potential Capital Investment



## SUCCESS METRICS

Metrics of success are recorded when SPARK assists projects that successfully create jobs and/or investment in the community.

3

Successful Projects 31

New Job Commitments \$ 8.9 M

Capital Investment



## CALL PROGRAM

The Call Program is SPARK's outreach program to local employers. Company visits are made to build relationships, identify projects, and connect employers to community resources.

6

**Company Visits** 

537

FTEs at Companies Visited

3

Referrals

# 2021 Q2 Call Program

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COMPANY NAME	LOCATION	COMPANY NAME	LOCATION
Q1 Hatch Stamping	Howell Township	Q3 Elderberry Boost LLC	City of Brighton
Q1 Corrigan Oil Company	City Of Brighton	Q3 LoyalYak	City of Birghton
Q1 Pepsi Bottling	City of Howell	Q3 Tribar Technologies, Inc.	Howell Township
Q1 Total Security Solutions	Fowlerville	Q3 Lowry Solutions	City of Brighton
Q1 GKI Foods	Green Oak Twp.	Q3 Mobileteer, LLC	City of Brighton
Q1 Cateriad, Inc.	Genoa Township	Q3 Zero Gravity Filters	Green Oak
Q1 Bryllan, LLC.	Brighton Township		Township
Q1 General Chemical	Green Oak Township		
Q2 Brightline Technologies	City of Brighton		
Q2 Brighton NC Machine Corporation	Green Oak Township		
Q2 Medical Comfort Specialists LLC	Village of Fowlerville		
Q2 Pop Daddy Popcorn, LLC	Green Oak Township		
Q2 KW Corporation	Village of Fowlerville		
Q2 Visualization Technology & Services	Hamburg Township		
Q2 Armor Protective Packaging, Inc.	Howell Township		
Q2 Fowlerville Proving Grounds	Handy Township	·	
Q2 IEC Fabrication, LLC	Village of Fowlerville		
Q2 Weld Mold	City of Brighton		
Q2 CGE Energy	Green Oak Township		

# **Fundraising**

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## **EXPECTED PUBLIC SECTOR CONTRIBUTIONS**

+ TOTAL	\$285,269.50		
Livingston County	\$175,000		
Municipal Partners	\$110,269.50		

City of Brighton: \$9,065.98; City of Howell: \$6,799.49; Genoa Township: \$23,283.09; Green Oak Township: \$19,574.28; Hamburg Township: \$20,604.50; Handy Township: \$3,467.00; Hartland Township: \$13,392.93; Oceola Township: \$10,579.95; Village of Fowlerville: \$5,000; Village of Pinckney: \$2,500

## **EXPECTED PRIVATE SECTOR CONTRIBUTIONS**

+ TOTAL \$91,500.00

Asahi Kasei Plastics; Boss Engineering; Brighton Chamber; Chem-Trend; Consumers Energy; Corrigan; DTE Energy; Duncan Disposal; Elite Insurance; Era Griffith Realty; Financial Plus+ Credit Union; First National Bank; Hartland Insurance; Howell Chamber; IHA; ITC Holdings; Lake Trust Credit Union; Livingston Association of Realtors;; Lowry Solutions Inc; Rand Construction; Rudolph Libbe; Signature Associates; Thai Summit; Trinity Health

+ Ann Arbor SPARK \$91,757.00  + Westlife Insurance \$450.00  + Ann Arbor SPARK \$91,757.00  + Ann Arbor SPARK \$91,757.00	2021 EDCLC EXPENSES	
+ Ann Arbor SPARK \$91,757.00	+ Ann Arbor SPARK	\$91,757.00
	+ Westlife Insurance	\$450.00
+ Ann Arbor SPARK \$91,757.00	+ Ann Arbor SPARK	\$91,757.00
	+ Ann Arbor SPARK	\$91,757.00

# Regional Highlights

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## SPARK CEO Paul Krutko Response on Ford Choosing to Invest Outside of Michigan

Ford Motor Company's decision to create 11,000 jobs and invest \$11 billion in electric vehicle assembly and battery production plants in Tennessee and Kentucky is a setback for Michigan. Make no mistake about it, this is one of the largest investments ever made by a company in the U.S. and globally and is a tremendous bet by Ford on the future. Also make no mistake about it, the future automotive industry is Michigan's game to lose, and we've lost the first inning.

I am a Ford kid. I have lived through this story before where the plants outside Cleveland that my father worked in as a skilled tradesman for 30 years, providing for his family, closed shortly after his retirement. Technology had moved on and Ford did not need the foundry and two massive engine plants in Cleveland. For many of my Michigan-based economic development colleagues, this announcement brings back memories of pivotal moments from decades past in our state's economic history. The decision by GM to close the Willow Run plant in Ypsilanti, which once employed thousands of workers, was a cathartic event for our region and the entire state. That decision was a wakeup call to Michigan, which led to the development of an aggressive and robust set of economic development programs and strategies that have unfortunately faded over the last decade.

We can't lose without learning, and if Michigan doesn't learn from Ford's decision, we risk further losses. How we respond today will set the course for the next generation of Michigan's economic future. And rest-assured the impact is not isolated to one region of our state. We know of the massive supply chain of Tier 1 through 3 suppliers in our region, but that is the case across the entire state. For example, our fellow Michiganders in Grand Rapids have over 400 automotive suppliers employing 40,000 people. But we are at a pivotal point. This investment by Ford puts a bright spotlight on what we in the economic development community have known and have been warning about for quite some time. Automobiles and trucks are not going to be made the same way as they have been. The days of the internal combustion engine are numbered and places that are dependent on the manufacture of that 20th century technology are at risk.

We must respond to this competitive threat from other parts of the country aggressively and immediately. We must be able to compete and win on the following:

- •Sites: We need shovel-ready sites for companies to build EV-related facilities and other large-scale job generating projects.
- •Incentives: We need robust economic incentive tools that measure up to those of our competitors, specifically designed to lure our companies away.
- •Utilities: We need competitive economic development rates for these large-scale projects.
- •Training: We need to train our workforce for these high-tech jobs.

While today's news is focused on electric vehicle investments, the elements noted above are universal needs across all our industries. Our homegrown companies have many options when considering their next investments, and other states are competing aggressively to have them leave Michigan.

The good news is we are still in the game. With a strong supply chain, available infrastructure, and skilled workforce at the ready, we can win future investments. While we may have lost this inning, we can still step back up to the plate the next inning ready to hit. But we cannot afford to wait, because the future is now. Let's lead from the front, not trail from behind.

Respectfully, Paul Krutko

# **Report Definitions**

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## **COMPANY VISITS:**

Company visits are 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:**

Employment multiplier is a 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 one new job would affect two 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.





