

Bridges and Maps:

*What Trends and Projects
Mean for Northwest Ohio
Competitiveness*

Adam Bruns, managing editor

SITE
Selection

Site Selection magazine

- 58 years and going strong
- New Plant Database
- Business Journalism 101

**Put Toledo's New
350-Acre Industrial Park
In Your Plant Location Plans**



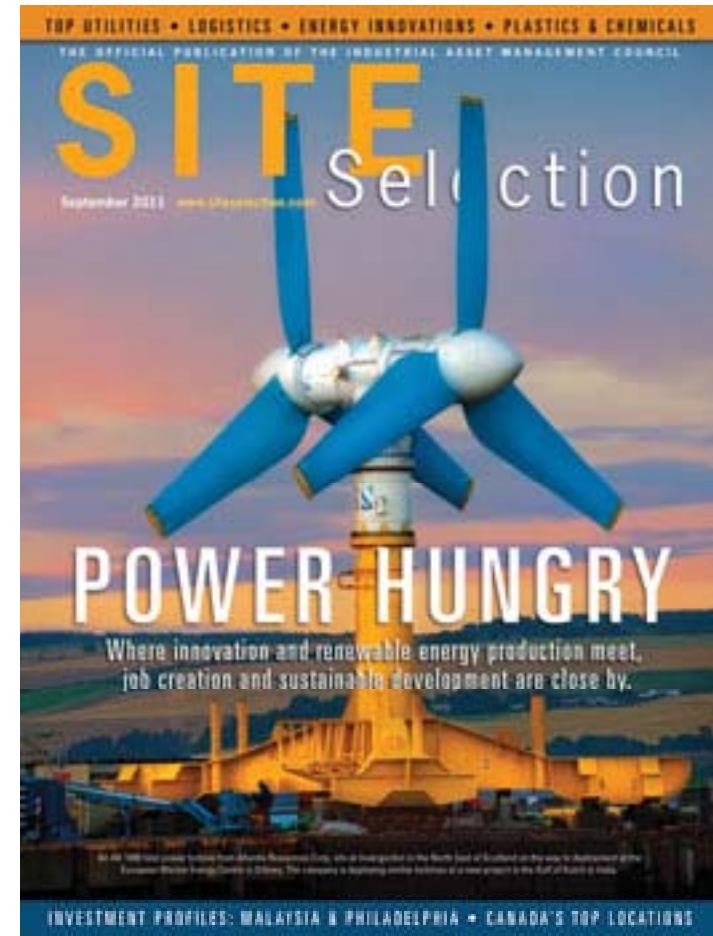
You couldn't ask for a better spot to locate. All utilities are being installed, and the park is ready for immediate occupancy.* Plots range from 1½ to 50 acres. Easy access to rail, road, and water transportation. Within 500 miles of 60 percent of the nation's consumers . . . and linked to the world via the St. Lawrence Seaway.

For more information about Toledo's new industrial park, write or call R. E. Johnson, Director of Industrial Development, The Toledo Edison Company, Toledo, Ohio—43604. Phone 419-242-5731.

*Park is operated by a private non-profit group. Real estate brokers are protected.

TOLEDO EDISON
Northwestern Ohio's Investor-Owned Electric Company

This advertisement contributed by The Toledo Edison Company in the interest of area development.



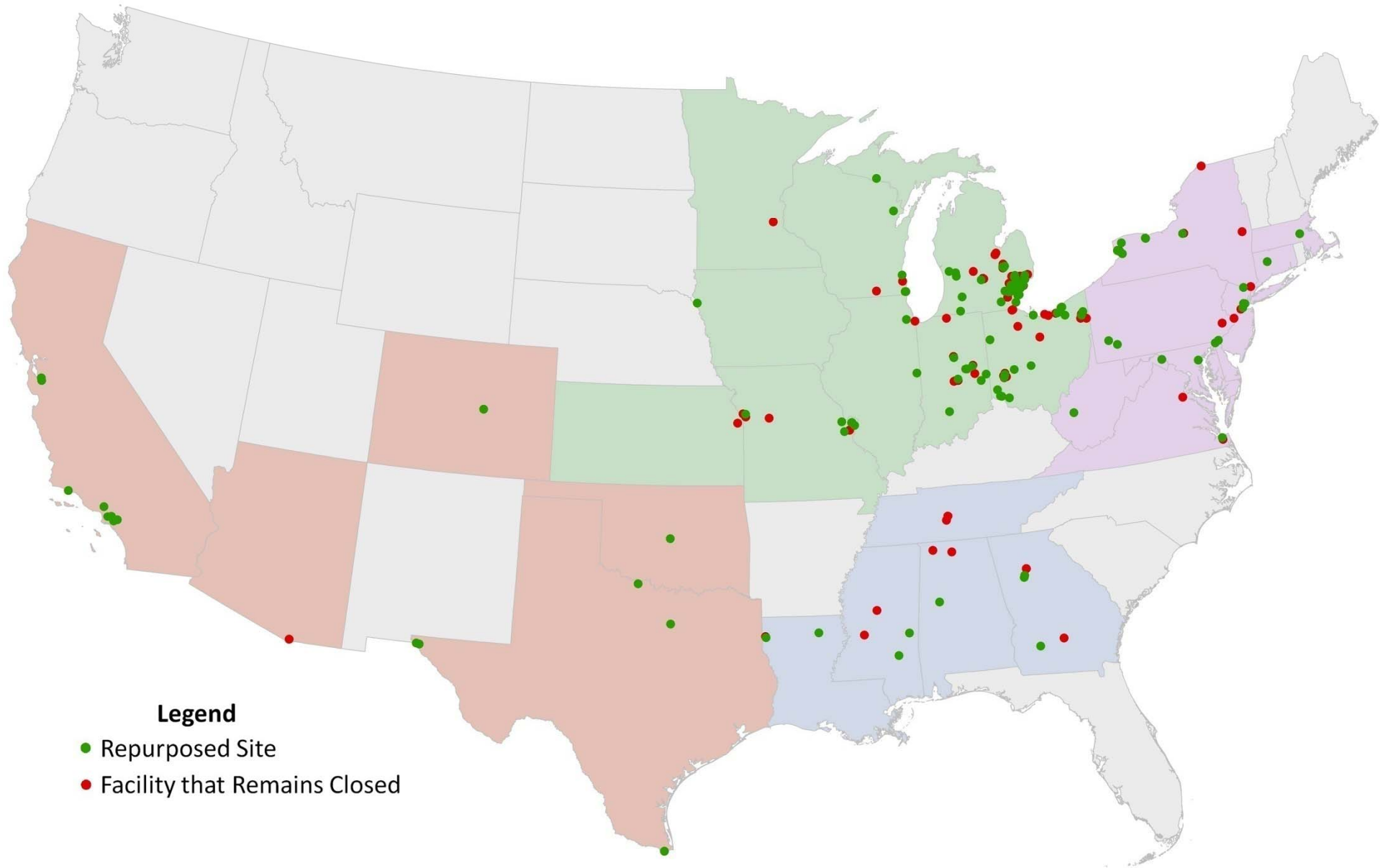
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SITE Selection

Trends in 2011-2012

- Site selection decision-makers are waiting longer to pull the trigger.
- Consolidation and cost efficiencies continue to drive the industrial site selection process.
- More end-users are resorting to creative repurposing of vacant space for industrial uses.
- Rising GDP will drive demand for distribution space.
- Large warehouses recovering faster than overall industrial.
- Reshoring is real.







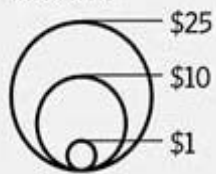
Mapping the Web | Amazon seeks to minimize sales-tax collection across the U.S.

Amazon designations*

- Bad states
- Neutral states
- Safe states

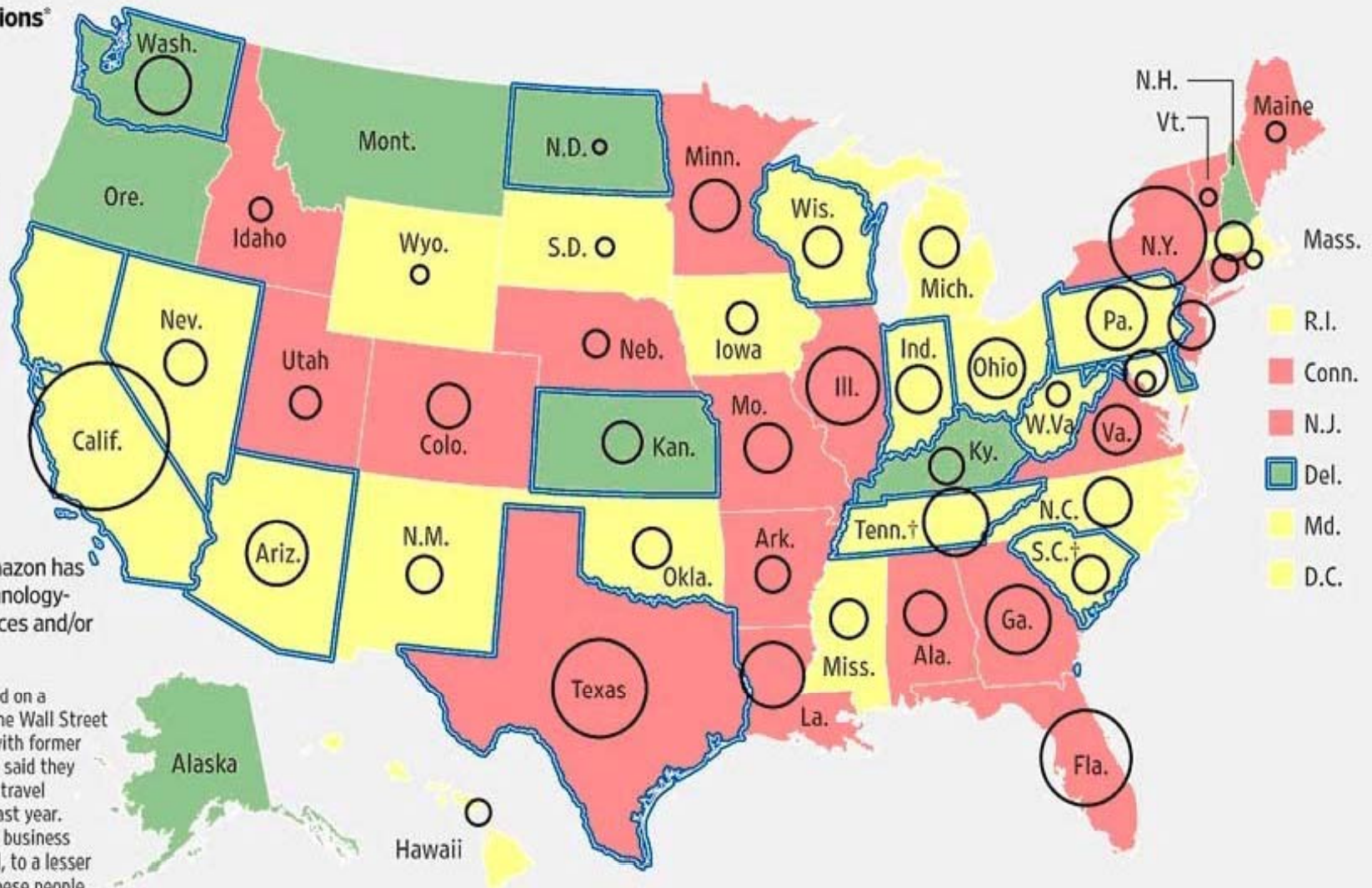
Lost tax revenue

Estimated amount of state and local taxes lost from e-commerce, 2007-12, in billions



- States where Amazon has warehouses, technology-development offices and/or call centers

*This illustration is based on a document reviewed by The Wall Street Journal and interviews with former Amazon employees, who said they abided by the company's travel restrictions within the past year. Amazon limits employee business travel to 'bad' states and, to a lesser extent, neutral states, these people said. They said employees can go to 'safe' states. †Warehouses are planned.



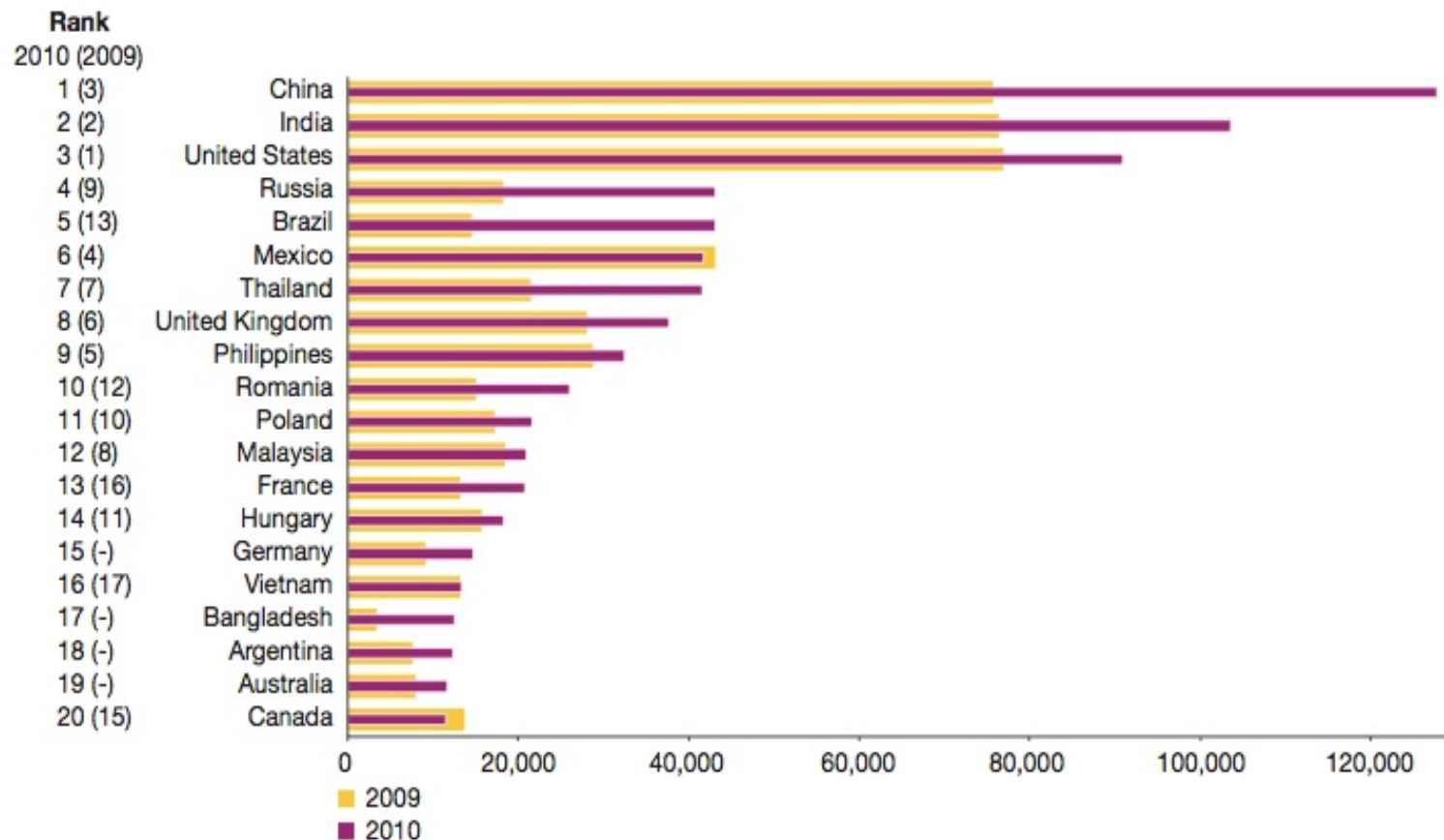


GE Energy, Greenville, S.C.

Alcoa, Cleveland, Ohio



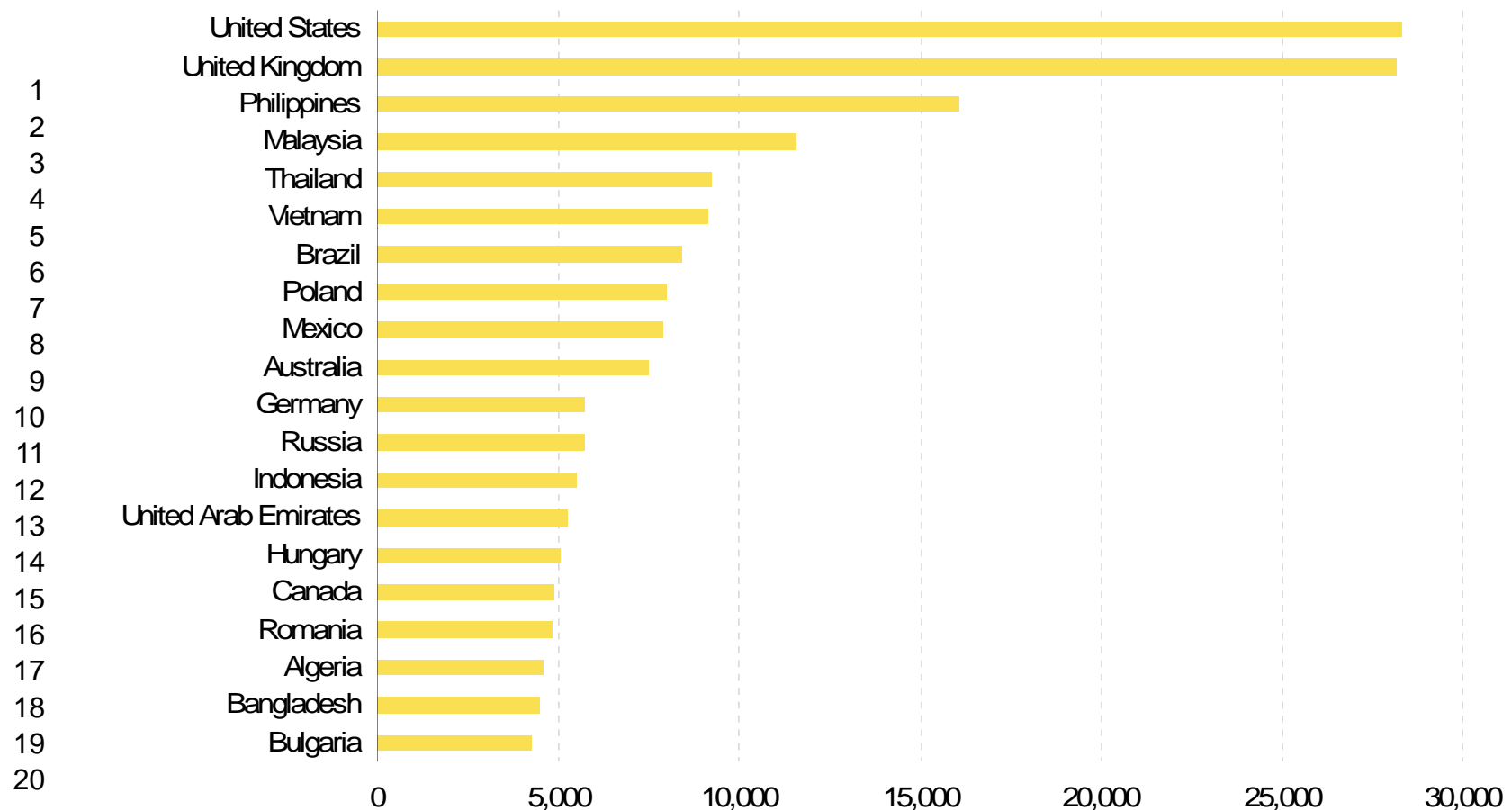
IBM: Top Ranking Destination Countries By Estimated Jobs



Source: Global Location Trends: 2011 annual report.

Figure 5: Top ranking destination countries by estimated jobs.

Top ranking destination countries for investment from Chinese and Indian companies, by estimated jobs (2003-2009)



* Ranking excludes investment projects into China and India as destination countries

Leading States: Exports to China

State	Exports (in US\$ billions)	2000-2010 Growth Rate
1. California	\$12.5	252%
2. Washington	\$10.3	442%
3. Texas	\$10.3	606%
4. Louisiana	\$6.5	507%
5. Oregon	\$4.0	1,227%
6. New York	\$3.4	333%
7. Illinois	\$3.2	496%
8. Pennsylvania	\$2.7	869%
9. Georgia	\$2.4	632%
10. Ohio	\$2.3	686%
11. North Carolina	\$2.2	539%
12. Massachusetts	\$2.2	337%
13. Michigan	\$2.2	930%
14. South Carolina	\$2.2	1,596%
15. Alabama	\$1.9	1,106%



2011 Site Selection Governor's Cup

1. Ohio	498
2. Texas	464
3. Pennsylvania	453
4. North Carolina	310
5. Virginia	273
6. Georgia	234
7. Illinois	216
8. Kentucky	198
9. Tennessee	190
10. Louisiana	181



Site Selection Top Metros of 2011

Metros with population 200,000 to 1 million

Rank	Metro	State
1	Baton Rouge	La.
T2	Dayton	Ohio
T2	Tulsa	Okla.
4	Allentown/Bethlehem/Easton	Pa./N.J.
5	Harrisburg/Carlisle	
6	Akron	Ohio
T7	Greensboro/High Point	N.C.
T7	Toledo	Ohio
T9	Hickory/Morganton/Lenoir	N.C.
T9	Scranton//Wilkes/Barre	Pa.
T9	Shreveport/Bossier City	La.

Metros with population less than 200,000

Rank	Metro	State
1	Decatur	Ala.
2	Springfield	Ohio
3	Williamsport	Pa.
T4	Altoona	Pa.
T4	Blacksburg/Christiansburg/Radford	Va.
T4	Lake Charles	La.
T4	Wheeling	W.V./Ohio
T8	Charlottesville	Va.
T8	Danville	Va.
T8	Johnstown	Pa.



Site Selection Top Micros of 2011

Rank Micro Project Count

No. 2 Wooster 21

6 Findlay 10

11 Bellefontaine 8

12 Sidney 7

T13 Ashtabula 6

T21 Chillicothe
Greenville

2011
TOP STATES
WITH THE MOST TOP MICROS

Rank	State	Count
1	Ohio	18
2	North Carolina	15
3	Pennsylvania	12
T4	Georgia	8
T4	Kentucky	8
T4	Tennessee	8
T7	Alabama	7
T7	Louisiana	7
T7	New York	7
T7	South Carolina	7

Source: Conway Data, Inc.'s New Plant Database

Table 6. Manufacturing Contribution to Export Growth, Largest 100 Metro Areas, 2009-2010

Rank, Manufacturing Contribution to Export Growth	Manufacturing Area	Manufacturing Contribution to Metro Export Growth 2009-2010	Industry with Largest Contribution to Metro Export Change	Percentage of Metro Export Growth
1	Milwaukee-Waukesha-West Allis, WI	93.3%	Machinery	32.8%
2	Youngstown-Warren-Boardman, OH-PA	92.5%	Transportation Equipment	40.4%
3	Toledo, OH	91.6%	Transportation Equipment	43.0%
4	Greenville-Mauldin-Easley, SC	91.5%	Machinery	45.8%
5	Grand Rapids-Wyoming, MI	90.2%	Transportation Equipment	28.3%
6	Louisville-Jefferson County, KY-IN	89.5%	Machinery	15.4%
7	Columbia, SC	89.0%	Transportation Equipment	24.0%
8	Ogden-Clearfield, UT	88.8%	Primary Metal	25.5%
9	Cleveland-Elyria-Mentor, OH	88.7%	Chemicals	18.5%
10	Charleston-North Charleston-Summerville, SC	88.6%	Transportation Equipment	54.0%
Largest 100 Metropolitan Areas		75.9%	Chemicals	13.4%
United States		75.0%	Machinery	13.2%

Source: Brookings analysis of data from BEA, BLS, IRS, Moody's Analytics, NAFSA, and USITC

Successes

Motoman, Miamisburg



Hamlet Protein, Lorain



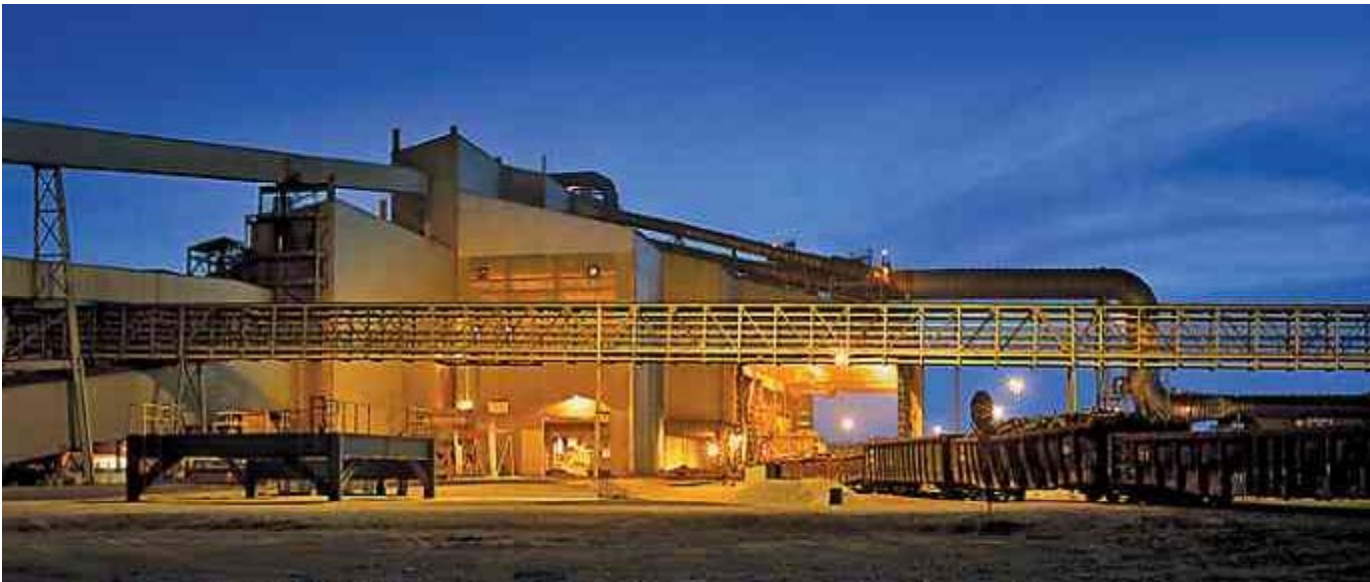
Mitec , Findlay

Bob Evans HQ, New Albany



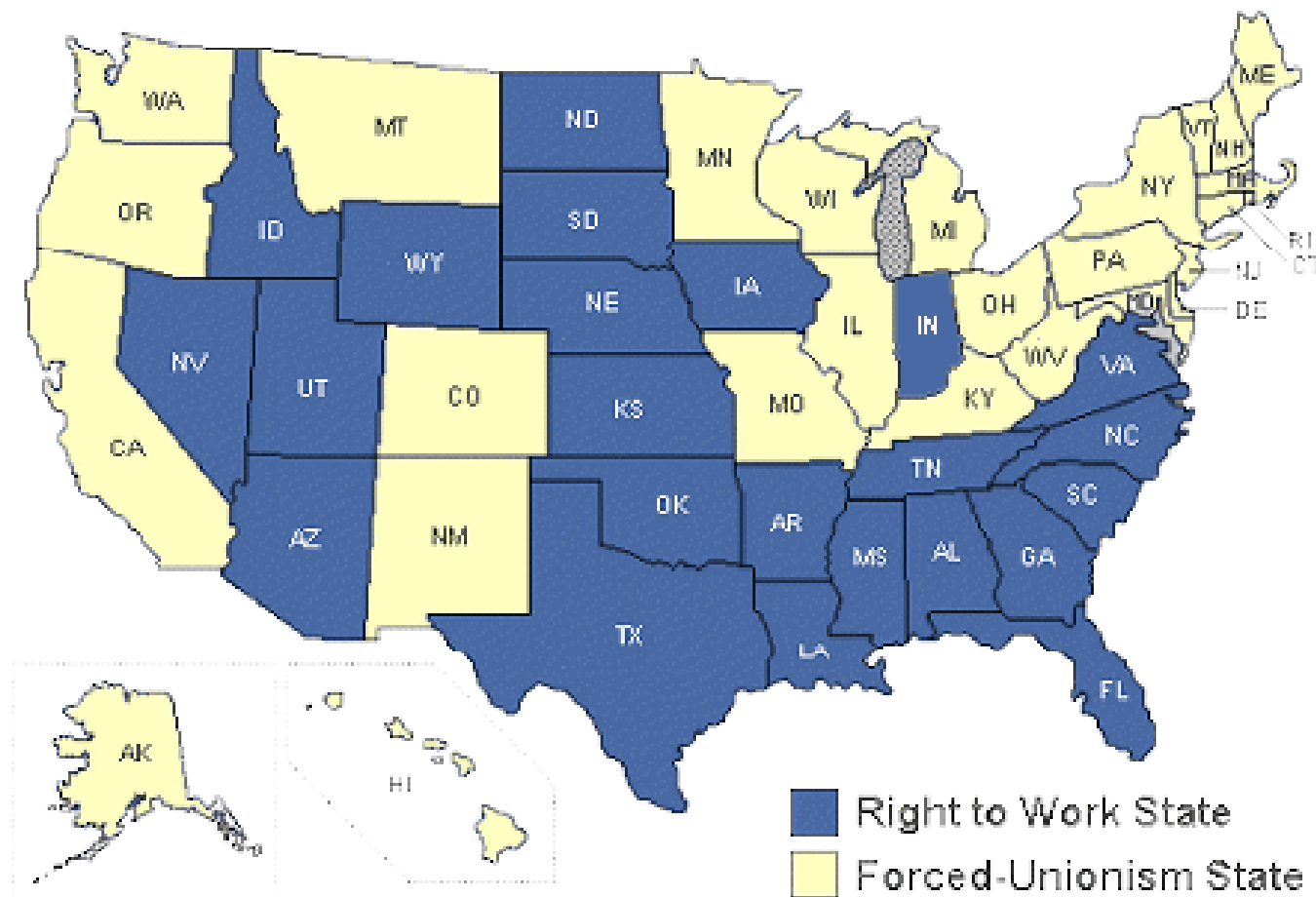
Tim Timken

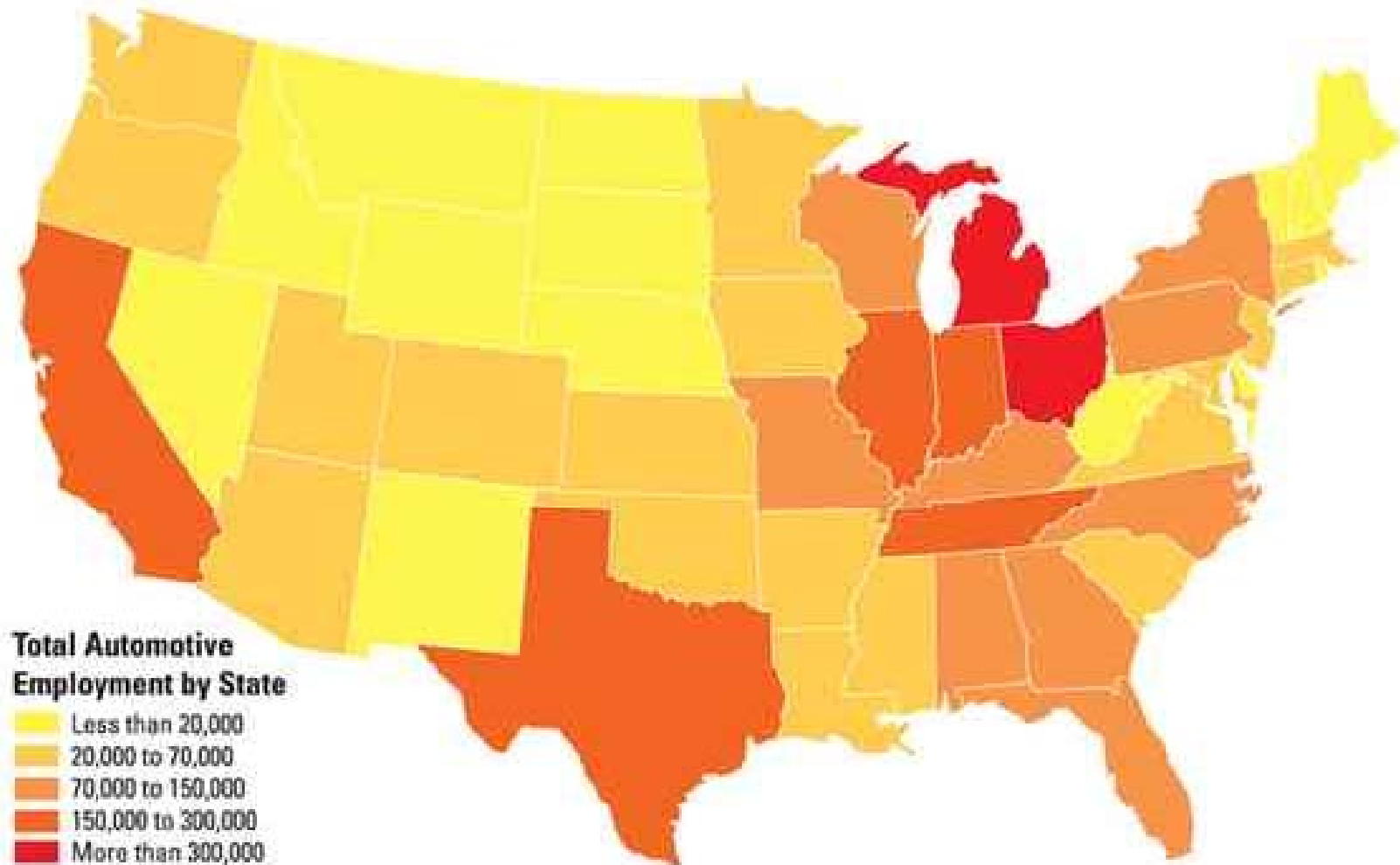
"During this downturn, we took the opportunity to look at the portfolio of businesses that we serve," Timken says. "A lot of that goes to automotives, but a portion of the business we were serving didn't create enough value for our customers, **so we did some portfolio shifting.**"





New Player In Town





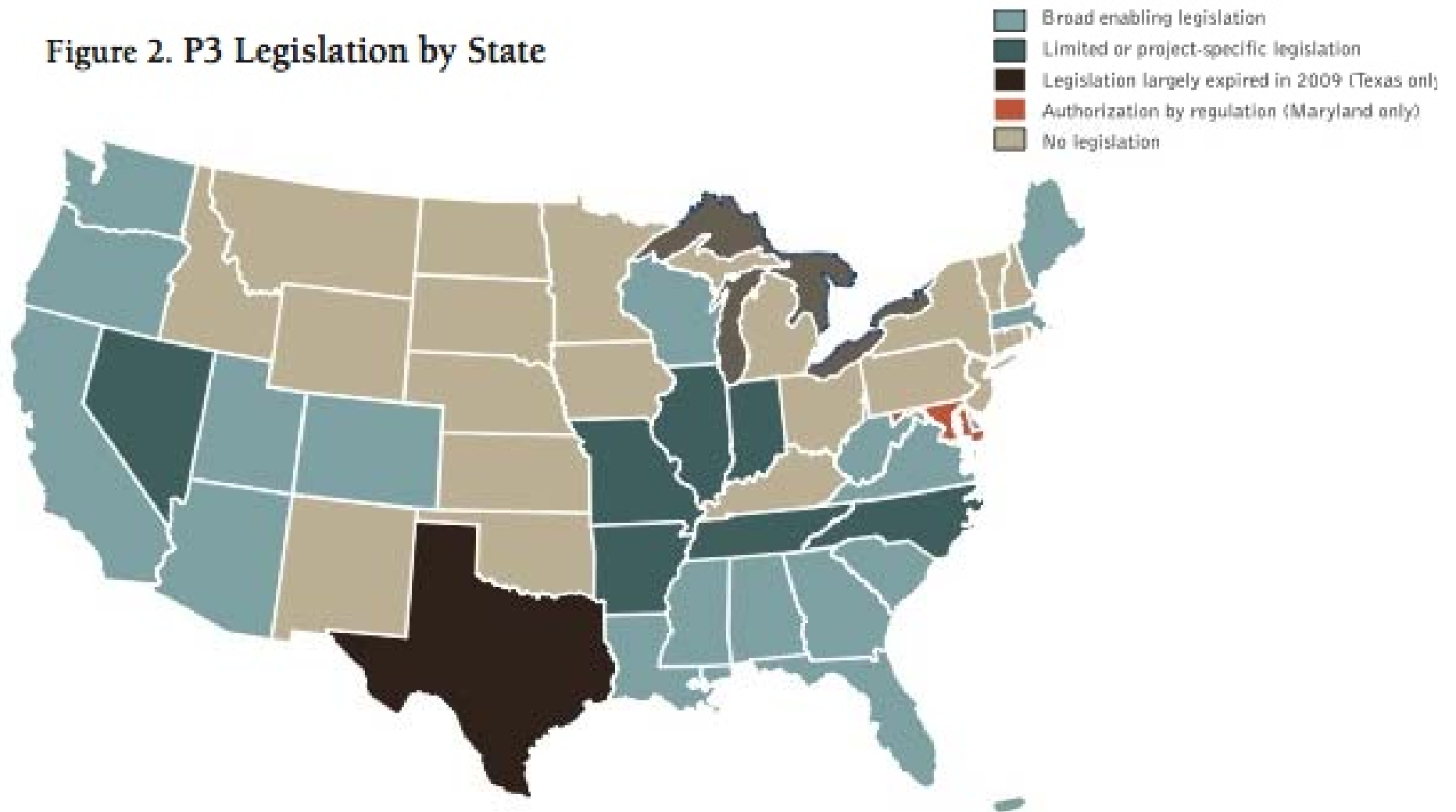
BUSINESS PERSONAL PROPERTY TAX INCENTIVES



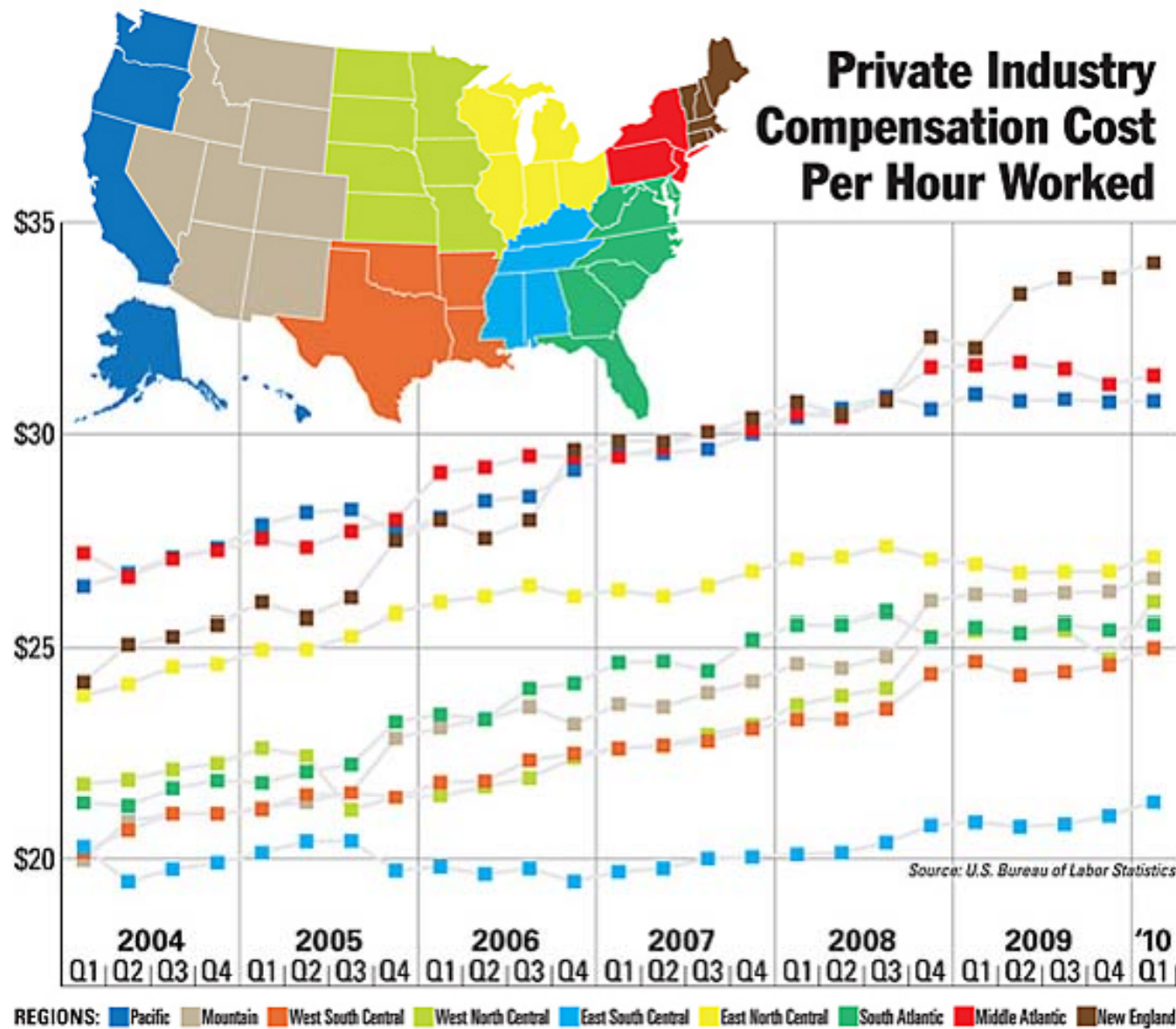
2010 ECONOMIC INCENTIVES ENVIRONMENT



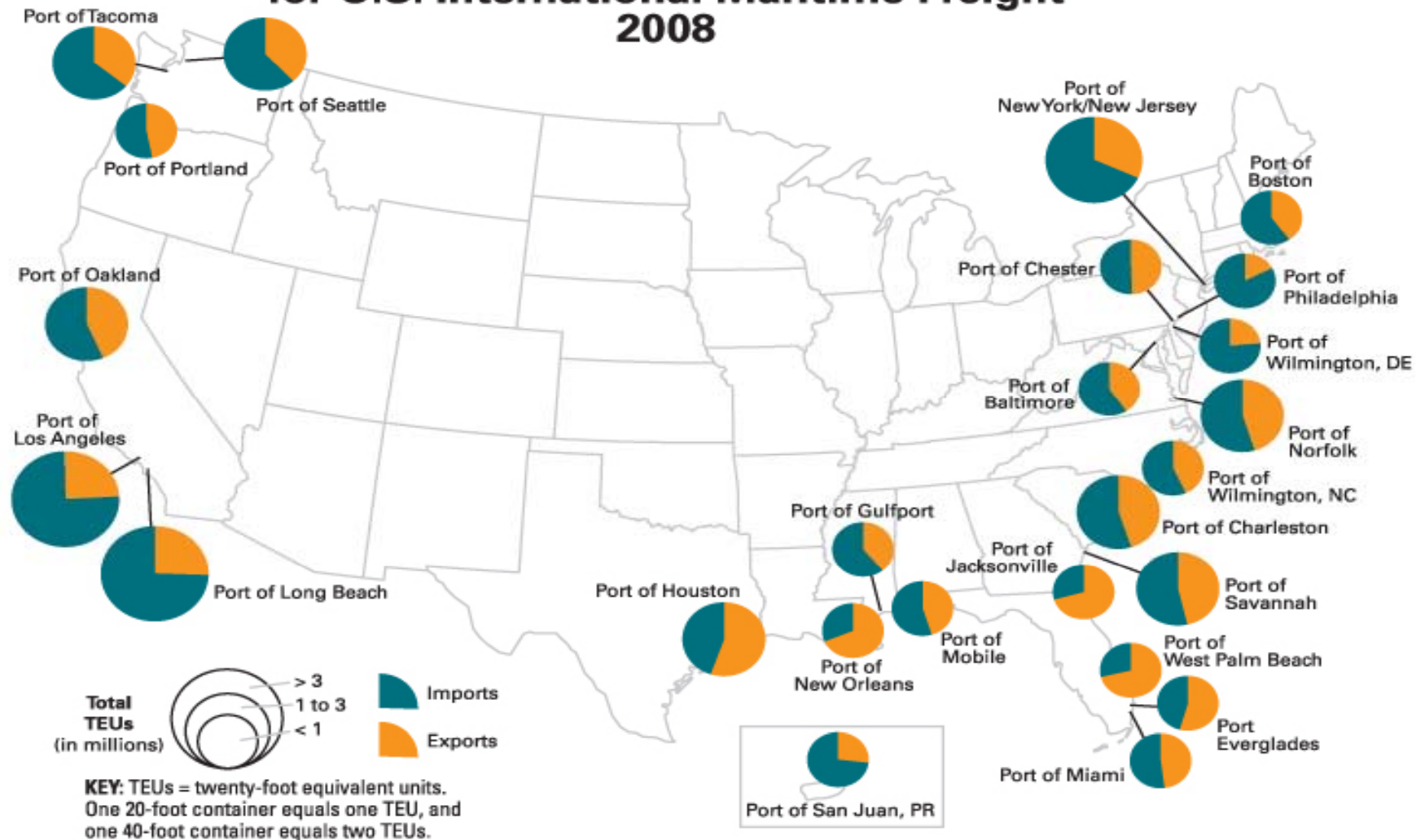
Figure 2. P3 Legislation by State



Private Industry Compensation Cost Per Hour Worked



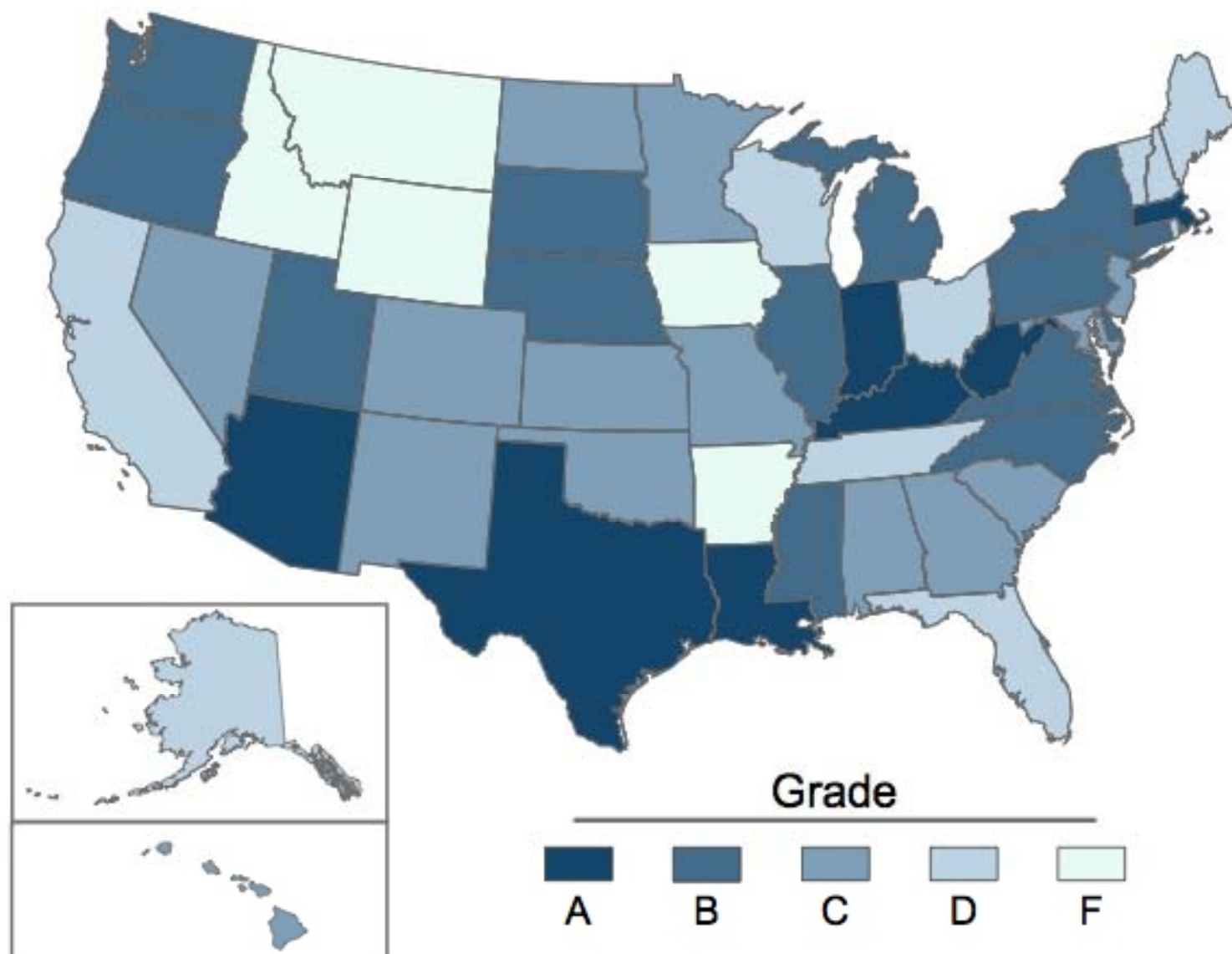
Top 25 Container Ports for U.S. International Maritime Freight 2008

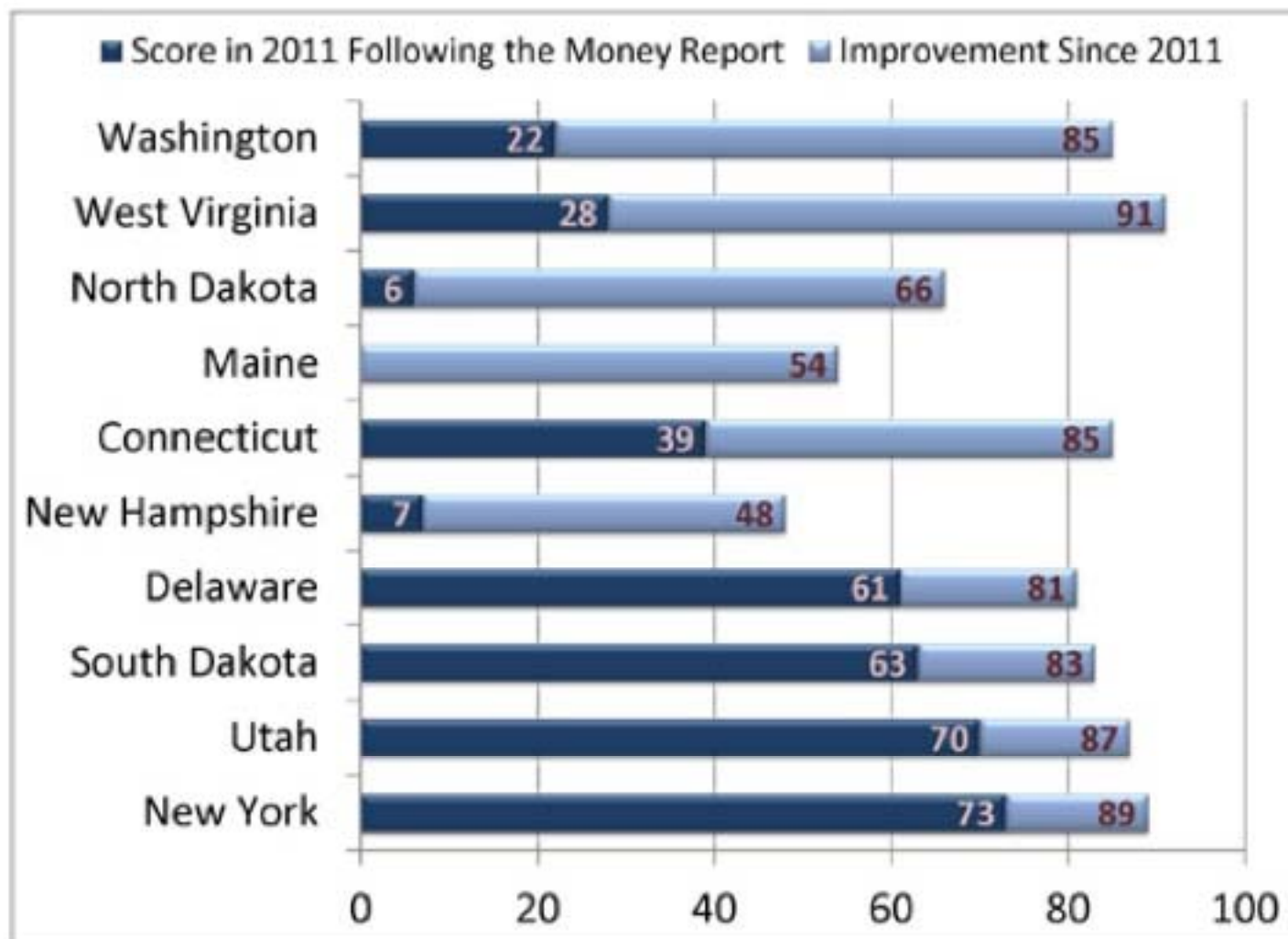


NOTE: The data in this figure include only loaded containers in U.S. international maritime activity and cover U.S. imports, exports, and transshipments. Therefore, the trade levels will be greater than those reported from U.S. international trade statistics, which exclude transshipments. The data also exclude military shipments.

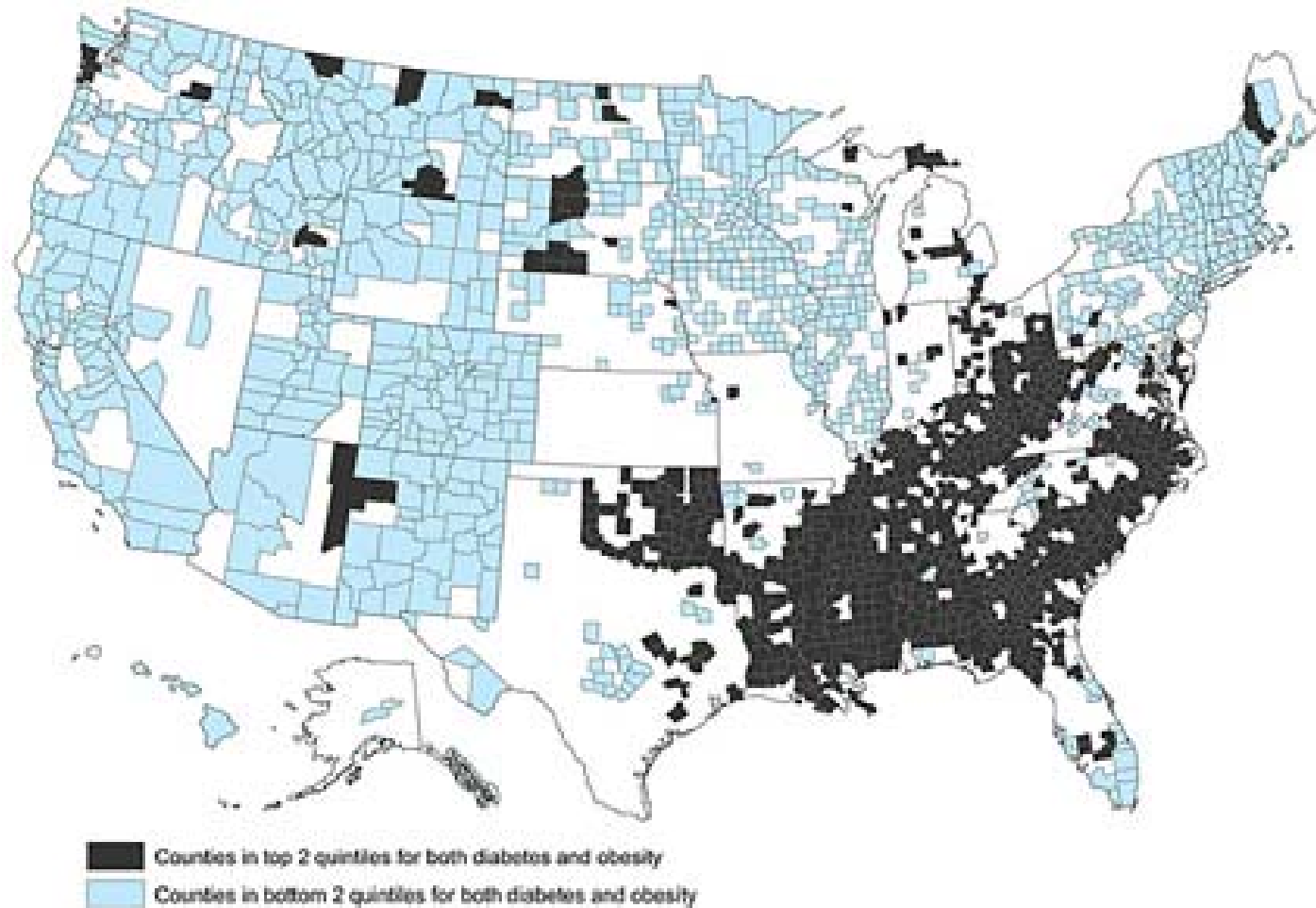
SOURCE: U.S. Department of Transportation, Research and Innovative Technology Administration, Bureau of Transportation Statistics, based on data from U.S. Department of Transportation, Maritime Administration, which are drawn from The Journal of Commerce, Port Import Export Reporting Service (PIERS), available at www.marad.dot.gov, as of March 30, 2009.

Figure ES-1: How the 50 States Rank in Providing Online Access to Government Spending Data





Employee health as a site selection factor? You bet.



Tax Foundation Findings 2012

10 States with Lowest Tax Cost States for Mature Firms

	Index Score	Rank
Wyoming	48.3	1
South Dakota	56.0	2
Georgia	71.8	3
Nevada	77.7	4
Ohio	78.1	5
Utah	80.2	6
North Carolina	80.8	7
Maryland	82.4	8
Nebraska	82.5	9
Louisiana	84.1	10

Ohio is 12th for
mature R&D, 10th
for new R&D

Ohio is 35th for
mature DC; 1st
for new DC
(18.3% TETR)

10 States with Lowest Tax Costs for New Firms

	Index Score	Rank
Nebraska	31.7	1
Louisiana	52.8	2
Ohio	58.7	3
Wisconsin	59.8	4
Oklahoma	65.3	5
Georgia	66.7	6
Kentucky	69.4	7
Arkansas	69.6	8
Wyoming	73.3	9
Utah	76.7	10

Site Selection's 2011 Top State Business Climate Rankings

Overall Ranking	Executive Survey Rank	2010 New Plant Rank	New Plant Rank per Million Pop.	Competitiveness Rank	2011 New Plant Rank (Jan. - Aug.)	Tax Climate Rank	Final Total Points
1 Texas	1	1	17	3	8	13	463
2 Georgia	3	5	7	7	4	25	446.5
3 North Carolina	2	6	11	4	1	41	437
4 Virginia	5	10	10	2	16	12	432
5 South Carolina	7	11	2	5	4	24	428.5
6 Indiana	9	9	5	8	7	10	426
7 Louisiana	11	3	1	1	3	36	408.5
8 Tennessee	5	14	13	11	19	27	398.5
9 Ohio	8	2	4	10	13	46	395
10 Florida	4	18	43	34	11	5	379
11 Pennsylvania	14	4	6	9	23	26	363.5
12 Alabama	10	17	18	20	18	28	359
13 Oklahoma	13	24	21	17	14	30	339
14 Utah	14	29	23	13	27	9	330.5
15 Michigan	21	7	12	16	20	17	325.5
16 Kansas	20	19	9	6	21	35	319.5
17 Mississippi	18	27	22	18	21	21	308
18 Colorado	14	31	36	25	23	15	301.5
19 Kentucky	31	13	3	12	6	19	299.5
20 California	11	15	47	37	9	49	295.5

Leading States by Total Employment by Foreign Firms 2007

State	Percentage of Total Employment	Employment by Majority-Owned U.S. Affiliates of Foreign Firms 2007
California	4.6	605,600
New York	5.8	433,600
Texas	4.7	418,500
Illinois	5.1	268,100
Pennsylvania	5.0	261,500
Florida	3.4	245,800
Ohio	4.8	229,500
New Jersey	6.5	225,300
North Carolina	6.0	211,700
Massachusetts	6.0	178,400

Higher Education R&D

Total R&D			Business R&D		
1	The Johns Hopkins Univ.	2,004,482	1	Duke Univ.	234,361
2	Univ. of Mich.-Ann Arbor	1,184,445	2	Ohio State Univ.	120,101
3	Univ. of Wis.-Madison	1,029,295	3	Mass. Institute of Technology	102,882
4	Univ. of Wash. Seattle	1,022,740	4	Univ. of Wash. Seattle	91,946
5	Duke Univ.	983,289	5	Univ. of Calif., Berkeley	85,538
6	Univ. of Calif., San Diego	943,219	6	State Univ. of New York Albany	74,099
7	Univ. of Calif., Los Angeles	936,995	7	Univ. of Calif., San Diego	67,601
8	Univ. of Calif., San Francisco	935,509	8	The Johns Hopkins Univ.	67,600
9	Stanford Univ.	839,839	9	Hershey Medical Ctr. (Pa.)	64,323
10	Univ. of Pa.	836,322	10	Stanford Univ.	61,127
11	Univ. of Pittsburgh main campus	822,491	11	Univ. of Texas Austin	56,448
12	Columbia Univ.-New York City	807,235	12	Univ. of Calif., Los Angeles	54,216
13	Univ. of Minn. Twin Cities	786,074	13	Univ. of Calif., San Francisco	50,979
14	Pa. State Univ. University Park and Hershey Medical Ctr.	770,449	14	Univ. of Texas M.D. Anderson Cancer Ctr.	50,712
15	Univ. of N.C. Chapel Hill	755,284	15	Texas A&M Univ.	46,754
16	Ohio State Univ.	755,194	16	Georgia Institute of Technology	45,672
17	Cornell Univ.	749,721	17	Univ. of Southern Calif.	44,620
18	Washington Univ. St. Louis	695,974	18	Univ. of Pa.	39,032
19	Univ. of Calif., Berkeley	694,049	19	Univ. of Mich.-Ann Arbor	38,739
20	Texas A&M Univ.	689,624	20	Univ. of Calif., Davis	37,159

What's Important to the Site Selection Decision?

Existing work force skills

State and local tax scheme

Transportation infrastructure

Flexibility of incentive programs

Availability of incentives

Utility infrastructure

Land/building prices and supply

State Economic Development Strategy

Ease of permitting and regulatory procedures

Access to higher education resources



Semiconductor field emissions testing lab,
The Ohio State University

**IBM in Columbia, Mo.
800 jobs, \$55K avg.
salary**



"Understanding the local labor force today, and what we think it will be like five and 10 years from now, is extremely important to us."

Joe Dzaluk, vice president of global infrastructure and resource management, IBM Global Technology Services



What are the Top Industries for Plant Activity?

Data Centers

Customer Contact Centers

Renewable Energy Manufacturing

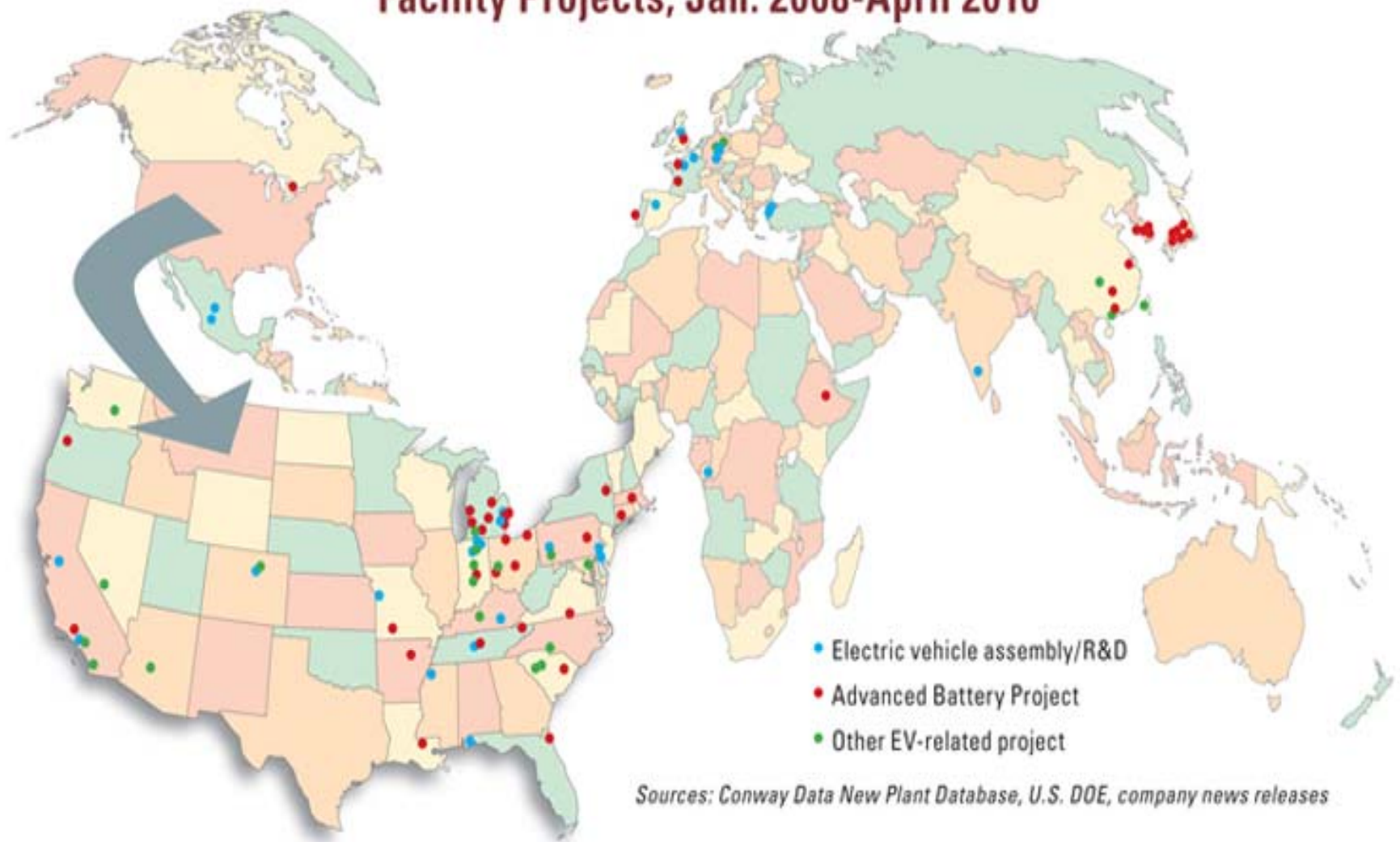
Consolidated HQ Projects

Food Processing

Integrated Logistics Centers

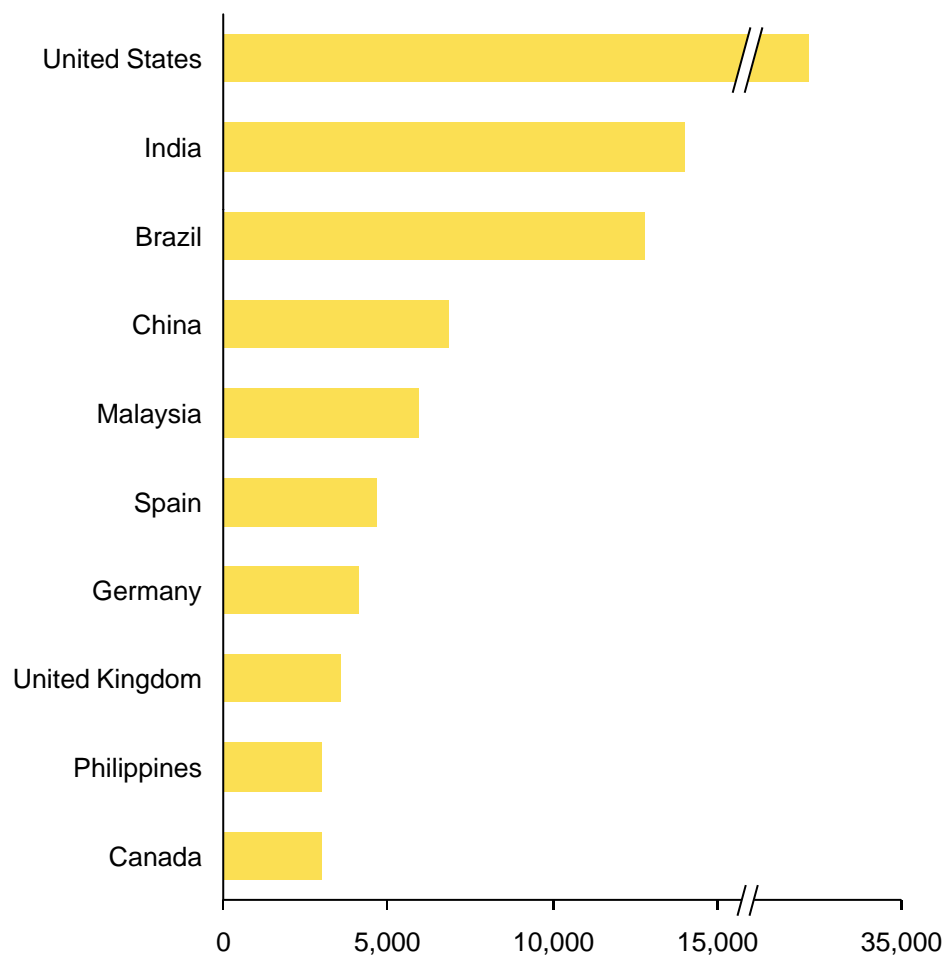
Avalanche Consulting, Feb. 14: “The top 5 industries showing the most improvement in prospect activity industry in the second half of 2011 were: **Manufacturing, Health Care Services, Clean Energy, Distribution, and Food Processing.**”

Hybrid/Electric Vehicle and Advanced Battery Facility Projects, Jan. 2008-April 2010

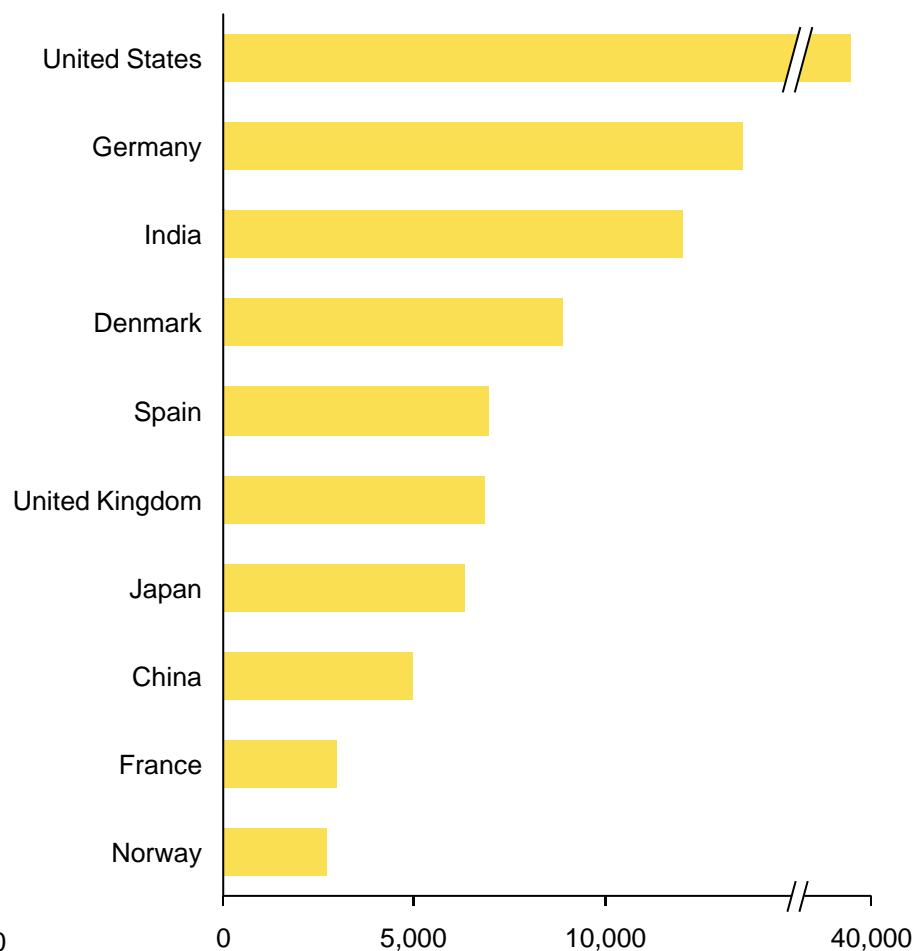


Job creation through foreign investment in renewable energy, 2003-2009

A. Destination countries



A. Origin countries



How do you define “incentive”?



- Flexibility, willingness to partner
- Knowledge of existing assets
- Speed to market
- Local government tools
- Single sales factor corporate tax

What to Track:

- International outreach
- Higher education connectivity
- Consolidation opportunities with existing companies
- Available buildings and real estate
- Regulatory and permitting hurdles
- Environmental leadership as competitive advantage

Are You a Bridge or a Wedge?

- Fighting geographic stereotypes
- Fighting stereotypes of corporations
- Not fighting
- Talk about your location.



Thank you.

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SITE Selection