

Creating More and Better Jobs

PURE *M*ICHIGAN Focus

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Michigan Economic Development Corporation**

**Senate Economic Development Committee
October 30, 2013**

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Michigan Economic Development Corporation



The MEDC promotes smart economic growth by developing strategies and providing services to create and retain good jobs and a high quality of life.

- The state's economic development authority, with direct control over resources and programs
- Partnership between the State of Michigan and local communities
- One-stop resource for business retention, expansion and relocation projects
- Structure allows for speed, continuity and flexibility

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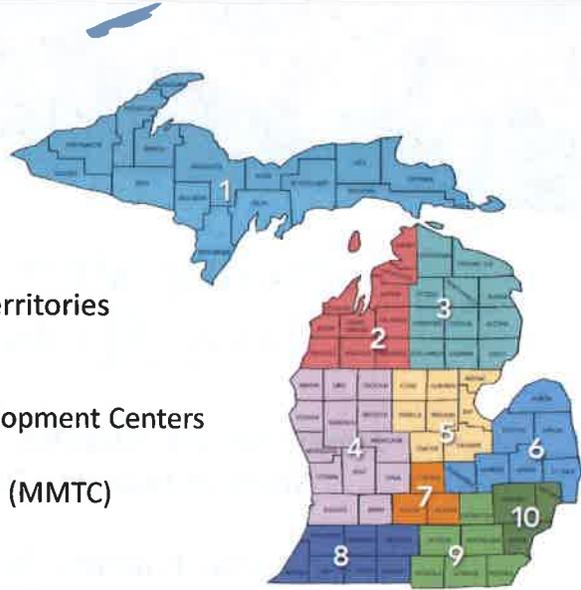
Regional Focus

Ten development regions

- 67 Interlocal and 87 corporate partners
- Work together to align regional services and priorities

MEDC and service providers have aligned territories

- MEDC Field Teams & Support
- Michigan Works! Agencies (MWAs)
- Michigan Small Business & Technology Development Centers (MI-SBTDC)
- Michigan Manufacturing Technology Centers (MMTC)
- Transportation (MDOT)
- Agriculture & Rural Development (MDARD)



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MEDC: Focused & Balanced Approach to Economic Development

The MEDC supports Governor Snyder's initiatives and economic outcomes targeted on his dashboard by focusing on:

- Business Growth and Investment
- Vibrant and Vital Communities
- Talent Enhancement
- Michigan's business and tourism brand

PMF: PURE MICHIGAN Focus

Creating More and Better Jobs

WHAT

- 1. Business Investment** - High-growth business growth and innovation
- 2. Community Vitality** - Development toward low-impact, high-density development and use for sustainability
- 3. Talent Enhancement** - Talent supply matched with labor demand
- 4. State Branding** - Pure Michigan

HOW

- 1. Gardening** - services and incentives for existing Michigan businesses
- 2. Enabling** - service delivery through strategic partnerships
- 3. Market-Driven** - private sector-led capital access
- 4. One State** - a consistent business experience across the state

TOOLS

- 1. PURE MICHIGAN Business Connect**
 - Federal Procurement
 - Export Assistance
 - RFP's connections
 - Support Services
- 2. PURE MICHIGAN Talent Connect**
 - Mid-Career Transition
 - Skills Development
 - Qualified Candidate Identification
 - Job Training Support
- 3. PURE MICHIGAN Capital Connect**
 - Private Job Initiatives
 - Loan Participation
 - Equity Investments
 - Cost-Effective Support
- 4. PURE MICHIGAN Brand Connect**
 - Travel and Tourism
 - Brand Licensing
 - Sponsorships
 - Marketing Support

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Business Tax Reform

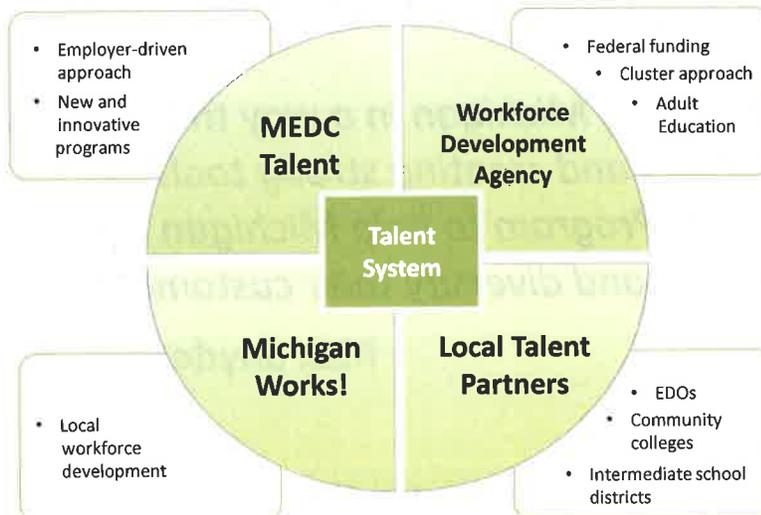
- Corporate tax rank from #49 to #7
- Overall tax rank from #18 to #12
- 3rd among the nation's 12 largest states

**At Least
80%
Tax Cut for
Businesses**

Best in Midwest!

PURE MICHIGAN[®]

Full Service Workforce & Talent System



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Pure Michigan Talent Connect



The place for:

- Job Seekers
- Employers
- Career Explorers

mitalent.org

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Pure Michigan Export Program

"We are reinventing Michigan in a way that works better for our businesses and creating strong tools like the Pure Michigan Export Program to help Michigan companies compete globally and diversify their customer base."

- Rick Snyder, Governor

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Foreign Direct Investment (FDI)

Why is it important?

More and Better Jobs!!

- FDI supports over 5 million US workers
- FDI supports 141,700 workers in Michigan
- FDI related jobs pay 30% higher
- 84% of FDI comes from 8 countries
- 41% of FDI goes to the manufacturing sector

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Targeted industries for bilateral trade and foreign direct investment



Targeted countries for foreign direct investment



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Advertising

Bus Wraps



Otter Creek



Ludington

Billboards



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2013 National Cable Buy

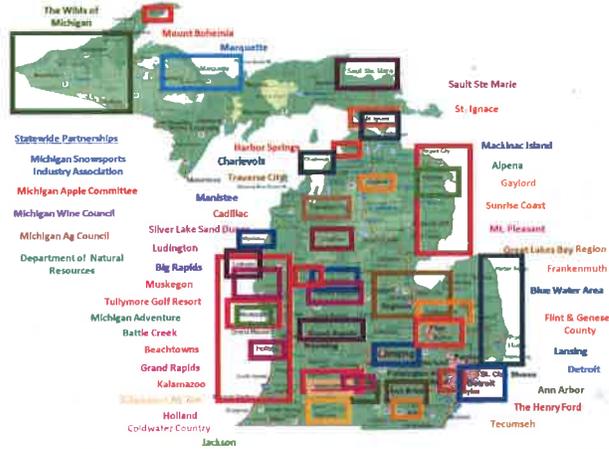
\$13 million – 5,000 airings of Pure Michigan TV commercials from March through June



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Pure Michigan Travel Partnerships

43 partnerships throughout the State



National Partnerships

Ann Arbor
Grand Rapids
Mackinac Island
The Henry Ford
Traverse City



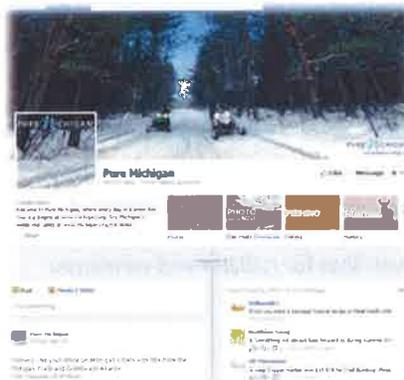
Pure Michigan Social Media

Facebook

YouTube



youtube.com/puremichigan



facebook.com/puremichigan

Twitter



twitter.com/puremichigan



One State

Integrating state services for citizen customers



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Making it Real in Battle Creek



Cosma International, an operating unit of Magna International, plans to open a new automotive casting components and systems facility in **Battle Creek**. Once established, the facility will be known as **Cosma Casting International**.

Projected Private Investment: \$162 million

Projected Job Creation: 500

MBDP Incentive: \$1.6 million performance-based grant

Denso Manufacturing Michigan, a subsidiary of Denso International America, will add new manufacturing capabilities for advanced thermal management products, including new lines for radiator and condenser products in **Battle Creek**.

Projected Private Investment: \$105 million

Projected Job Creation: 266

MBDP Incentive: \$1.46 million performance-based grant



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Making it Real in Battle Creek



Post Foods, an early pioneer in the ready-to-eat breakfast cereal business, will consolidate its manufacturing headquarters into its **Battle Creek** facility, relocating key leadership roles to Battle Creek and closing the Modesto, CA facility.

Projected Private Investment: \$30 million

Projected Job Creation: 92

MBDP Incentive: \$700,000 performance-based grant

TRMI, Inc., is a subsidiary of TRAM, a manufacturer of interior electrical automotive switches. The company plans to utilize a new manufacturing process at its facility in the Fort Custer Industrial Park in **Battle Creek** to help it produce some of the many interior electrical automotive switches it makes.

Projected Private Investment: \$11.1 million

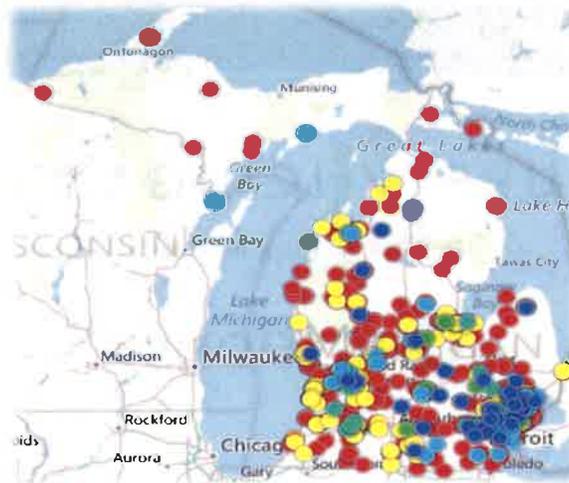
Projected Job Creation: 150

MDP Incentive: \$700,000 performance-based grant



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2011-12 Project Successes



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So how are we doing?

Michigan is America's comeback state

Michigan is **#1** on the list of states that recovered most from the Great Recession

In 2011, Michigan's economy grew **2.3%** - the **6th** best growth rate in the U.S.

Corporate tax rank **#7** from **#49** - **3rd** among the 12 largest states

Today, we have **200,000** new payroll jobs

Unemployment is **8.7%** down from 14.2% in 2009

Michigan home sales were up **10%** in 2012

Michigan ranks **#3** for high-tech job growth

Michigan employers are saving **\$1 billion** in unemployment costs

Moody's and Standard & Poor's revised Michigan's outlook to **positive**

Fitch Ratings improved Michigan's general obligation bonds from **AA-** to **AA**

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Questions?

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