



# **IEDC BOARD OF DIRECTORS**

**3.25.2014**





Business consolidations from Illinois to Indiana have become a recent trend with **40 companies** planning to move all or a portion of their operations to the Hoosier State in the coming years, accounting for more than **3,600 projected new jobs** and nearly **\$424 million in capital investment**.

**A STATE THAT WORKS**



# A STATE THAT WORKS

# CURRENT MARKETING

## CHICAGO – STILLINNOYED CAMPAIGN

- ▶ Billboards, digital boards and train ads

## NEW YORK – TIMES SQUARE

- ▶ “We’d love to watch you grow” animated spot
- ▶ “We built it!” animated spot

## CRAIN’S CHICAGO BUSINESS

- ▶ Print ads
- ▶ iPad mobile ads-Q2
  - 1 of 3 advertisers
  - Brand new digital space

## THE ECONOMIST

- ▶ Print Ads (3x/year)
- ▶ Online various geo targets in 2014
- ▶ 25% of overall ASTW referral traffic was from The Economist the first 2 weeks; digital ads were live

## FORBES

- ▶ Print Ads (4x/1 year)
- ▶ Digital ads
- ▶ Sponsorships
- ▶ Participation in Reinventing America Summit

# UPCOMING CREATIVE

## NEW YORK: TIMES SQUARE 1



## CHICAGO BILLBOARDS



# GOOD TO GREAT PLAN

## HUNT

### ▶ \*Mid-Cap Strategy Update

- 113 companies (75% towards goal)
- 65 counties (70% towards goal)
- 48 roundtables
- 33 mayors
- 25,000 miles traveled
- 25 of 112 companies are considering acquisition as a means of growth
- 16 companies are actively pursuing acquisitions
- 8 new project leads have come as a result of company meetings



PARK 100 FOODS, INC.

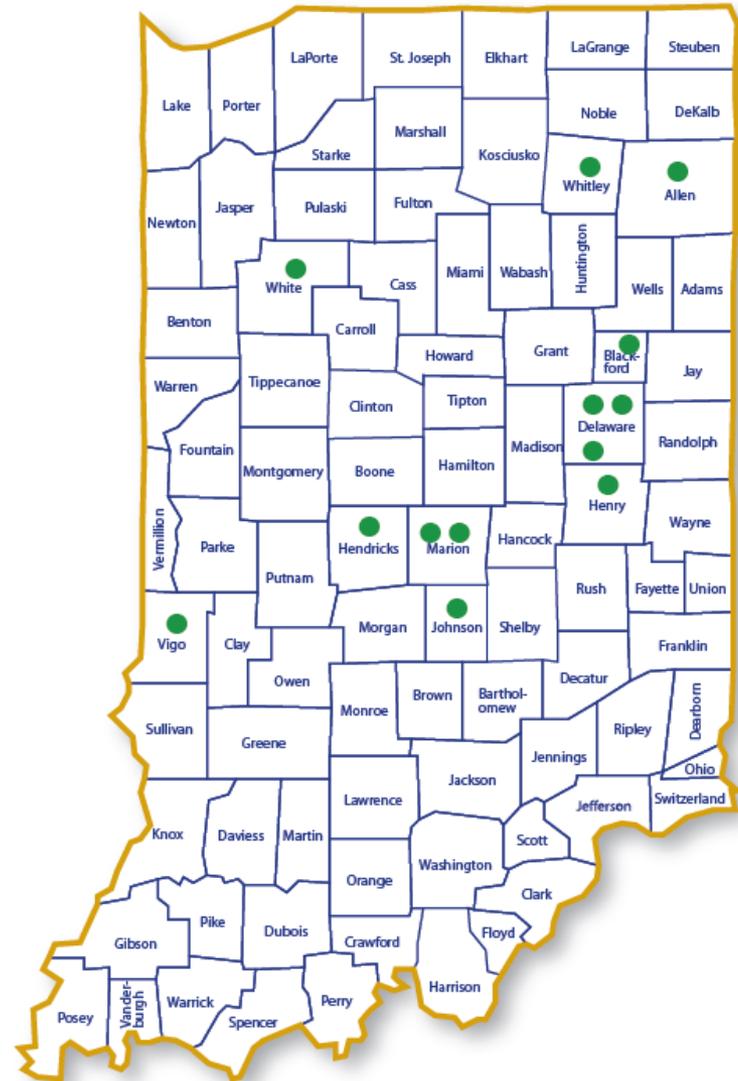
A STATE THAT WORKS

# GOOD TO GREAT PLAN

## PRODUCT DEVELOPMENT

### ► Spec Buildings

- There are 13 spec buildings statewide in IEDC's site and building database and 8 additional under development
- Available top-grade product is vital to putting communities on the short list for site selectors
- Later this year, the IEDC will host a workshop to provide information about how to potentially finance these buildings in partnership with the locality, the developer and commercial banks to share the upfront risk



# GOOD TO GREAT PLAN

## INTERNATIONAL

- ▶ **Governor's trip to Germany (April)**
- ▶ **Trips to Japan and China (March)**
  - Focused on restructuring IEDC's presence in Japan and China
  - Met with 5 companies in Japan and 2 companies in China about potential new investment opportunities
  - Visited with Foreign Affairs Department and Department of Commerce in Zhejiang, Indiana's sister province in China
- ▶ **Rick Pease, Asian Advisor, beginning statewide tour of Japanese companies**



# 2014 LEGISLATIVE SESSION

## IMPROVING INDIANA'S BUSINESS CLIMATE

### ▶ Business Tax Reform

- *Business Personal Property Tax*: County option to exempt businesses with \$20k or less in personal property; "super abatement" extends maximum abatement schedule from 10 years to 20 years; and county option to exempt all new business personal property within the county
- *Corporate Tax Rate* (currently 7.5%): Will continue currently-scheduled phase-down to 6.5% on July 1, 2015. Then reduces rate by 0.25% each year to drop to 5.25% in 2020. In 2021 the rate will fall one final time to 4.9%.
- *Blue Ribbon Commission*: Will study potential impacts of tax cuts as well as TIF

### ▶ Regional Cities Study

- Data-driven study on how Indiana's regional cities can attract new investment to make them more attractive to new enterprises and talented entrepreneurs

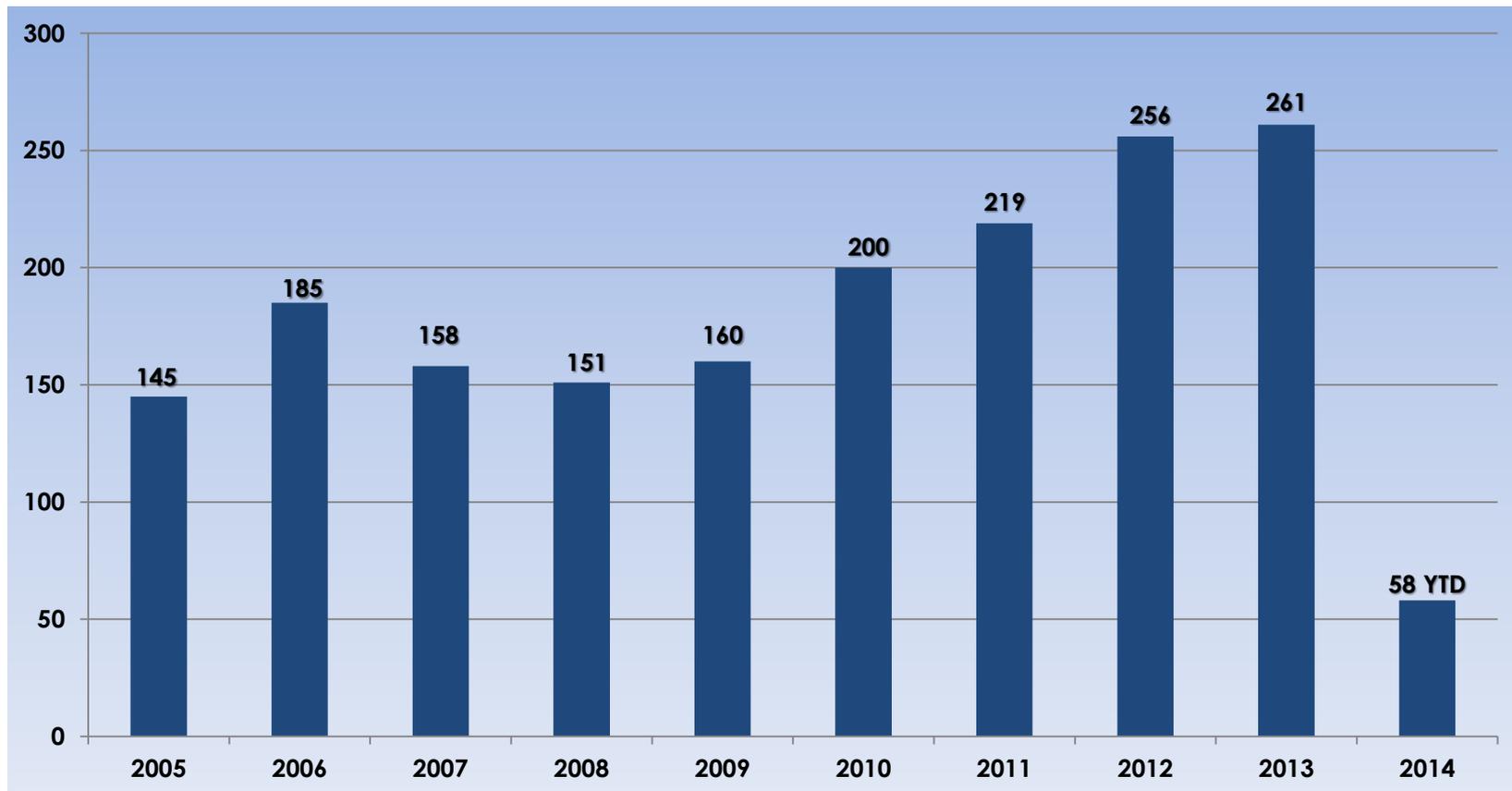
### ▶ Transportation Funding

- \$200 million additional funding now with potential for another \$200 million.

*"The work we have done builds on the success of the last legislative session and, I believe, will lead to a more prosperous future for Indiana. Last year, we achieved historic tax relief for Hoosier families. **This year, we provided tax relief to Hoosier businesses to grow and create jobs.** Last year, we dedicated tens of millions of dollars for Indiana's roads and bridges. And **this year, we plan to invest another 400 million dollars for projects to put Hoosiers to work now and make sure we remain the Crossroads of America.**"*

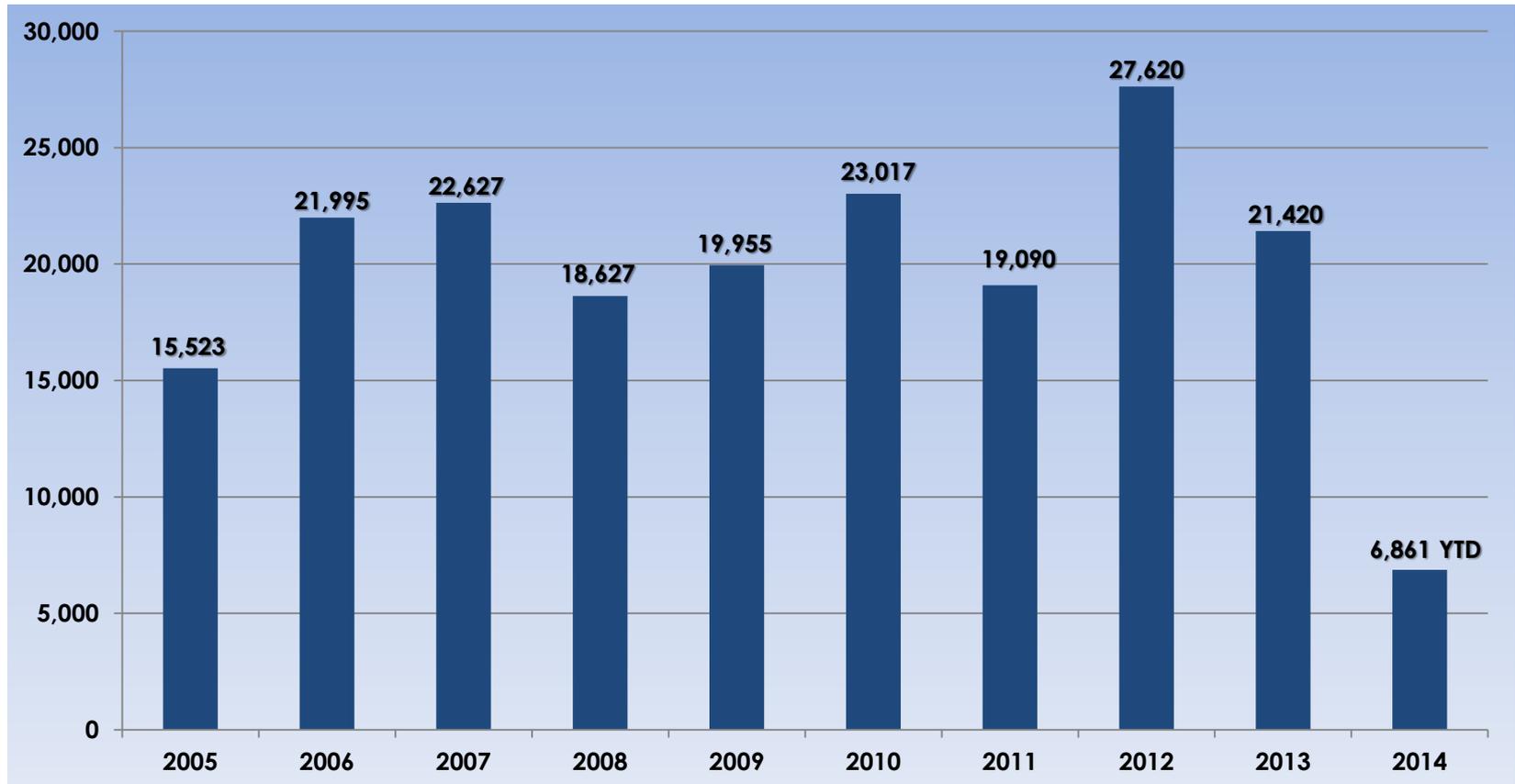
-Governor Mike Pence

# TOTAL COMPETITIVE PROJECTS



YTD as of 3.24.14

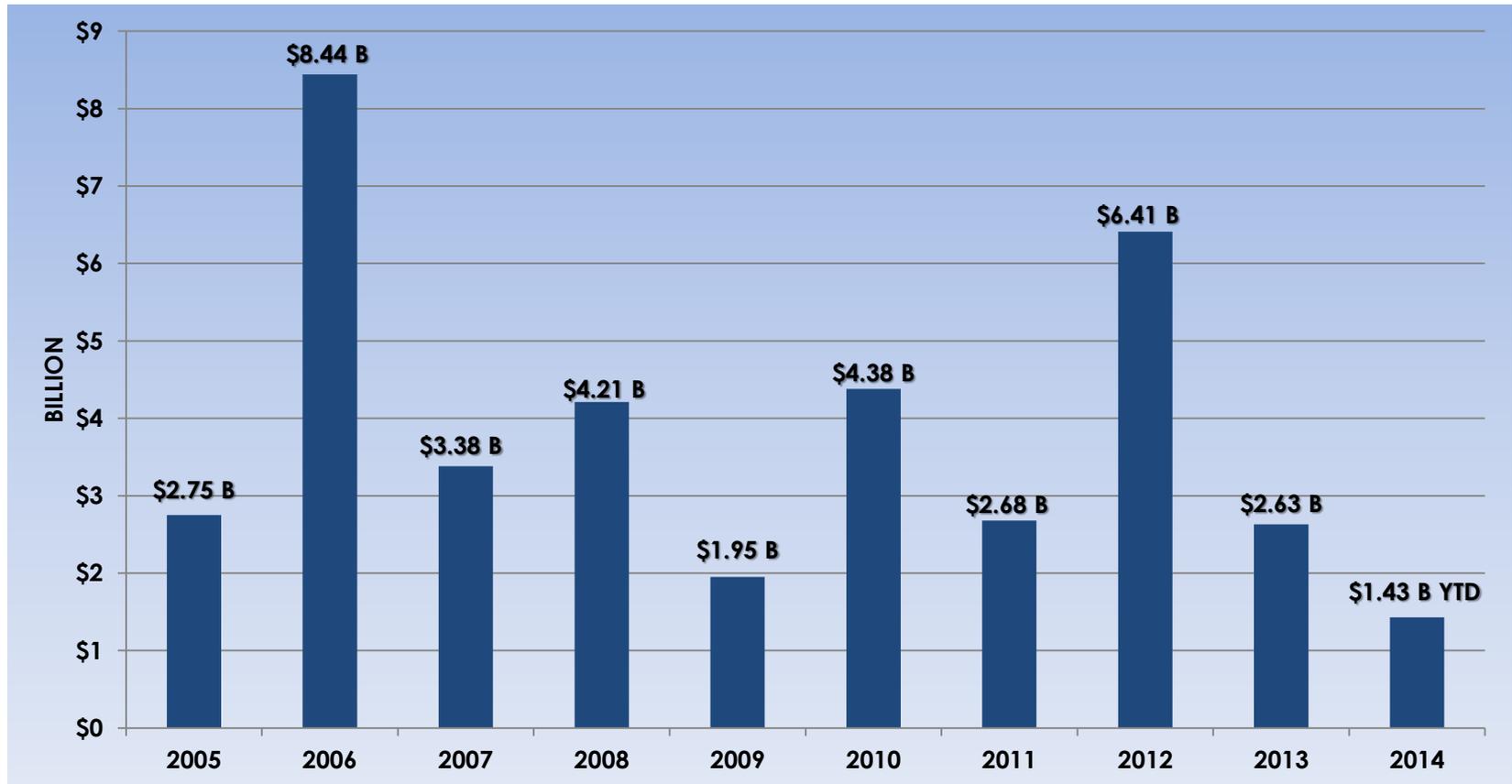
# PRIVATE SECTOR JOB PROJECTIONS



Companies reported 91.8% job realization rate from 2005-2012, according to 2013 Crowe Horwath, LLC independent review.

YTD as of 3.24.14

# PRIVATE SECTOR INVESTMENT PROJECTIONS



YTD as of 3.24.14

# CONDITIONAL INCENTIVES PER JOB



YTD as of 3.24.14

# HOOSIER AVERAGE WAGE



# PROJECT WIN REPORT

## AUTONEUM NORTH AMERICA, *JEFFERSONVILLE*

- ▶ Detroit-headquartered Autoneum North America (U.S. subsidiary of Switzerland-based parent), a global technology provider of acoustic and thermal management solutions for vehicles, supplies more than 60 different auto makers
- ▶ The company will locate a new manufacturing facility in the River Ridge Commerce Center
- ▶ 224 projected new jobs and \$33 million capital investment
- ▶ The company considered sites in Kentucky and Michigan
- ▶ **Key Deal Factors:** Cost of doing business, availability of real estate and incentives were the company's top deciding factors



autoneum

# PROJECT LOSS REPORT

## ARTHUR J. GALLAGHER & CO.

- ▶ Arthur J. Gallagher & Co. is the nation's fourth largest commercial insurance broker
- ▶ Due to company growth, there was a need for a larger and updated headquarters facility
- ▶ 975 jobs, with wages averaging nearly \$100K per year
- ▶ \$48 million capital investment
- ▶ The company considered Kansas City and Indianapolis but chose to remain in Illinois, selecting a location 9 miles from its current operation
- ▶ **Key Deal Factors:** This was a classic example of Indiana being the stalking horse for a deal that had no intention of relocating away from their labor force



Arthur J. Gallagher & Co.  
BUSINESS WITHOUT BARRIERS™

# COMPLIANCE REPORT

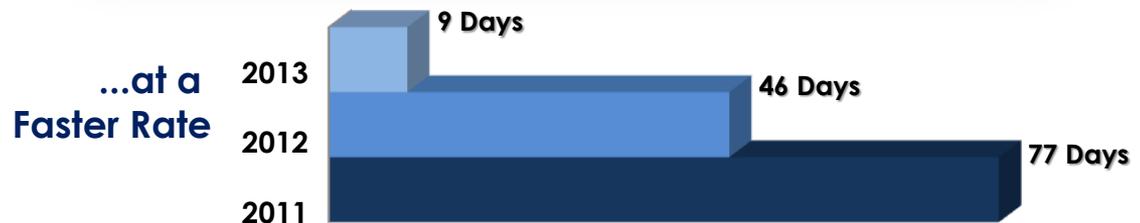
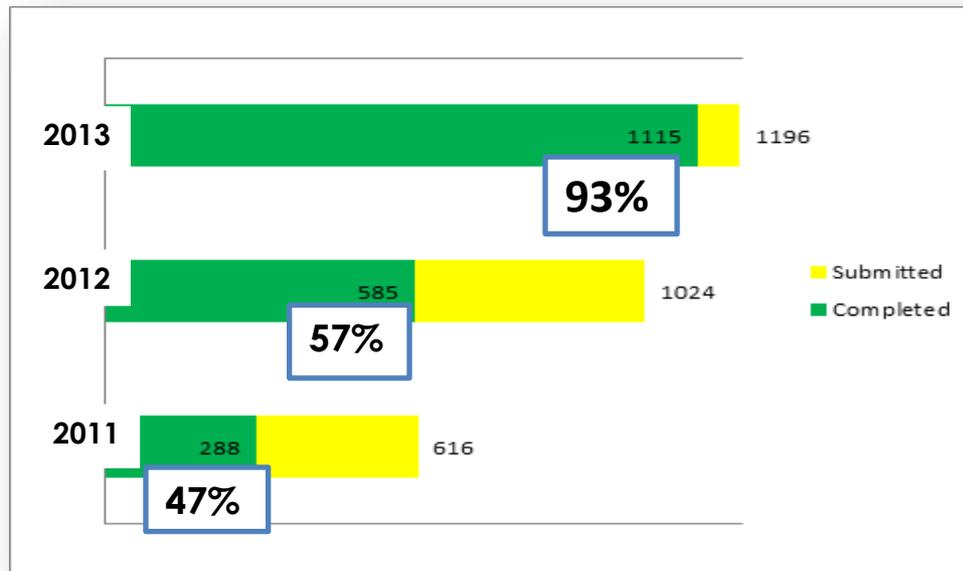
	<u>January- November 2013</u>	<u>January- November 2014</u>	<u>Number of Companies</u>
<b>Received</b>	<b>\$3,632,814</b>	<b>\$2,143,098</b>	<b>28 (2)</b>
<i>Cash</i>	<i>\$1,042,473</i>	<i>\$230,150</i>	<i>12 (1)</i>
<i>Forgone credits</i>	<i>\$2,590,341</i>	<i>\$1,912,948</i>	<i>16 (1)</i>
<b>Write-offs</b>	<b>\$228,868</b>	<b>\$72,000</b>	<b>8 (1)</b>
<b>Referral for tax assessment or collection</b>	<b>\$401,130</b>	<b>\$329,130</b>	<b>5 (3)</b>
<b>TOTAL</b>	<b>\$3,967,012</b>	<b>\$2,544,228</b>	<b>41 (6)</b>

(projects originating 1994 to present)

# PROCESSING ANNUAL COMPANY REPORTS

AT THE SPEED OF BUSINESS: BY MARCH 20

More reports coming in and going out...



## TESTIMONIALS

“With some jurisdictions, it feels like an ongoing battle for our clients to receive the incentives... the IEDC strives to make sure that companies receive the incentives that were promised.

I find the IEDC especially mindful of meeting tax filing and other deadlines to provide **minimal or no disruption to a company’s operations...**

[K]nowing the volume of work each certification season, **your team’s speed, accuracy and timeliness is remarkable.**”

*Tim Cook*  
*Partner, State and Local Tax*



“We would like to say KUDOS...

This has been **by far the best and easiest reporting season** so far, and each year seems to improve upon the past.

Certification letters have been returned in **lightning-fast speed...**

Each member we have interacted with has been **extremely helpful and courteous** despite how busy this time of year usually is.”

*Gerald Frazier*  
*Director of Compliance, Management Services*



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