

FISCAL YEAR 2010



**Year-End Report
to the Legislature**

21ST CENTURY JOBS FUND INITIATIVE

The 21st Century Jobs Fund (21st CJF) is demonstrating the successes intended in its initial vision. It is proving to be an effective job creator and projects, over the lifetime of the initiative, to become a significant source of direct revenue to the state, beyond its initial investment costs and apart from tax revenues and indirect benefits the state will experience.

The initiative was approved in both houses of the state legislature with strong bi-partisan support. The initiative aims to reshape and diversify Michigan's economy, focusing on innovative, entrepreneurial small businesses. To begin this culture shift, the fund focused resources in competitive-edge technology sectors, helping businesses commercialize new technologies gain access to the critical investment capital they need to grow and create jobs.

The Michigan Economic Development Corporation (MEDC) was charged with leading this transformation in collaboration with industry partners, local economic development professionals, business acceleration service providers, university researchers and entrepreneurs from across the state. Through the 21st CJF, the MEDC, itself a partnership of the state and local communities, has helped lay the foundation for a new Michigan economy by developing a multi-dimensional entrepreneurial ecosystem that supplies funding to seed new technology startups, has significantly enhanced available risk capital, and provides entrepreneurs with the coaching, mentoring, and the support infrastructure they need to develop their businesses in Michigan.

The 21st CJF, and its predecessor programs, the Michigan Life Sciences Corridor and Technology Tri-Corridor, have played an integral role in Michigan's vastly expanded clean and renewable energy manufacturing operations, and in growing our life sciences, advanced manufacturing and homeland security and defense industries.

The chart on page three identifies programs by investment type and provides financial return metrics for the investment portfolio. While the data is through March 31, 2010, it is provided as a historical reference. A more detailed report of investments will be included in the 21st CJF's fiscal year 2010 annual legislative report. Because returns were not contemplated in the original grant programs, those metrics are not available and are shown as N/A in the table. The results show that the initiative has been extremely successful at leveraging external funds both in absolute amount (\$1.837 billion) as well as ratio to invested funds (3.9 to one). Also, even though the bulk of the investment programs are still early stage, as a portfolio they are already beginning to show a small gain (\$1,400,000). Historical results confirm that programs implemented first have larger gains than those programs most recently. However, many of the investments made in the 2006–2007 round of the 21st CJF competition were structured to have repayment periods that begin in 2010. Additionally, the loss shown by the 21st Century Investment Fund is to be expected and is analogous to a private equity fund of funds.

During the first several years of an equity investment (typically three to five years), fund managers are making investments and incurring costs. Over the following seven to 10 years, as the investments mature, the net returns typically become significantly positive. In fact, as "lemons" tend to ripen faster than winners, having only had one total write-off at this stage is an extremely encouraging sign for the future performance of the fund.

It is important to remember that notwithstanding these changes, the 21st CJF remains an initiative focused on long-term goals. It is not designed to be a short-term economic stimulus, but rather, its mission is to create a fertile climate for entrepreneurship and begin the transformation and diversification of Michigan's economy.

PROGRAM FINANCIAL RESULTS (as of 03.31.2010) in millions (USD)									
Program	Program size ¹	State dollars committed ²	State dollars invested ³	Private and fed \$ leveraged ⁴	Leverage ratio ⁵	Returns to fund ⁶	Est. current value of portfolio	Net value of commitment ⁷	Gain (loss) ⁸
MLSC—Loans and Equity ⁹	23.8	23.8	23.0	152.7	6.6	6.1	22.5 ¹⁰	29.4	5.6
MLSC—Grants ¹¹	152.1	152.1	150.6	50.7	0.3	N/A	N/A	N/A	N/A
MTTC—Loan and Equity	22.6	22.6	22.3	50.3	2.3	3.3	22.3 ¹²	25.9	3.3
MTTC—Grants ¹³	28.2	28.2	27.7	29.0	1.0	N/A	N/A	N/A	N/A
21st Century Jobs Fund									
Commercialization Window—Loans and Equity	89.9	89.9	77.5	283.1	3.7	0.8	75.4 ¹²	88.6	-1.3
Commercialization Window—Grants ¹⁴	64.9	64.9	56.1	201.7	3.6	N/A	N/A	N/A	N/A
Commercialization Window—Pre-Seed Funds	14.8	14.8	13.0	34.2	2.6	N/A	N/A	N/A	N/A
Emerging Technology Fund	4.2	4.2	2.4	17.7	9.1	N/A	N/A	N/A	N/A
Investment Fund	104.0	104.0	33.9	257.4	7.3	2.2	26.9 ¹⁵	98.3	-6.2
Small Business CAP ¹⁶	3.5	3.5	2.9	80.3	26.8	N/A	N/A	N/A	N/A
MI Supplier Diversification Fund	26.3	13.4	6.7	47.2	7.0	0.1	7.1 ¹⁷	13.4	0.0
Centers of Energy Excellence	64.0	42.9	23.6	360.0	8.4	0.0	43	73	0.0
Choose Michigan Fund	9.0	9.0	0.0	270.0	30.0	0.0	0.0	9.0	0.0
TOTAL	607.3	573.2	439.7	1837.3	3.9	12.4	197.2	338.1	1.4

¹ Program Size is the total amount allocated for a given program

² State Dollars Committed are appropriated and/or approved funds by MSF/SEIC board

³ State Dollars Invested are funds disbursed to date under the contract

⁴ Funds brought in by non-state resources to match state investment leveraged funds

⁵ Private and Fed \$ Leveraged correspond to leveraged funds divided by invested funds

⁶ Returns to Fund corresponds to the payment received by the MSF permanent fund

⁷ Net Value of Commitment is the sum of returns to fund, est. current value of portfolio, and the portion of the commitment of each program yet to be funded

⁸ Gain (loss) is calculated as net value of investment minus state dollars committed

⁹ Loans and Equity includes direct loans and/or investments made to/in companies

¹⁰ Estimated Current Value includes a 12% discount.

¹¹ Grants for MLSC include infrastructure creation and support along with grants to universities for basic and applied research

¹² Current Value is the mark to market value of the portfolio as reported by the underlying funds

¹³ Grants for MTTC include infrastructure creation and support along with grants to universities for basic and applied research

¹⁴ Grants for 21st Century Commercialization Window include Retention of Pfizer Assets infrastructure investment and support along with grants to universities for basic and applied research. Grants to the Michigan Pre-Seed Fund are not included in this number as they are shown separately

¹⁵ Estimated Current Value is the mark to market value of the portfolio as reported by the underlying funds

¹⁶ SBCAP is the continuation of a program operated from 1986–2002 details found in program section

¹⁷ Current Value is calculated by summing the outstanding principal and accrued interest and subtracting a 2% loss reserve

21ST CENTURY JOBS FUND INITIATIVE Centers of Energy Excellence program

The Centers of Energy Excellence (COEE) program began in 2008 to promote the development, acceleration and sustainability of energy excellence sectors in Michigan. COEE monies match federal funds in the state's four targeted clean energy sectors: advanced energy storage, solar energy manufacturing, wind energy manufacturing, and bioenergy. By collaborating with universities and national laboratories, the COEE program helps companies create jobs and develop manufacturing supply chains in Michigan. The Michigan Strategic Fund awarded \$43 million to six companies in the first round of the COEE program and \$21 million to five companies in the second round.

COEE AWARDS Fiscal Year 2010 (10.01.2009-09.30.2010)		
Company	Project description	Award amount
Dow Chemical	The Midland-based company plans to establish operations focused on cost-effective carbon fiber materials for application in the wind energy and transportation sectors. Oak Ridge National Laboratory (ORNL), a global leader in the development of new materials and processes for the manufacture of carbon fibers, will collaborate with Dow in the development of new materials and processes for carbon fiber applications in advanced composite and structural materials for wind turbine blades. Low-cost carbon fiber also could have a significant impact in helping rebuild the U.S. auto industry, as the new CAFE standards affecting U.S. transportation by the year 2016 will require vehicles with either an entirely new drive train, or significant weight reduction, or both. ORNL received \$5 million from U.S. Department of Energy (DOE) in 2010 for low-cost carbon fiber development.	\$5,000,000
Astraeus Wind Energy	The new venture based in Eaton Rapids, founded and owned by principals of Dowding Industries and MAG Industrial Automation Systems, will collaborate with ORNL and the Dow Chemical Company to develop a revolutionary, automated manufacturing process for wind turbine blade components using advanced materials. The company received \$7 million from the DOE for developing advanced manufacturing processes and advanced materials for wind turbine blades.	\$6,000,000
Energetx	The Holland-based spinout of S2 Yachts will collaborate with ORNL and the Dow Chemical Company to innovate new approaches to wind turbine blade design and production. Energetx has entered into a licensing agreement with Aeroblade, which gives Energetx the right to manufacture and sell Aeroblade's excellent blade design. Kettering University and the University of Michigan will provide workforce training. The company received \$3.5 million from the DOE for the development of wind turbine blades.	\$3,500,000
Adaptive Materials	The Ann Arbor-based company is the first to develop a portable, affordable, and fuel-flexible fuel-cell system for use in a variety of applications, including unmanned military vehicles. Unlike other fuel cells that run on hydrogen or other hard-to-source fuels, inexpensive and globally available propane and butane power all Adaptive Materials fuel cells. The company plans to commercialize its fuel-cell technology for use in the consumer leisure rv market. Adaptive Materials will partner with Lawrence Technological University, which will conduct long-term durability and reliability testing; the University of Michigan, which will research technologies such as fuel-cell controls, ceramic processing, and optimum design; and Michigan Technological University, which will conduct cold-weather testing and analysis. Adaptive Materials was awarded \$3 million by the Department of Defense in 2010 for portable fuel-cell development.	\$3,000,000
URV USA	The Eaton Rapids-based company is a subsidiary of the Finnish-based foundry URV, a leading supplier in the sector of large cast-iron components, such as bedplates and hubs, to various European wind turbine manufacturers. URV USA will link with ORNL to develop a next-generation casting process to produce large, utility-scale wind turbine components. Michigan Technological University will contribute alloy development, casting grating system design and solidification simulation. The company received \$4 million from the DOE for the development of wind turbine components.	\$3,500,000
TOTAL		\$21,000,000

21ST CENTURY JOBS FUND INITIATIVE

21st Century Investment Fund program

The \$109 million 21st Century Investment Fund (21st CIF) program is essential to Michigan’s ability to compete both nationally and internationally for new business and investments. This fund encourages the growth of emerging Michigan companies, diversifies the state’s economy by creating and retaining knowledge-based jobs, and grows a community of investors to create a long-term, sustainable capital ecosystem within Michigan. Credit Suisse Bank, a fund management industry leader, manages 21st CIF. Credit Suisse brings expertise in the selection of venture capital, private equity, and mezzanine funds to invest in Michigan companies creating jobs. The 21st CIF has selected 12 top-tier funds in the last three years with the help of Credit Suisse. Many of the selected funds operate out-of-state and bring new capital to Michigan.

In fiscal year 2010, Michigan investments include:

- **Histosonics, Inc.** of Ann Arbor, a University of Michigan spinout, is developing histotripsy, a non-invasive, image guided, robotically controlled tissue ablation technology that uses intense ultrasound to liquefy soft tissue without a residual heat effect. Histotripsy will have broad applicability in replacing traditional surgical methods in treating conditions such as benign prostatic hyperplasia (BPH) and prostate cancer.
- **Life Magnetics** of Ann Arbor, a University of Michigan spinout, is developing a desktop in vitro diagnostic device and disposable cartridge assay for rapidly testing bacterial infections. Instead of waiting for days while the most appropriate course of treatment is determined, clinicians will be able to identify within hours both the pathogen and the antibiotic best suited for treatment.
- **Delphinus Medical Technologies** of Detroit, a spin-off of the Barbara Ann Karmanos Cancer Institute, is developing an alternative to the mammography called SoftVue, which will provide doctors a better chance at detecting cancer and identifying the difference between cancer and benign growths, eliminating unnecessary biopsy procedures.
- Previous Michigan investments include: Accord Biomaterials, Accuri Cytometers, Arbor Photonics, Eliason Corp, Esperion Therapeutics, HandyLab, Incept Biosystems, Microposite, Mobius Microsystems, NanoBio, Kabongo, and Tissue Regeneration Systems.

VENTURE CAPITAL INVESTED Fiscal Year 2010 (10.01.2009–09.30.2010)	
Venture capital \$ invested in Michigan	\$150,272,500
Number of venture capital investments in Michigan	34
Venture capital \$ investments in Midwest	\$1,031,000,000
Number of venture capital investments in Midwest	255
Michigan investments as a percent of Midwest	14.6%

21ST CENTURY JOBS FUND INITIATIVE Company Formation and Growth Fund

The Company Formation and Growth Fund (CFGF) is an initiative created in 2007 that is designed to retain Pfizer talent and assets in Michigan as a result of the global downsizing of the company’s workforce. Representatives of Ann Arbor SPARK, Southwest Michigan First, Lakeshore Advantage and the MEDC serve on the CFGF committee that makes loan recommendations to the MSF Board, which can award loan amounts up to a maximum of \$500,000.

CFGF LOANS Fiscal Year 2010 (10.01.2009–09.30.2010)				
Company	City	County	Loan amount	Project highlights
Kalexsyn, Inc.	Kalamazoo	Kalamazoo	\$150,000	Provides preclinical development services to companies locally and internationally. Kalexsyn’s clients include pharmaceutical and biotech companies in Michigan, other states, and around the world. Funding will support the company’s plan to hire ex-Pfizer personnel.
Vestaron Corporation	Kalamazoo	Kalamazoo	\$150,000	Developing a new generation of insecticides by employing peptides sourced from spiders. Funding will support the company’s plan to hire three ex-Pfizer employees.
Single Source Procurement, LLC	Kalamazoo	Kalamazoo	\$80,000	Provides specialized purchasing and sourcing services to clients of the SMIC, small business incubation facilities in Ann Arbor, and independent science-based companies of all sizes within the region. Funding will support the company’s plan to hire one life science employee and lease an ex-Pfizer facility.
Syzygy Biotech Solutions, LLC	Grand Rapids	Kent	\$100,000	Develops and manufactures biological diagnostic reagents for life science industries. Funding will support the company’s plan to hire two life science employees and lease an ex-Pfizer facility.
eFarms LLC	Holland	Ottawa	\$120,000	Currently leasing laboratory and office space within the MSU Bioeconomy Institute for the purpose of advancing their technologies and products for on-farm ethanol and livestock feed production using a novel systems approach. Funding will support the company’s plan to hire one technical employee from the ex-Pfizer talent pool, if possible, acquire ex-Pfizer equipment, and lease an ex-Pfizer facility.
Venntis LLC	Holland	Ottawa	\$50,000	Formed to develop and supply integrated flexible and glass circuit assemblies for industrial product applications. Venntis Technologies markets its products globally. Funding will support the company’s plan to hire one life science employee and lease an ex-Pfizer facility.
TCH Pharmaceuticals, Inc.	Ann Arbor	Washtenaw	\$200,000	Commercializes products to be used in therapies that treat inflammatory diseases. Funding will support the company’s plan to hire ex-Pfizer personnel.
Research Essential Services LLC	Plymouth	Wayne	\$200,000	Provides preclinical animal research services of superior quality and value within a unique service model tailored to the priorities of biotech and start-up firms. Funding will support the company’s plan to hire two ex-Pfizer employees, two life science employees, and purchase ex-Pfizer equipment.
Research Essential Services LLC	Plymouth	Wayne	\$100,000	Provides preclinical animal research services of superior quality and value within a unique service model tailored to the priorities of biotech and start up firms. Funding will support the company’s plan to hire two life science employees.
TOTAL			\$1,150,000	

21ST CENTURY JOBS FUND INITIATIVE Michigan Supplier Diversification Fund program

The Michigan Supplier Diversification Fund (MSDF) program operates two loan enhancement programs designed to help traditional manufacturers—especially auto manufacturers—transition and diversify into growing markets. The first loan enhancement program, the Michigan Loan Participation program, offsets a borrower’s cash flow deficiency by purchasing a portion of a lender’s credit facility and offers a grace period on the state’s portion. A second program, the Michigan Collateral Support program, balances a borrower’s collateral shortfall by depositing cash collateral into a lending institution to insure against potential losses. The Michigan Strategic Fund (MSF) Board initially approved funding for MSDF totaling \$13.3 million. Strong demand absorbed the first round of funds within the first few months of operation. Consequently, the MSF Board approved an additional \$13 million in January 2010. Demand continues to far exceed the supply of available state funds.

MSDF LOANS Fiscal Year 2010 (10.01.2009–09.30.2010)				
Company	City	County	Industry	Loan amount
Blissfield Manufacturing	Blissfield	Lenawee	Metal stamping, clean-tech	\$499,000
Automation & Modular Components, Inc.	Davisburg	Oakland	Materials handling manufacturing	\$998,000
Carter Associates	Burr Oak	St. Joseph	Auto packaging, food and drug, graphics	\$199,600
Michigan Ladder	Ypsilanti	Washtenaw	Manufacturing	\$149,000
TOTAL				\$1,845,600

21ST CENTURY JOBS FUND INITIATIVE

Small Business Capital Access Program Loans

The Small Business Capital Access Program (SBCAP) is a loan enhancement program that helps small businesses acquire financing through lending institutions that might otherwise be unavailable. SBCAP operates on a pooled reserve concept in which a reserve account at each participating bank protects each enrolled loan under the program. The reserve account is funded through one-time premium charges paid in equal parts by the borrower and the lender, plus the sum of those charges will be matched by the Michigan Strategic Fund. This reserve, which grows with each subsequent loan, offsets any future losses incurred by the lender. The success of Michigan's SBCAP program, which was the first of its kind, inspired other states to copy the program.

SBCAP LOANS Fiscal Year 2010 (10.01.2009-09.30.2010)						
Month	Loans enrolled	No. of companies	MSF reserve contribution	Funds leveraged	Projected new jobs	Projected retained jobs
October	10	10	\$24,278	\$709,150	4	51
November	9	9	\$9,556	\$299,198	7	27
December	7	7	\$4,736	\$156,026	11	9
January	25	23	\$54,434	\$1,658,490	38	140
February	22	22	\$95,514	\$2,807,300	136	312
March	21	21	\$174,699	\$5,183,540	15	85
April	23	21	\$34,923	\$899,796	37	89
May	0	0	\$0	\$0	0	0
June	17	17	\$16,446	\$451,146	34	77
July	23	20	\$37,029	\$933,292	53	97
August	11	10	\$20,180	\$584,323	13	47
September	30	28	\$38,519	\$1,124,735	51	332
TOTAL	198	188	\$510,314	\$14,806,996	399	1,266

SBCAP LOAN RECIPIENTS Fiscal Year 2010 (10.01.2009-09.30.2010)			
Company	City	County	Industry
Eagles Nest Construction, Inc.	Dorr	Allegan	General contractors—residential buildings
Hercules Hot Dog, Inc.	Saugatuck	Allegan	Eating places
ArmorThane Protective Coatings	Ellsworth	Antrim	Automotive services, except repair and carwashes
Midwest Punch, Inc.	Au Gres	Arenac	Industrial and personal service paper
Gregory J. Pfenniger	Auburn	Bay	Plumbing, heating and air-conditioning
Pamela A. Kohn, Inc.	Auburn	Bay	Offices and clinics of health practitioners
The Bier Garten, Inc.	Bay City	Bay	Drinking places (alcoholic beverages)
Michigan Pavement Solutions	Honor	Benzie	Highway and street construction, except elevated highways
Brent J. Borchardt	Lake Ann	Benzie	Educational employment contractor
Water Street Glassworks	Benton Harbor	Berrien	Schools and educational services
Neal Smith DBA Wrench Masters	Benton Harbor	Berrien	General automotive repair shops
Great Lakes Cleaning	St. Joseph	Berrien	Disinfecting and pest control services
Rural, Inc.	Bronson	Branch	Gasoline service stations
David S. Peterson	Quincy	Branch	Meat and fish (seafood) markets, including freezer provisioners
Howard Shuttle	Bedford	Calhoun	Local and suburban transit
Mor-Dall Enterprises	Marshall	Calhoun	Drinking places (alcoholic beverages)
Avtar Singh and Ranjit Kaur Family Trust	Dowagiac	Cass	Hotels and motels
B&O Machine, Inc.	Edwardsburg	Cass	Machine shop
William R. Kohls	Beaver Island	Charlevoix	Insurance agents, brokers, and service
Complete Automotive Tire & Service of DeWitt	DeWitt	Clinton	General automotive repair shops
Carolyn and Jeremy A. Zeitz	Gladwin	Gladwin	Daycare center
CRG, Inc.	Alma	Gratiot	Stationery stores
J & J Hirschman LLC	Alma	Gratiot	Special industry machinery
Jose J. Rodriguez and Jose DJ Services	Alma	Gratiot	DJ services
Willow Creek Farms Trucking	Ashley	Gratiot	Local trucking without storage
Allen Reese	Ithaca	Gratiot	Business services
C & S Steel LLC	Ithaca	Gratiot	Manufacturing—fab steel supports
Cyrus L. Schmidt	Middleton	Gratiot	Car washes
Heritage Fencing & Vinyl Products	St. Louis	Gratiot	Construction
Powell's Service, Inc.	St. Louis	Gratiot	Plumbing and heating contractors
Stephen G. Goodell	St. Louis	Gratiot	Offices and clinics of dentists
K.L. & T Trucking	Allen	Hillsdale	Trucking, except local
Broad Street Downtown Market	Hillsdale	Hillsdale	Grocery stores
Classic Cuts Plus Salon and Spa	Hillsdale	Hillsdale	Beauty shops
Ritco, Inc.	Hillsdale	Hillsdale	Gasoline service stations
Toasted Mud	Hillsdale	Hillsdale	Clay refractories
Duane and Patricia Trevathan	Hillsdale	Hillsdale	Sewing, needlework, and piece goods stores
Deem Rentals	Jonesville	Hillsdale	Operators of nonresidential buildings

SBCAP LOAN RECIPIENTS <i>continued</i>			
Company	City	County	Industry
Heath Electrical	Jonesville	Hillsdale	Electrical work
Steven R. Denning and Douglas G. Denning	Jonesville	Hillsdale	Dairy farms
The Cedar's, Inc.	Jonesville	Hillsdale	Drinking places (alcoholic beverages)
Lehman Plumbing & Heating Inc.	Jonesville	Hillsdale	Plumbing, heating and air-conditioning
William L. Powers and Shirley D. Powers	Litchfield	Hillsdale	Trucking, except local
American Eagle Superstore	Lansing	Ingham	Durable goods
Best Barricading, Inc.	Mason	Ingham	Equipment rental
Kassouni Manufacturing, Inc.	Belding	Ionia	Chemicals and chemical preparations
Skinner Trucking LLC	Hubbardston	Ionia	Local trucking without storage
BMPI LLC	Portland	Ionia	Management consulting services
Auto Warehouse LLC	Blanchard	Isabella	Motor vehicle dealers (used only)
All In of Mount Pleasant	Mount Pleasant	Isabella	Miscellaneous personal services
Lanchi, Inc.	Mount Pleasant	Isabella	Grocery stores
Buckley's Carpet Cleaning	Shepherd	Isabella	Carpet and upholstery cleaning
Jebadiah L. Gilbert	Shepherd	Isabella	Special trade contractors
Innovative Drywall Supplies, Inc.	Brooklyn	Jackson	Building materials
Huco, Inc.	Jackson	Jackson	Convenience stores
Leutz Cabinets and Woodworking	Jackson	Jackson	Carpentry
Maverick Industries	Jackson	Jackson	Plastics foam products
Michigan Center Development LLC	Michigan Center	Jackson	Gasoline service stations
Ace's Cycle LLC	Kalamazoo	Kalamazoo	Motorcycle dealers
Donald and Margie Smith	Kalamazoo	Kalamazoo	Plastering, drywall, acoustical, and insulation work
Eric M. Lee	Kalamazoo	Kalamazoo	Gray and ductile iron boundries
Healthy Family Chiropractic, Inc.	Kalamazoo	Kalamazoo	Offices and clinics of chiropractors
Neal A. Miedema	Kalamazoo	Kalamazoo	Investment advice
Outlook Omni LLC	Kalamazoo	Kalamazoo	Accounting, auditing, and bookkeeping services
Redline Manufacturing, Inc.	Kalamazoo	Kalamazoo	Industrial and commercial machinery and equipment
REO Specialists	Kalamazoo	Kalamazoo	Real estate agents and managers
Samuel A. McGuire	Kalamazoo	Kalamazoo	Offices and clinics of dentists
The Johnson Agency, Inc.	Kalamazoo	Kalamazoo	Insurance agents, brokers, and service
Gary and Michelle Kamrowski	Portage	Kalamazoo	Local trucking without storage
Greenhouse Quest	Portage	Kalamazoo	Cash grains
Metropolitan Industrial Lithography	Portage	Kalamazoo	Commercial printing
Robert Kerschbaum	Richland	Kalamazoo	Investment advice
Drun Trucking, Inc.	Scotts	Kalamazoo	Local trucking without storage
Taylor Construction Services, Inc.	Vicksburg	Kalamazoo	Excavation work
On-Sight Services	Byron Center	Kent	Offices and clinics of optometrists
Alpha Omega Coffee & Games	Cedar Springs	Kent	Eating places

SBCAP LOAN RECIPIENTS <i>continued</i>			
Company	City	County	Industry
Amish Furniture and Gifts Warehouse	Cedar Springs	Kent	Furniture stores
Baas Ventures LLC	Cedar Springs	Kent	Eating places
Boss Electro Static	Grand Rapids	Kent	Painting and paper hanging
Construction Concepts & Designs Inc.	Grand Rapids	Kent	Construction
Ever Fresh Cooling	Grand Rapids	Kent	Groceries, general line
Francine L. Vagotis, M.D.	Grand Rapids	Kent	Offices and clinics of doctors of medicine
John F. Russo, Gina M. Rea	Grand Rapids	Kent	Miscellaneous food stores
Michigan Leasing and Financial Services	Grand Rapids	Kent	Equipment rental and leasing
Newberry Medical	Grand Rapids	Kent	Offices and clinics of doctors of medicine
Plankton LLC	Grand Rapids	Kent	Women's clothing stores
Magic Wan	Grandville	Kent	Eating places
Star Sales and Marketing Group LLC	Grandville	Kent	Sales and marketing
Selveden Kmetas	Kentwood	Kent	Trucking, except local
Traco Logistics	Walker	Kent	Local trucking without storage
M&K Construction Company LLC	Wyoming	Kent	Construction materials supplier
Anita King	Baldwin	Lake	Dental laboratories
B & R River Properties	Branch	Lake	Drinking places (alcoholic beverages)
Mathew J. Manier	Branch	Lake	Repair shops and related services
Burtis L. Myers	Luther	Lake	Motor vehicle dealers (used only)
Courthouse Commons	Adrian	Lenawee	Operators of nonresidential buildings
Port 72 Fresh Market, Inc.	Hudson	Lenawee	Meat and fish (seafood) markets, including freezer provisioners
Steven D. and Melissa K. Gier	Hudson	Lenawee	Dairy farms
Winn's Automotive, Inc.	Hudson	Lenawee	General automotive repair shops
Andrew P. Weber	Pinckney	Livingston	General farms, primarily crop
Gerald L. Voll	Wellston	Manistee	Automotive services, except repair and carwashes
Richard Eckerson	Wellston	Manistee	Local trucking without storage
Nicholas Routley	Marquette	Marquette	Repair shops and related services
Armato Electric, Inc.	Big Rapids	Mecosta	Electrical work
Classic Carpet Cleaning South	Big Rapids	Mecosta	Carpet and upholstery cleaning
Hatchew LLC	Big Rapids	Mecosta	Automotive exhaust system repair shops
Nathaniel Green DBA Kens Sports & Trophy Center	Big Rapids	Mecosta	Sporting goods stores and bicycle shops
Robert Boyce, CPA	Big Rapids	Mecosta	Accounting, auditing, and bookkeeping services
Arntz Distributing LLC	Mecosta	Mecosta	Automatic merchandising machine operators
Stephen L. and Becki J. Lente	Rodney	Mecosta	Offices and clinics of health practitioners
Randy D. Moore and Catherine A. Moore	Stanwood	Mecosta	Motor vehicle dealers (used only)
SRS Distributors, Inc.	Coleman	Midland	Route delivery

SBCAP LOAN RECIPIENTS <i>continued</i>			
Company	City	County	Industry
Laskape Design & Landscape	Midland	Midland	Landscape counseling and planning
Crystal Quick Stop	Crystal	Montcalm	Trucking—other support activities
Janet S. Minikey DBA S-A-Y Graphic Design	Greenville	Montcalm	Family clothing stores
Silver Bullet Brokerage	Greenville	Montcalm	Trucking
Michelle L. Graham	Sheridan	Montcalm	Radio, television, and consumer electronics stores
Backup Plan	Muskegon	Muskegon	Eating places
Michigan Produce Haulers	Fremont	Newaygo	Local trucking without storage
Anita Bosman and John Gerdes	Lake Orion	Oakland	Eating places
Matthew C. Ward	Hesperia	Oceana	Signs and advertising specialties
Christopher Mleras	Hersey	Osceola	Nailed and locked corner wood boxes
Hersey Gas and Grocery	Hersey	Osceola	Gasoline service stations
David E. Cliffords Towing, Inc.	Hershey	Osceola	Convenience stores
Leroy Auto & Tire Center	Le Roy	Osceola	General automotive repair shops
Lawrence A. Platte, Jr.	Gaylord	Otsego	Eating places
Forest View Nursery	Holland	Ottawa	Ornamental floriculture and nursery products
New Life Nursery, Inc.	Holland	Ottawa	Ornamental floriculture and nursery products
Parmolds, Inc.	Holland	Ottawa	Special dies and tools
Jensen Jewelers	Hudsonville	Ottawa	Jewelry stores
Seven Steps Up	Spring Lake	Ottawa	Operators of nonresidential buildings
K-7 Trucking, Inc.	Rogers City	Presque Isle	Local trucking without storage
Animalia Resources, Inc.	Prudenville	Roscommon	Management consulting services
Mark W. and Michele F. Pollen	Roscommon	Roscommon	Eating places
Designtech Custom Interiors, Inc.	Freeland	Saginaw	Wood office and store fixtures, partitions, shelving, and lockers
The Binder Group	Freeland	Saginaw	Gift, novelty, and souvenir shops
Leonard Hardware, Inc.	Laingsburg	Shiawassee	Hardware stores
In the Eye of the Armadillo	Sturgis	St. Joseph	Miscellaneous personal services
Jennifer N. Palmer	Sturgis	St. Joseph	Beauty shops
Julie and Daniel Harned	Sturgis	St. Joseph	Local trucking without storage
Krontz General Machine & Tool	Sturgis	St. Joseph	Industrial and commercial machinery and equipment
Michigan Tool Works	Sturgis	St. Joseph	Special trade contractors
Prime Quality Electric	Sturgis	St. Joseph	Electrical work
Ramesh Patel	Sturgis	St. Joseph	Hotels and motels
Lowry's Books LLC	Three Rivers	St. Joseph	Book stores
Randall Svoboda, Trisha Svoboda	Three Rivers	St. Joseph	Welding repair
Weldmaster Fabrications	Three Rivers	St. Joseph	Welding repair
Imagine That Jewelers	White Pigeon	St. Joseph	Jewelry stores

SBCAP LOAN RECIPIENTS *continued*

Company	City	County	Industry
Jeffery D & Cynthia A Haack DBA JHR Lawn Service	White Pigeon	St. Joseph	Lawn services
Dog Boarding and Grooming/ David P. Farris	Grand Junction	Van Buren	Animal specialty services, except veterinary
Paw Paw Shortstop, Inc.	Paw Paw	Van Buren	Convenience stores
The Lodge of Quincy Real Estate Company	Ann Arbor	Washtenaw	Intermediate care facilities
Chelsea Architectural Millwork	Chelsea	Washtenaw	Wood office and store fixtures, partitions, shelving, and lockers
Knights Grading and Excavating	Dexter	Washtenaw	Special trade contractors
Smith Service, Inc.	Dexter	Washtenaw	Automotive services, except repair and carwashes
Bow Wow, Inc.	Plymouth	Wayne	Miscellaneous retail stores
Logos Logistics	Taylor	Wayne	Local trucking without storage
Nelson Logging, Inc.	Cadillac	Wexford	Logging
Mulberry Development	Mesick	Wexford	Public golf courses

FOLLOW-ON FUND

To maximize the economic impact of the portfolio of investments the MEDC manages through historical and current programs, including but not limited to the 21st Century Jobs Fund, Michigan Life Sciences Corridor, Michigan Technology Tri-Corridor, and Pre-Seed Funds (Portfolio Companies), a \$6 million Follow-On Fund was created in 2009 to fill a critical gap currently existing in the marketplace.

These funds assist portfolio companies move to a stage where commercial opportunities (e.g. licensing, seed or equity funds) can be secured. Funds can support further scientific and technical development of an idea as well as activity gauged towards improving an intellectual property position, market research, potential licensees, joint ventures and venture financing. The fund is intended to bridge the gap between traditional research grants, angel and pre-seed investments to commercial funding by supporting the very early stage of turning research outputs into a commercial proposition.

FOLLOW-ON FUND LOANS Fiscal Year 2010 (10.01.2009-09.30.2010)				
Company	City	County	Loan amount	Project highlights
Axenic Dental Inc.	Kalamazoo	Kalamazoo	\$466,000	Dental device company focusing on currently unmet market needs in the dental profession with emphasis in the area of disposable plastic tools.
ProNAi Therapeutics, Inc.	Kalamazoo	Kalamazoo	\$500,000	Emerging biopharmaceutical company that is leveraging its novel and proprietary nucleic acid-based interfering technology, DNAi(r), to advance a next generation of therapies for patients with cancer and other complex genetic diseases.
Phrixus Pharmaceuticals, Inc.	Ann Arbor	Washtenaw	\$500,000	Clinical development stage spin-out from the University of Michigan developing Carmeseal™ to treat acute decompensation episodes in patients suffering from congestive heart failure and to treat cardiac dysfunction in patients with heart failure associated with Duchenne muscular dystrophy.
Pixel Velocity, Inc.	Ann Arbor	Washtenaw	\$500,000	Provides the world's first integrated, multi-camera video surveillance and automated threat detection and tracking analytics solution; company is researching and developing advances in the value of video surveillance.
TOTAL			\$1,966,000	

PRIVATE ACTIVITY BONDS

Private Activity Bonds (PABs) provide companies with capital cost savings stemming from the difference between taxable and tax-exempt interest rates. The Michigan Strategic Fund (MSF) has the authority to provide tax-exempt federal bonds. These bonds finance manufacturing projects, not-for-profit corporation projects, and solid or hazardous waste disposal facilities. PABs lower the cost of capital for mature firms and help address a critical gap in project financing throughout the state.

TAX-EXEMPT BONDS Fiscal Year 2010 (10.01.2009-09.30.2010)				
Company	City	County	Approved amount	Type
Digital Imaging Center, Inc./ E.P. Horak Company	Monitor Charter Twp.	Bay		Trust indenture amendment and letter of credit substitution
International Master Products Corporation	Montague	Muskegon	\$4,700,000	New/manufacturing
Raval USA, Inc.	Rochester Hills	Oakland		Amendment/reissuance
Corlett-Turner Co.	Holland Charter Twp.	Ottawa	\$1,150,000	Trust indenture amendment and letter of credit substitution
TOTAL			\$5,850,000	

MISCELLANEOUS BONDS Fiscal Year 2010 (10.01.2009-09.30.2010)				
Company	City	County	Approved amount	Type
CFP Michigan LLC	Bay City	Bay	\$5,040,000	Series 2010A 501(c)(3)
CFP Michigan LLC	Bay City	Bay	\$1,000,000	Series 2010B 501(c)(3)
Pilgrim Manor Inc./ Pilgrim Manor Foundation	Grand Rapids	Kent	\$2,500,000	Refunding/501(c)(3)
Holland Home Obligated Group	Kentwood and Grand Rapids	Kent	\$26,765,000	Refunding/ 501(c)(3)
YMCA of Greater Grand Rapids	Wyoming	Kent	\$16,000,000	501(c)(3)
Waste Management, Inc.	Various	Various	\$13,000,000	Reissuance/solid waste
The Detroit Edison Company	Detroit	Wayne	\$65,000,000	Refunding/pollution control/solid waste
CFP Michigan II LLC	Detroit	Wayne	\$1,570,000	Series 2010A 501(c)(3)
CFP Michigan II LLC	Detroit	Wayne	\$7,135,000	Series 2010B 501(c)(3)
TOTAL			\$138,010,000	

RECOVERY FACILITY BONDS Fiscal Year 2010 (10.01.2009-09.30.2010)				
Company	City	County	Approved amount	Type
Continental Dairy Products, Inc./CS Facilities LLC	Coopersville	Ottawa	\$31,045,000	Recovery
TOTAL			\$31,045,000	

KEEP MICHIGAN WORKING DIVERSIFICATION INITIATIVE

In late 2008 when the automotive industry faced a major financial and job loss crisis, leaders at the state and local level came together to form the Keep Michigan Working (KMW) partnership to help manufacturing suppliers diversify into other industries. For fiscal year 2010, through the Keep Michigan Working Diversification project, three diversification events were held. At these events the industry experts from the following diversification sectors (and organizations): aerospace (Michigan Aerospace Manufacturers Association), alternative energy (NextEnergy), defense (Procurement Technical Assistance Centers), medical devices (CJPS), and general diversification (Michigan Manufacturing Technology Center) provided an overview of their services to a total of 342 attendees. Of these attendees, 152 were invited to complete a survey for an opportunity to qualify for a training grant (only one individual per company was invited). Three hundred and twenty-four* surveys were completed and 278 grants were awarded. From surveys conducted by partners, it was reported by Michigan companies that they received over \$600 million in contracts in the diversified areas, though mostly in alternative energy.

KMW SUPPLIER DIVERSIFICATION TRAINING FUNDS			
Fiscal Year 2010 (10.01.2009-09.30.2010)			
Sector	No. of awards	Total value of training	EDJT award amount
Aerospace	0**	\$37,995	\$26,597
Alternative Energy	19	\$1,182,090	\$804,315
Defense	53	\$1,429,293	\$1,096,209
Medical Devices	41	\$2,140,400	\$1,463,400
Michigan Manufacturing Technology Center	165	\$3,102,211	\$2,120,455
TOTAL	278	\$7,891,989	\$5,510,976
* Surveys were completed and grants were awarded by attendees that attended events from prior year.			
** Aerospace includes amended training plan dollars against awards from 2009.			

SMARTZONES/BUSINESS ACCELERATORS
Fiscal Year 2010 (10.01.2009-09.30.2010)
<p>Michigan's designated SmartZones provide distinct geographical locations where technology-based firms, entrepreneurs, and researchers locate in close proximity to all of the community assets that assist in their endeavors. Michigan's 15 SmartZones include technology business accelerators that provide various services to help facilitate the commercialization of technology emerging from universities and private companies. Accelerators mine technology from universities and private enterprise, assist companies and entrepreneurs in building business structures around technology, conduct product development, and help companies secure necessary start-up financing. The SmartZones also are home to incubation facilities providing office and wet lab space to technology companies. Results prove Michigan's SmartZone program successfully spurs entrepreneurship and economic growth. Since 2000, SmartZones have contributed over \$1.5 billion in public and private investment in the state.</p>

BUSINESS RETENTION AND ATTRACTION

The MEDC’s Retention and Growth team acts as the agency’s sales and marketing division for Michigan companies. Business development managers (BDMs) deliver business and retention services based on specific company needs. The BDMs are geographically assigned. Contact with companies occurs through in-person visits. In general, BDMs meet with a company once a year. Additional meetings happen throughout the year when the company is considering an expansion or retention project.

BDMs participate in three types of company visits:

Retention—a yearly “check-up” meeting designed to learn how the company is doing and to provide information on any new state programs;

Project—related to a specific retention or expansion project that may result in the MEDC offering the company an incentive package to secure their investment or retain the company; and

Customer service—providing support to a very large corporation where an ongoing relationship is required or visits with other companies when there is a concern or issue that is not project related.

BUSINESS RETENTION AND ATTRACTION	
Leads, Projects, and Visits Fiscal Year 2010 (10.01.2009–09.30.2010)	
	No. of occurrences
Leads	
National and international companies	48
Michigan companies	112
Site consultants	18
Total leads	178
Projects	
National and international companies	15
Michigan companies	48
Site consultants	20
Total projects	83
Visit Activities	
Michigan retention visits	2,061
Michigan customer support visits	541
Michigan project visits	588
Michigan visits (<i>other</i>)	80
National visits	22
International visits	60
TOTAL VISITS	3,352

BUSINESS SERVICES

The MEDC provides services to complement the state’s business retention and attraction efforts. Some of these services include workers’ compensation cost control that provides employers with assistance in designing and implementing strategies to reduce workers’ compensation costs; Michigan Business Ombudsman and Small Business Advocate that provides problem solving, trouble-shooting and advocacy to help entrepreneurs and small businesses grow and prosper; and business operating cost estimating that offers customized estimates to new or expanding businesses by analyzing company-specific data to estimate the impact of a firm’s expansion on its business costs.

BUSINESS SERVICES PROVIDED TO MEDC CUSTOMERS Fiscal Year 2010 (10.01.2009-09.30.2010)	
Category	No. of occurrences
Alternative energy	1
Business operating cost estimating external	365
Business operating cost estimating internal	139
Community assistance	159
Company research	58
Customer/supplier information	1
Defense center	4
Export counseling	2
Job creation tax credits	15
Job training programs	18
Public financing programs	32
Site development and infrastructure improvements	1
Site location services	99
Tax abatement services external	72
Tax abatement services internal	68
Technical review	11
Venture capital	4
Voice of the customer	18
Workers’ compensation cost management	85
TOTAL	1,152

VALUE ADDED SERVICES Fiscal Year 2010 (10.01.2009-09.30.2010)		
	Companies assisted	Projected private investment
Value Add: Attraction efforts	1	\$4,723,000
Value Add: Medical device contract	1	\$76,000
Value Add: Michigan Works!	5	\$1,800
Value Add: Sales tax exemption refund	1	\$439,845
Value Add: Wind energy contract	1	\$8,900
Value Add: Workers’ compensation savings	5	\$57,900
Value Add: Investment—other	17	\$37,297,284
TOTAL	31	\$42,604,729

Note: A “value added service” is a project for which MEDC staff provided significant assistance as a resource to a business locating, expanding or retaining jobs in the state.

INTERNATIONAL ATTRACTION AND RETENTION

Along with a comprehensive retention and growth strategy, the MEDC works aggressively to cultivate and maintain relationships with international companies looking to establish or strengthen their presence in North America. Michigan offers numerous strengths to global companies: a highly skilled and highly productive workforce; manufacturing infrastructure; strong research and development universities; and a competitive business climate. Foreign direct investment in Michigan is continuing to grow. There are over 4,700 divisions, affiliates and subsidiaries in Michigan representing over 40 countries and encompassing all industry and service sectors. Japan, Germany, the U.K. and Canada lead in the number of international operations in Michigan. Some of the major international companies in Michigan include Toyota Motor Company, Nissan, Hyundai, Robert Bosch, Daimler, Magna, LG Chem, AVL, Valeo, Tata, Fiat, Inalfa, Swedish Biogas, URV, BAE Systems and many others.

INTERNATIONAL ATTRACTION AND RETENTION						
Fiscal Year 2010 (10.01.2009-09.30.2010)						
Company	County	Opportunity industry/project	Projected new investment	Projected new employees	Projected retained jobs	Parent country
Compact Power, Inc.	Allegan	Advanced energy storage/ new development	\$243,800,000	443		Republic of Korea
Camoplast Thermoplastic	Branch	Manufacturing services/ diversification training grant	\$8,700		48	Canada
Toda America, Inc.	Calhoun	Advanced energy storage/ applied research	\$70,100,000	57		Japan
URV USA LLC	Eaton	Alternative energy/ diversification training grant	\$43,700		1	Finland
URV USA LLC	Eaton	Wind energy/commercialization	<i>*See footnote</i>	187		Finland
Magna Electronics	Genesee	Advanced energy storage/ expansion	\$70,318,600	525		Canada
Jackson National Life Insurance Company	Ingham	Information technology/ expansion	\$26,400,000	100	100	United Kingdom
eco2 energy and environmental concepts	Kent	Bioenergy/new development (value-add service)	\$200,000	2		Germany
Sellner—Behr Corporation	Kent	Automotive/investment in existing facility	\$3,249,165	103	219	Germany
Lenawee Stamping Corporation	Lenawee	Automotive/expansion	\$2,519,000	78		Japan
Wacker Chemical Corporation	Lenawee	Chemicals/expansion	\$23,735,000		156	Germany
Asahi Kasei Plastics America, Inc.	Livingston	Manufacturing services/ diversification training grant	\$5,880		152	Japan
Eberspächer North America, Inc.	Livingston	Advanced automotive manufacturing materials/ training grant	\$7,500		30	Germany
BAE Systems	Macomb	Homeland security/expansion	\$70,000,000	460	61	United Kingdom
MAG Industrial Automation Systems	Macomb	Advanced manufacturing/ relocation of existing facility	\$1,723,000		201	Canada
Yanfeng (USA) Automotive Trim Systems, Inc.	Macomb	Automotive/PA198 process support (value add service)	\$30,000	53		China

INTERNATIONAL ATTRACTION AND RETENTION <i>continued</i>						
Company	County	Opportunity industry/project	Projected new investment	Projected new employees	Projected retained jobs	Parent country
Yanfeng (USA) Automotive Trim Systems, Inc.	Macomb	Automotive/new development	\$3,651,187	52		China
Dow Kokam Advanced Battery Group	Midland	Advanced energy storage/new development	\$664,600,000	885		Joint Venture w/Korea
Tata Consultancy Services Michigan	Midland	Business services/new development	\$20,025,000	1,250		India/Joint Venture w/Dow Chemical
fortu PowerCell, Inc.	Muskegon	Advanced energy storage/new development	\$605,506,000	726		Switzerland
Addcomp North America, Inc.	Oakland	Plastics/new development	\$50,000	2		Netherlands
Akebono Engineering Center	Oakland	Automotive/expansion	\$27,960,000	118		Japan
BAE Industries, Inc.	Oakland	Homeland security/diversification training grant	\$4,440		**127	United Kingdom
BAE Industries, Inc.	Oakland	Aerospace/diversification training grant	\$4,815		**127	United Kingdom
Benteler Automotive Corporation	Oakland	Homeland security/diversification training grant	\$1,980		112	Germany
Comau, Inc.	Oakland	Alternative energy/diversification training grant	\$42,000		1	Italy
EDAG USA, Inc.	Oakland	Automotive/diversification training grant	\$8,525		175	Germany
Fischer Automotive Systems	Oakland	Manufacturing services/diversification training grant	\$5,625		142	Germany
Harada Industry of America, Inc.	Oakland	Manufacturing services/diversification training grant	\$5,607		86	Japan
Katcon USA, Inc.	Oakland	Automotive/expansion	\$3,705,000	35		Mexico
Magna Holdings of America, Inc.	Oakland	Advanced energy storage/new development	\$49,953,498	508		Canada
Magna Steyr North America	Oakland	Medical device/diversification training grant	\$7,000		71	Austria
Magneti Marelli Holding USA, Inc.	Oakland	R&D/engineering services/new development	\$6,237,000	200		Italy
Metalsa Automotive USA, Inc.	Oakland	R&D/engineering services/new development	\$1,981,000	65		Mexico
Oxus America, Inc.	Oakland	Medical device/commercialization	\$2,147,000	38		Korea
Recaro North America, Inc.	Oakland	Automotive/investment in existing facility	\$6,020,000		69	Germany
Saab Cars North America	Oakland	Automotive/new development	\$2,446,716	60		Netherlands
Takata	Oakland	Automotive/expansion	\$14,600,000	40		Japan
WABCO North America LLC	Oakland	Automotive/new development	\$6,285,000	274		Belgium
Witzenmann USA LLC	Oakland	Automotive/expansion	\$13,147,000	75		Germany

INTERNATIONAL ATTRACTION AND RETENTION <i>continued</i>						
Company	County	Opportunity industry/project	Projected new investment	Projected new employees	Projected retained jobs	Parent country
Swedish Biogas International LLC	Osceola	Bioenergy/investment in existing facility	\$5,990,000	***See footnote		Sweden
ESPEC North America, Inc.	Ottawa	Medical device/diversification training grant	\$7,000		**128	Japan
ESPEC North America, Inc.	Ottawa	Medical device/diversification training grant	\$28,650		**128	Japan
Hemlock Semiconductor Corporation	Saginaw	Solar energy/new development — federal tax credit	****See footnote			Joint venture w/Japan
Nexteer Automotive	Saginaw	Automotive/expansion	\$224,624,000		**2,400	China
Nexteer Automotive	Saginaw	Alternative energy/diversification training grant	\$45,000		**3,079	China
Nexteer Automotive	Saginaw	Automotive/wired workforce training grant (federal program)	\$6,695		**43	China
ALD Thermal Treatment, Inc. N.A. Headquarters	St. Clair	Aerospace/diversification training grant	\$3,809		63	Germany
MAG Powertrain	St. Clair	Alternative energy/diversification training grant	\$50,000		267	Germany
Camoplast	St. Joseph	Manufacturing services/diversification training grant	\$6,450		110	Canada
A & D Technology, Inc.	Washtenaw	Homeland security/diversification training grant	\$6,000		88	United Kingdom
Terumo Cardiovascular Systems	Washtenaw	Manufacturing services/diversification training grant	\$7,440		496	Japan
Aisin World Corporation of America (AWA)	Wayne	Manufacturing services/diversification training grant	\$4,503		230	Japan
Daimay North America	Wayne	Automotive/new development	\$2,000,000	80	80	China
Detroit Diesel Corporation	Wayne	Automotive/investment in existing facility	\$194,055,000		1,900	Germany
Severstal North America, Inc.	Wayne	Steel and steel products/expansion	\$700,000,000		76	Russia
TSC Michigan, Inc.	Wayne	Advanced energy storage/new development	\$31,436,000	279		Korea
Valeo, Inc.	Wayne	Automotive/training grant	\$15,000	15	350	France
TOTALS			\$3,098,820,485	6,710		
<p><i>Note: New investment listed for training grants reflects the company's match.</i></p> <p><i>* URV new investment will be reported in fiscal year 2011 after project agreement is signed.</i></p> <p><i>** Retained jobs reflect assistance provided to the same company, which could overlap.</i></p> <p><i>*** Partnership with Swedish Biogas, the city of Reed City, and Yoplait to site a pilot anaerobic biodigester at the Reed City Waste Water Treatment Plant.</i></p> <p><i>**** Hemlock Semiconductor investment and job creation information was previously reported in the MEDC's fiscal year 2009 annual report.</i></p>						

PROCUREMENT TECHNICAL ASSISTANCE CENTERS OF MICHIGAN

The Defense Contract Coordination Center (DC3) has one goal: securing more defense-sector contract opportunities for Michigan businesses. The DC3 works in close partnership with Michigan defense companies, economic development partners, Procurement Technical Assistance Centers (PTACs), and federal agencies to analyze defense sector budgets, identify and secure opportunities, and assure that the contract pipeline remains continuous.

PTACs are a valuable partner of the DC3. They assist companies during the federal procurement process by helping them register to become government contractors; identifying applicable bid opportunities; simplifying the bidding and payment process; and assisting with post-award evaluation of submitted contracts. The DC3 works closely with the PTACs on specific contracting opportunities and helps the PTAC offices assemble Michigan companies to meet the supply chain needs of prime contractors and federal agencies. The DC3 team assists large defense programs at the federal and prime contractor levels, while the PTACs aid supply chain companies who benefit from awards at the subcontracting level.

The Federal Defense Logistics Agency partially funds most PTACs and the MEDC supplements those funds. In 2010, the MEDC provided nearly \$1.77 million to support 12 PTAC offices, approximately 53% of the PTACs' annual operating budgets. Prior to the DC3, the MEDC supported PTACs at much lower funding levels, typically about \$40,000 per center annually.

PTAC—ANNUAL ACTIVITY REPORT Fiscal Year 2010 (10.01.2009–09.30.2010)				
Center	New firms	Value of contracts	Number of jobs	Active clients
Northwest Michigan Council of Governments (Traverse City)	57	\$169,410,278	3,388	146
Northeast Michigan Consortium (Onaway)	41	\$23,570,147	471	177
Muskegon Area First (Muskegon)	126	\$80,565,277	1,611	250
Grand Rapids Procurement Office/DC3 affiliate	47	\$38,212,469	764	336
Macomb Regional PTAC (Warren)	199	\$126,384,005	2,528	556
Saginaw Future, Inc. (Saginaw)	44	\$18,988,562	380	133
Genesee Regional Chamber of Commerce (Flint)	55	\$96,704,793	1,934	262
Southwest Michigan Technical Assistance Center (Kalamazoo)	150	\$103,209,877	2,064	437
Technical Assistance Center of South Central Michigan (Jackson)	100	\$47,377,434	948	272
Downriver Community Conference (Southgate)	55	\$15,494,800	310	157
PTAC of Schoolcraft College (Livonia)	318	\$51,769,654	1,035	300
Wayne State University PTAC (Detroit)	86	\$49,552,719	991	485
TOTAL	1,278	\$821,240,015	16,425	3,511
<i>* Value of contracts generated is based on total PTAC budget, including federal, state, and local funding sources.</i>				

PTAC—METRICS REPORT Fiscal Year 2010 (10.01.2009-09.30.2010)							
Center	Surveys Sent	Surveys Returned	% Survey Return	Clients Awarded First Time Contracts	Clients Awarded First Time Defense Contracts	Clients Awarded Contracts	Clients Awarded Defense Contracts
Northwest Michigan Council of Governments	697	308	44%	12	—	71	20
Northeast Michigan Consortium	584	439	75%	6	2	56	34
Muskegon Area First	1,189	823	69%	4	4	80	70
Grand Rapids Procurement Office/ DC3 affiliate	939	475	51%	16	11	40	30
Macomb Regional PTAC	2,722	993	36%	41	31	212	162
Saginaw Future, Inc.	582	287	49%	9	3	33	26
Genesee Regional Chamber of Commerce	645	278	43%	17	10	123	65
Southwest Michigan Technical Assistance Center	1,017	758	75%	8	4	97	56
Technical Assistance Center of South Central Michigan	1,016	448	44%	3	1	52	42
Downriver Community Conference	941	199	21%	4	1	30	15
PTAC of Schoolcraft College	1,588	980	62%	14	5	125	94
Wayne State University PTAC	1,717	276	16%	5	-	34	16
TOTAL	13,637	6,264	46%	139	72	953	630

Each PTAC office sends surveys to their active clients on a quarterly basis. The companies are asked to return their surveys to report the dollar values and number of federal, state and local contracts awarded during the quarter. There could potentially be an under-reporting of contract activity since not all surveys are returned. The MEDC is working with the PTACs to increase their survey responses.

PTACS OF MICHIGAN Fiscal Year 2010 (10.01.2009-09.30.2010)	
Grantee	Grant amount
Northwest Michigan Council of Governments	\$180,600
Northeast Michigan Consortium	\$95,000
Muskegon Area First	\$55,000
Macomb Regional PTAC	\$210,000
Saginaw Future, Inc.	\$124,000
Genesee Regional Chamber of Commerce	\$239,203
Southwest Michigan TAC	\$140,000
TAC of South Central Michigan	\$125,000
Downriver Community Conference	\$115,000
PTAC of Schoolcraft College	\$170,000
Wayne State University PTAC	\$103,000
Grand Rapids Procurement Office*	\$206,526
TOTAL	\$1,763,329

**The Grand Rapids Procurement Office is a DC3 affiliate and does not receive funding from the Federal Defense Logistics Agency.*

MICHIGAN STRATEGIC FUND EXPENDITURES* Fiscal Year 2010 (10.01.2009-09.30.2010)				
Programs	State FTE	State expenditures	Corporate expenditures	Total expenditures
Business development and attraction	34.0	\$5,082,013	\$2,464,603	\$7,546,616
Business Support (<i>includes CDBG, EDJT and 21st Century Jobs Fund administration</i>)	31.0	\$6,753,680	\$1,744,026	\$8,497,706
Defense Contract Coordination Center	2.0	\$3,049,723		\$3,049,723
Michigan Film Office	6.0	\$895,960		\$895,960
Marketing and communications (<i>includes Travel Michigan, 21st Century Jobs Fund and Michigan promotion programs</i>)	24.0	\$21,956,731	\$7,928,686	\$29,885,418
Other (<i>administration and non-program</i>)	39.0	\$6,901,669	\$4,961,112	\$11,862,781
Sub-total programs	136.0	\$44,639,777	\$17,098,427	\$61,738,203
Grants and other programs				
21st Century Jobs Investment program (<i>includes loans and investments</i>)		\$30,043,485		\$30,043,485
Centers of Energy Excellence		\$14,635,438		\$14,635,438
Michigan Supplier Diversification—collateral program		\$9,151,800		\$9,151,800
Choose Michigan Loan Fund		\$2,000,000		\$2,000,000
Community Development Block Grant (CDBG)		\$46,533,222		\$46,533,222
Closing Fund			\$5,015,000	\$5,015,000
Alternative energy programs (<i>battery alliance</i>)			\$5,562,363	\$5,562,363
MSU Bio-Energy Research Center		\$2,944,653		\$2,944,653
Michigan Manufacturing Technology Center**			\$2,000,000	\$2,000,000
SBTDC Emerging Technology Company (<i>support</i>)		\$1,982,486	\$697,133	\$2,679,618
NextEnergy markets			\$1,729,038	\$1,729,038
Federal grant—Flint Biogas and Biofuels			\$1,077,370	\$1,077,370
Follow-on funds			\$1,879,275	\$1,879,275
Research studies			\$1,804,538	\$1,804,538
MBSii Wave 3 and Enterprise permitting and system consolidation			\$1,338,941	\$1,338,941
Second-tier service partner and other competitions			\$1,119,562	\$1,119,562
Urban and rural economic development projects			\$849,625	\$849,625
Michigan Council for Arts & Cultural Affairs		\$2,277,999		\$2,277,999
Michigan Core Communities Fund		\$1,642,537		\$1,642,537
Business incubators		\$514,079		\$514,079
Economic Development Job Training (EDJT)		\$8,851,782		\$8,851,782
Miscellaneous			\$163,196	\$163,196
Sub-total grants		\$120,577,579	\$23,236,041	\$143,813,520
Total programs and grants		\$165,217,256	\$40,334,468	\$205,551,723
* Cash and accrued expenditures made during fiscal year 2010 including payments against prior year encumbrances and work projects.				
** Grants made to leverage federal grants				

MICHIGAN COUNCIL FOR ARTS AND CULTURAL AFFAIRS

The Michigan Council for Arts and Cultural Affairs (MCACA) serves as the state agency that administers matching grants and appropriations, facilitates communication networks, and develops funding resources for arts and cultural activities. The 2010 grantees of MCACA grants reported nearly 15 million individuals—including five million youth—benefitted from MCACA grants. The grantees also report contracting with 59,652 Michigan artists.

Not reflected in the direct numbers summarized below are the grants made with MCACA monies through regranting agencies and through the Touring Arts Program, which is administered for MCACA by the Michigan Humanities Council:

Touring Arts: 95 grants awarded totaling \$45,000

Regional regranting: 174 awards totaling \$378,000

Therefore, funds appropriated for MCACA in fiscal year 2010 resulted in 627 grants being made across the state for arts and cultural activities.

MCACA GRANTS Fiscal Year 2010 (10.01.2009–09.30.2010)					
Grant type	No. of awards	Individuals benefiting	Grant amount	Cash and overall match	
Bus grants	147	17,621	\$50,449	\$132,100	\$230,123
New leaders program	10	4,118	\$22,044	\$17,330	\$30,414
Operational and project support	158	8,958,858	\$1,303,364	\$150,151,988	\$154,009,399
Regional regranting mini-grant program	38	357,149	\$495,010	\$1,775,042	\$3,146,950
Services to the field	5	582,255	\$240,000	\$8,774,727	\$8,814,499
TOTAL	358	9,920,001	\$2,110,867	\$160,851,187	\$166,231,385

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) program is a federal grant program utilizing funds received from the U.S. Department of Housing and Urban Development. Funds are used to provide grants to eligible counties, cities, villages, and townships, usually with populations under 50,000, for economic development, community development, and housing projects. The Michigan Strategic Fund, in cooperation with the MEDC, administers the economic development and community development portions of the program.

CDBG GRANT AWARDS Fiscal Year 2010 (10.01.2009-09.30.2010)			
Pass-thru grantee	County	Project description	Approved award amount
Lincoln Village	Alcona	Downtown blight elimination	\$128,668
Lincoln Village	Alcona	Downtown streetscape improvements	\$650,000
Lincoln Village	Alcona	ICE—Street and streetscape improvements	\$313,310
Allegan County	Allegan	Novo 1 Call Center project	\$1,000,000
Allegan County	Allegan	Johnson Controls-Saft electrical infrastructure	\$2,000,000
Fennville City	Allegan	Downtown streetscape improvements	\$500,000
Fennville City	Allegan	Recovery Act—Water main extension project	\$3,800,000
Lee Township	Allegan	ICE—Drain crossing replacement	\$186,000
Plainwell City	Allegan	Blight elimination project—former paper mill	\$1,000,000
Plainwell City	Allegan	Downtown parking lot expansion and pedestrian bridge project	\$639,000
Alpena City	Alpena	Signature building acquisition	\$80,000
Elk Rapids Village	Antrim	Wastewater feasibility study	\$25,000
Mancelona Village	Antrim	Downtown façade improvements	\$46,367
Omer City	Arenac	ICE—Water system improvements	\$214,000
Twining Village	Arenac	ICE—Sewer system improvements	\$200,625
L'Anse Village	Baraga	Grant Increase: CertainTeed Ceiling Corporation project <i>(original amount—\$666,007)</i>	\$325,085
Benzonia Village	Benzie	ICE—Water system improvements	\$239,700
Baroda Village	Berrien	Downtown streetscape improvements	\$640,000
Albion City	Calhoun	Downtown infrastructure improvements	\$197,000
Homer Village	Calhoun	Downtown façade improvements	\$136,811
Marshall City	Calhoun	Johnson System, Inc. water sewer connection	\$112,928
Springfield City	Calhoun	ICE—Storm sewer improvements	\$245,000
Vandalia Village	Cass	ICE—Street improvements	\$41,466
Boyne City	Charlevoix	Downtown planning—Dilworth Hotel end use	\$25,000
Boyne City	Charlevoix	ICE—Water system improvements	\$285,800
Cheboygan City	Cheboygan	Downtown infrastructure improvements	\$439,440
Cheboygan City	Cheboygan	Grant increase: Great Lakes Tissue Company bankruptcy proceedings legal expenses	\$35,000
Cheboygan City	Cheboygan	ICE—Water system improvements	\$500,000
Mullett Township	Cheboygan	Downtown façade improvements	\$110,000
Clare City	Clare	ICE—Street improvements	\$87,200
Elsie Village	Clinton	Recovery Act—Romando Refrigeration LLC machinery and equipment acquisition	\$81,000
Ovid Village	Clinton	ICE—Street improvements	\$269,600
Escanaba City	Delta	Brute Industries, Inc. machinery and equipment acquisition	\$72,000
Ford River Township	Delta	ICE—Water system improvements	\$80,000

CDBG GRANT AWARDS <i>continued</i>			
Pass-thru grantee	County	Project description	Approved award amount
Norway City	Dickinson	ICE—Street improvements	\$420,507
Eaton Rapids City	Eaton	URV USA LLC infrastructure improvements	\$2,200,000
Pellston Village	Emmet	Downtown streetscape improvements	\$581,883
Flushing City	Genesee	North Maple Street blight elimination project	\$84,000
Gladwin City	Gladwin	Signature building acquisition	\$100,000
Ironwood City	Gogebic	ICE—Water system improvements	\$500,000
Ironwood City	Gogebic	Downtown streetscape improvements	\$610,500
Kingsley Village	Grand Traverse	ICE—Pedestrian square improvements	\$226,250
Traverse City	Grand Traverse	Century, Inc. machinery and equipment acquisition	\$750,000
Adams Township	Houghton	ICE—Water system improvements	\$136,470
Houghton City	Houghton	Downtown façade improvements	\$200,000
South Range Village	Houghton	ICE—Water tank improvements	\$595,700
Bad Axe City	Huron	Huron County Health Clinic expansion project	\$237,000
Caseville City	Huron	Recovery Act—Charity Island Productions Sound Studio building acquisition/renovation	\$935,000
Kinde Village	Huron	ICE—Street and sidewalk improvements	\$109,300
Owendale Village	Huron	ICE—Street improvements	\$379,312
Williamston City	Ingham	Williamston Products, Inc. job training	\$276,000
Belding City	Ionia	ICE—Water system improvements	\$325,401
Hubbardston Village	Ionia	Grant Increase: Community Center boiler system replacement <i>(original amount—\$96,301)</i>	\$18,454
Lake Odessa Village	Ionia	ICE—Water and street improvements	\$650,000
Muir Village	Ionia	ICE—Street improvements	\$199,310
Saranac Village	Ionia	ICE—Water system improvements	\$248,400
Tawas City	Iosco	Recovery Act—Water main replacement project	\$750,000
Caspian City	Iron	ICE—Water meter improvements	\$187,500
Gaastra City	Iron	ICE—Water system improvements	\$104,250
Iron River City	Iron	ICE—Street improvements	\$350,000
Mount Pleasant City	Isabella	Downtown façade improvements	\$42,750
Mount Pleasant City	Isabella	ICE—Well rehabilitation	\$450,000
Yates Township	Lake	Feasibility study and development plan— Flamingo Club site	\$46,450
Yates Township	Lake	Henrietta Summer Senior Center rehabilitation	\$573,596
Imlay City	Lapeer	ICE—Street improvements	\$183,762
Imlay Township	Lapeer	Champion Bus water infrastructure project	\$319,500
Imlay Township	Lapeer	Grant increase: Champion Bus water infrastructure project <i>(original amount—\$319,500)</i>	\$156,130
Adrian City	Lenawee	Inteva Products, LLC machinery and equipment acquisition	\$120,000
Adrian City	Lenawee	ICE—Sanitary sewer improvements	\$750,000
Adrian City	Lenawee	Downtown façade improvements	\$195,968
Blissfield Village	Lenawee	BioDri Michigan, LLC machinery and equipment acquisition	\$900,000
Hudson City	Lenawee	Kecy Corporation machinery and equipment acquisition	\$180,000
Morenci City	Lenawee	ICE—Parking lot improvements	\$594,146
Brighton City	Livingston	Downtown parking lot and streetscape project	\$399,600

CDBG GRANT AWARDS <i>continued</i>			
Pass-thru grantee	County	Project description	Approved award amount
Brighton City	Livingston	Streetscape improvements—Bagger Dave’s Restaurant	\$361,043
Brighton City	Livingston	Downtown façade improvements	\$175,000
Durand City	Livingston	Downtown streetscape improvements	\$750,000
Fowlerville Village	Livingston	ICE—Street reconstruction	\$595,000
Portage Township	Mackinac	ICE—Street improvements	\$250,700
St. Ignace City	Mackinac	Downtown Signature Building project	\$270,000
Bear Lake Village	Manistee	ICE—Water system improvements	\$210,000
Ludington City	Mason	Downtown façade improvements	\$36,705
Scottville City	Mason	Downtown streetscape and parking improvements	\$457,382
Scottville City	Mason	Downtown façade improvements	\$194,500
Scottville City	Mason	Downtown Signature Building acquisition	\$50,000
Barryton Village	Mecosta	ICE—Sewer system improvements	\$375,000
Menominee City	Menominee	ICE—Water tank improvements	\$400,000
Powers Village	Menominee	ICE—Water and sewer improvements	\$246,840
Greenville City	Montcalm	WMC LLC electrical upgrades	\$120,000
Montcalm County	Montcalm	Zero1 LLC machinery and equipment acquisition	\$930,000
Sheridan Village	Montcalm	Wright Plastics water sewer connection	\$108,000
Holton Township	Muskegon	ICE—Sidewalk improvements	\$132,580
Fremont City	Newaygo	Southeast Downtown parking lot project	\$220,000
Hart City	Oceana	Downtown streetscape improvements	\$436,090
Rose City	Ogemaw	Recovery Act—Culvert improvements project	\$242,500
West Branch City	Ogemaw	Recovery Act—Infrastructure improvements: water, sewer, storm, sidewalk improvements	\$744,050
Carp Lake Township	Ontonagon	ICE—Sewer system improvements	\$61,463
Evart City	Osceola	ICE—Water and sewer improvements	\$448,625
Marion Village	Osceola	ICE—Water tank improvements	\$84,975
Reed City	Osceola	Grant increase: Wastewater treatment plant improvements <i>(original amount—\$1,350,000)</i>	\$500,000
Reed City	Osceola	Recovery Act—Flo-Pallet, Inc. machinery and equipment acquisition	\$500,000
Gaylord City	Otsego	Downtown façade improvements	\$130,015
Gaylord City	Otsego	Signature Building acquisition	\$114,750
Gaylord City	Otsego	Downtown façade improvements	\$350,000
Gaylord City	Otsego	ICE—Water and sewer improvements	\$705,800
Otsego County	Otsego	Biomass Gasification System planning study	\$49,750
Coopersville City	Ottawa	Saturn Electronics & Engineering, Inc. machinery and equipment acquisition	\$500,000
Grand Haven City	Ottawa	Chinnok Pier façade improvements	\$200,000
Grand Haven City	Ottawa	ICE—Water and sewer rehabilitation	\$695,228
Holland Charter Township	Ottawa	Request Foods, Inc. wastewater pretreatment system improvements	\$5,425,000
Holland Charter Township	Ottawa	Recovery Act—Grant increase: Quincy Street, Inc. pretreatment systems facility <i>(original amount—\$890,000)</i>	\$110,000
Rogers City	Presque Isle	ICE—Lighting improvements	\$352,800
Saginaw County	Saginaw	Solar Industrial Park land acquisition and infrastructure improvements	\$7,034,700
Saginaw County	Saginaw	Suniva, Inc. machinery, equipment and land acquisition	\$2,965,300

CDBG GRANT AWARDS <i>continued</i>			
Pass-thru grantee	County	Project description	Approved award amount
Thomas Township	Saginaw	Grant Increase: Hemlock Semiconductor infrastructure project <i>(original amount—\$6,975,000)</i>	\$140,000
Carsonville Village	Sanilac	ICE—Sewer system improvements	\$204,318
Croswell City	Sanilac	ICE—Electrical improvements	\$542,572
Lennon Village	Shiawassee	ICE—Streetscape improvements project	\$69,300
Owosso Charter Township	Shiawassee	Williamston Products, Inc. job training	\$304,000
Capac Village	St. Clair	ICE—Street improvements	\$187,500
Yale City	St. Clair	Downtown parking lot renovation	\$292,500
Burr Oak Village	St. Joseph	Downtown façade improvements	\$200,000
Three Rivers City	St. Joseph	ICE—Sewer and street improvements	\$153,440
Three Rivers City	St. Joseph	Downtown façade improvements	\$185,850
Cass City	Tuscola	ICE—Pavement improvements	\$180,000
Bloomington Village	Van Buren	Downtown infrastructure improvements	\$238,882
Hartford City	Van Buren	Recovery Act—Well replacement project	\$441,000
Mattawan Village	Van Buren	Recovery Act—McGillen Avenue reconstruction project	\$427,529
Mesick Village	Wexford	ICE—Street improvements	\$126,660
TOTAL			\$62,020,485
<i>ICE = Infrastructure Capacity Enhancement—Funds may be used to upgrade existing public infrastructure systems by replacing deteriorating or obsolete systems or by adding capacity to existing but burdened systems.</i>			

MICHIGAN RENAISSANCE ZONE PROGRAM

The Michigan Renaissance Zone Initiative was established in 1996 to foster economic development; industrial, commercial, and residential improvements; prevent physical and infrastructure deterioration of defined areas; and provide for the reuse of unproductive or abandoned industrial properties. Originally, the program created nearly tax-free zones within regions for any business or resident presently in or moving into a zone for a period up to 15 years, also known as Geographic Renaissance Zones. Today, this initiative consists of various types of Renaissance Zone designations, including Michigan Strategic Fund (MSF) Designated Renaissance Zones that specifically address project-driven designation requests, Agricultural Processing Renaissance Zones, Forest Products Processing Renaissance Zones, and Renewable Energy Renaissance Zones. In all cases, the tax relief is phased out in 25% increments over the last three years of the zone designation.

Many of the original Geographic Renaissance Zones have begun to phase out, which caused concern for companies with job and capital investment projects because they needed the zone benefits to complete those projects. In 2008, a legislative amendment allowed a portion of an already designated geographic zone to receive a time extension or new subzone (provided the zone had less than 10 zones). The MSF Board has the authority to grant these new subzones and time extensions through December 31, 2011. The zones are required to have a job creation or capital investment to be eligible.

MICHIGAN RENAISSANCE ZONE ACTIVITY Fiscal Year 2010 (10.01.2009–09.30.2010)				
Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
10/28/09	Johnson Controls-Saft APS Production, Inc.	Holland	Allegan	MSF Designated Renaissance Zone: New 15 year designation to begin 1/1/2010 and end 12/31/2024
11/18/09	Battle Creek/Kalamazoo and Kalamazoo County Renaissance Zone/Battle Creek Tower subzone—Time extension for Hinman Company project	Battle Creek	Calhoun	Geographic Renaissance Zone: Nine year time extension to begin 1/1/2010 and end 12/31/24
	Heat Transfer International, Inc. changed to Heat Transfer International LLC	Kentwood	Kent	Renewable Energy Renaissance Zone Amendment: Change in corporate structure and property ownership
	Chase Farms, Inc. changed to Arbre Farms and Willow Cold Food Storage	Colfax Township	Oceana	Agricultural Processing Renaissance Zone Amendment: Change in property ownership
	Diversified Natural Products LLC revocation	Scottville	Mason	Agricultural Processing Renaissance Zone Revocation: Due to non-compliance
	Subterra revocation	Carp Lake Township	Ontonagon	Agricultural Processing Renaissance Zone Revocation: Due to non-compliance and voluntary withdrawal by company
12/16/09	City of Detroit Renaissance Zone/Delray subzone—Time extension for Ohio Module Manufacturing Company LLC project	Detroit	Wayne	Geographic Renaissance Zone: Five-year time extension to begin 1/1/2010 and end 12/31/2016
	City of Detroit Renaissance Zone/Lynch Road subzone—Time Extension for Detroit Chassis project	Detroit	Wayne	Geographic Renaissance Zone: 12-year time extension to begin 1/1/2010 and end 12/31/2021
	City of Detroit Renaissance Zone/Livernois/ Intervale subzone—Time Extension for Detroit Chrome, Inc. dba DCI Aerotech project	Detroit	Wayne	Geographic Renaissance Zone: 12-year time extension to begin 1/1/2010 and end 12/31/2021
	City of Lansing Renaissance Zone—New Ottawa Station subzone for Phoenix Development Partners LLC and Accident Fund project	Lansing	Ingham	Geographic Renaissance Zone: New 15-year subzone designation to begin 1/1/2010 and end 12/31/2024

MICHIGAN RENAISSANCE ZONE ACTIVITY <i>continued</i>				
Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
2/24/10	Dow Kokam Michigan LLC	Midland	Midland	MSF Designated Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 12/31/2025
3/24/10	City of Saginaw Renaissance Zone/Lufkin Rule/Hess Avenue /Fairgrounds subzone—Time extension for Hausbeck Pickle Company project	Saginaw	Saginaw	Geographic Renaissance Zone: Six-year time extension to begin 1/1/2011 and end 12/31/2020
4/28/10	Wayne County Renaissance Zone/New Midtown Hospital campus subzone	Detroit	Wayne	Geographic Renaissance Zone: New 15-year subzone designation to begin 1/1/2011 and end 12/31/2025
	Magna Mirror Systems, Inc.—Amendment to Renaissance Zone Development Agreement	Bowne Township	Kent	MSF Designated Renaissance Zone Amendment: Approved payback of property taxes and SBT to remedy non-compliance issues
5/26/10	A123 Systems, Inc.	Romulus	Wayne	MSF Designated Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 12/31/2025
	Request Foods, Inc.	Holland Charter Township	Ottawa	Agricultural Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 2/31/2025
6/23/10	Compact Power, Inc.	Holland	Allegan	Renewable Energy Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 12/31/2025
	Verso Quinnesec LLC	Breitung Township	Dickinson	Forest Processing Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 12/31/2025
	Alpena Prototype Biorefinery LLC	Alpena	Alpena	Renewable Energy Renaissance Zone Amendment: Timeline adjustments due to project delay
	Warren Tank Plant Renaissance Zone—Time extension for Oshkosh Corporation project	Warren	Macomb	Geographic Renaissance Zone: Six-year time extension to begin 1/1/2011 and end 12/31/2019
7/28/10	K.I. Sawyer Renaissance Zone—Time extension revocation for Frontier Medical Devices, Inc. project	Forsyth Township	Marquette	Geographic Renaissance Zone: Revoked time extension originally designated for Frontier Medical due to site relocation
	K.I. Sawyer Renaissance Zone—Time extension for Frontier Medical Devices, Inc. project	Forsyth Township	Marquette	Geographic Renaissance Zone: 11-year time extension to begin 1/1/2011 and end 12/31/2025
	City of Saginaw Renaissance Zone/Northeast Saginaw subzone—Time extension for Midwest Manufacturing, a division of Menard, Inc., project	Saginaw	Saginaw	Geographic Renaissance Zone: Six-year time extension to begin 1/1/2011 and end 12/31/2020
8/25/10	City of Saginaw Renaissance Zone/Central Business District subzone—Time extension for Midwestern Surgical Associates and Downtown Area Development LLC project	Saginaw	Saginaw	Geographic Renaissance Zone: Six-year time extension to begin 1/1/2011 and end 12/31/2020
	City of Saginaw Renaissance Zone/Central Business District subzone—Time extension for Gateway Financial Services and Downtown Area Development LLC, III project	Saginaw	Saginaw	Geographic Renaissance Zone: Six-year time extension to begin 1/1/2011 and end 12/31/2020

MICHIGAN RENAISSANCE ZONE ACTIVITY *continued*

Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
9/22/10	The Dow Chemical Company	Midland	Midland	Renewable Energy Renaissance Zone: New 15-year designation to begin 1/1/2011 and end 12/31/2025
	Berrien County/Benton Harbor/Benton Harbor Township Renaissance Zone/ Watervliet /Watervliet Township subzone— Time extension Revocation for NextGen Energy LLC project	Watervliet Township	Berrien	Geographic Renaissance Zone: Revoked time extension originally designated for NextGen Energy LLC due to project not occurring
	Communication item—Newly designated Renewable Energy Renaissance Zone for Compact Power in the city of Holland: Company has undergone a corporate restructuring and the new name is now LG Chem Michigan, Inc.			

MICHIGAN TOOL & DIE RENAISSANCE RECOVERY ZONE PROGRAM

Michigan tool and die companies wrestle with economic challenges ranging from foreign competition to decreased ordering and cash flow problems as the automotive industry adjusts to its new 21st century realities. Without assistance, many of those companies would struggle to stay in business. The Tool and Die Renaissance Recovery Zone program helps Michigan’s tool and die industry to reinvent and innovate. The program provides tax free status to companies willing to work collaboratively with other in-state tool and die businesses. The Recovery Zone is unique because it is industry-based and company-specific collaborative of numerous companies coming together to receive the renaissance zone benefit. A Recovery Zone may have a duration of a renaissance zone status for a period of not less than five years and not more than 15 years. The tax relief is phased out in 25% increments over the last three years of the zone designation.

TOOL AND DIE RECOVERY ZONE ACTIVITY Fiscal Year 2010 (10.01.2009-09.30.2010)				
Meeting date	Company	Location	County	MSF Board action
10/28/09	Kimastle Corporation	Chesterfield Charter Twp.	Macomb	Join Michigan Tool & Die Collaborative Recovery Zone (10 years)
	Riviera Tool LLC	Cascade Charter Twp.	Kent	Join United Tooling Coalition Recovery Zone (10 years)
	Mol-Son LLC	Mattawan	Van Buren	Join United Tooling Coalition Recovery Zone (10 years)
	H.S. Technologies, Inc.	Tallmadge Charter Twp.	Ottawa	Join Coopersville Tooling Coalition Recovery Zone (seven years)
	H.S. Die & Engineering, Inc.	Tallmadge Charter Twp.	Ottawa	Join Coopersville Tooling Coalition Recovery Zone (seven years)
	H.S. Die & Engineering, Inc.	Walker	Kent	Join Coopersville Tooling Coalition Recovery Zone (10 years)
	CAD-CAM Services, Inc.	Kentwood	Kent	Revocation of existing Tool & Die Recovery Zone property; former member of Whitehall Twp. Tooling Coalition Recovery Zone
	Commerce Industries, Inc.	Wixom	Oakland	Revocation of existing Tool & Die Recovery Zone property; former member of Global Tooling Alliance
11/18/09	Aggressive Tool & Die, Inc.	Coopersville	Ottawa	Join Coopersville Tooling Coalition (10 years)
	Azko Pattern Manufacturing, Inc.	Muskegon Heights	Muskegon	Join Tooling Advantage Group (five years)
	Eckhart & Associates, Inc.	Watertown Charter Twp.	Clinton	Add two years to existing recovery zone company; member of Capital Area Tooling Partnership
	Grand Die Engravers, Inc.	Grand Rapids	Kent	Add five years to existing recovery zone company; member of Tool Makers Alliance
	Whitehead Tool & Die	Schoolcraft Twp.	Kalamazoo	Revocation of existing Tool & Die Recovery Zone property; change of ownership; new owner is not a member of Southwest Michigan Tooling Collaborative Recovery Zone
12/16/09	Third Coast Tooling Alliance			New Tool & Die Recovery Zone Designation—14 companies identified below
	Baker Machining & Mold Technologies, Inc.	Macomb Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Brown Jig Grinding Company	Wixom	Oakland	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)

TOOL AND DIE RECOVERY ZONE ACTIVITY *continued*

Meeting date	Company	Location	County	MSF Board action
12/16/09 <i>continued</i>	Carroll Tool and Die Company	Macomb Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Exacto Tool Company LLC	Shelby Charter Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Ideal Technology Corporation	Shelby Charter Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Majestic Industries, Inc.	Macomb Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Mistequay Group, Ltd.	Standish	Arenac	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	TransNav, Inc.	New Baltimore	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (five years)
	Posa-Cut Corporation	Farmington Hills	Oakland	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (six years)
	Dynamic Plastics, Inc.	Chesterfield Charter Twp.	Macomb	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (10 years)
	Kraftwood Engineering Company	Commerce Charter Twp.	Oakland	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (10 years)
	Mistequay Group, Ltd.	Saginaw	Saginaw	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (10 years)
	PCD Carbide Tool Company DBA Precorp, Inc.	Williamston	Ingham	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (10 years)
	Universal/DeVlieg LLC	Saginaw	Saginaw	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (10 years)
	Precision Industries, Inc.	Flint	Genesee	Participant in Third Coast Tooling Alliance New Tool & Die Recovery Zone (15 years)
	Strategic Tooling Solutions			New Tool & Die Recovery Zone Designation—10 companies identified below
	CAMmand Machining, LLC	Romeo	Macomb	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (eight years)
	Delta Tooling Company DBA Delta Technologies Group	Auburn Hills	Oakland	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (eight years)
	TK Mold and Engineering, Inc.	Romeo	Macomb	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (eight years)
	A & O Mold and Engineering, Inc.	Vicksburg	Kalamazoo	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	Commercial Tool and Die, Inc.	Alpine Twp.	Kent	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	Concept Molds, Inc.	Schoolcraft Twp.	Kalamazoo	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	M & M Polishing, Inc.	Coloma	Berrien	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	Michigan Tool Works	Sturgis	St. Joseph	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	Pyper Tool and Engineering, Inc.	Walker	Kent	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)
	Walker Tool and Die, Inc.	Walker	Kent	Participant in Strategic Tooling Solutions New Tool & Die Recovery Zone (15 years)

TOOL AND DIE RECOVERY ZONE ACTIVITY *continued*

Meeting date	Company	Location	County	MSF Board action
12/16/09 <i>continued</i>	Michigan Adaptive Coalition (MAC)			New Tool & Die Recovery Zone Designation—12 eligible companies; one company identified below; three participating members of MAC already designated a recovery zone; three existing recovery zone companies with United Tooling Coalition switched to MAC: Schmalz Tool & Die, Tool Ventures International North and Precision Jig & Fixture
	Burton Industries, Inc.	Atlas Twp.	Genesee	Participant in Michigan Adaptive Coalition New Tool & Die Recovery Zone (15 years)
	Schwab Industries, Inc.	Shelby Twp.	Macomb	Join Global Tooling Alliance (five years)
	Fori Automation, Inc.	Shelby Twp.	Macomb	Join Global Tooling Alliance (five years)
	Lomar Machine & Tool Company	Horton	Jackson	Join Automation & Tooling Alliance of North America (ATANA) (11 years)
	Digitrace, Ltd.	Wayland	Allegan	Join Central Michigan Collaborative (11 years)
	Paragon Die & Engineering Company	Cascade Charter Twp.	Kent	Join West Michigan Tooling Coalition (10 years)
	JeMar Tool, Inc.	Shelby Twp.	Macomb	Add five years to existing recovery zone company; increase duration from 2012 to 2017; member of Global Tooling Alliance
	Tri-Way Mold & Engineering	Roseville	Macomb	Add five years to existing recovery zone company; increase duration from 2010 to 2015; member of Eastern Michigan Tool & Die Collaborative
	True Industries	Roseville	Macomb	Add five years to existing recovery zone company; increase duration from 2012 to 2017; member of Eastern Michigan Tool & Die Collaborative
	Midwest Mold Services	Roseville	Macomb	Add four years to existing recovery zone company; increase duration from 2012 to 2016; company previously had added one year in 2008 going from 2011 to 2012; member of Michigan Coast to Coast Tool & Die Collaborative
	Ronart Industries	Detroit	Wayne	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Global Tooling Alliance
	Euro Tech Industries	Clinton Twp.	Macomb	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Eastern Michigan Tool & Die Collaborative Recovery Zone
	Metric Die & Engineering	Grand Rapids	Kent	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Michigan Coast to Coast Tool & Die Collaborative Recovery Zone
	Kammer Tool & Die	Hudsonville	Ottawa	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Michigan Coast to Coast Tool & Die Collaborative Recovery Zone
Direct Tooling Group	Leighton Twp.	Allegan	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Michigan Tooling Group Recovery Zone	
Direct Tooling Group (second location)	Grandville	Kent	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Tool Makers Alliance Recovery Zone; previous property of Future Tool & Die	
2/24/10	Extreme Tool and Engineering	Wakefield Twp.	Gogebic	Join Michigan Coast to Coast Tool & Die Collaborative (10 years)

TOOL AND DIE RECOVERY ZONE ACTIVITY *continued*

Meeting date	Company	Location	County	MSF Board action
6/23/10	Reed City Tool, Inc.	Reed City	Osceola	Join First Choice Machining Solutions Recovery Zone (11 Years)
	Maximum Mold	Benton Charter Twp.	Berrien	Add second location in Benton Harbor; member of Berrien Tooling Coalition Recovery Zone (10 years)
	Majestic Industries, Inc.	Macomb Twp.	Macomb	Add five years to existing recovery zone company; increase duration from 2014 to 2019; member of Third Coast Tooling Alliance Recovery Zone
	Schmald Tool & Die, Inc.	Burton	Genesee	Add 10 years to existing recovery zone company; increase duration from 2012 to 2022; also approve company changing coalitions from United Tooling Coalition to the Michigan Adaptive Coalition Recovery Zone
	Camtec, Inc.	Garfield Twp.	Grand Traverse	Revocation of existing Tool & Die Recovery Zone property; company closed operations; former member of Northwest Michigan Tooling Coalition Recovery Zone
	Tool Ventures, Inc. DBA Tool Ventures International	Kentwood	Kent	Revocation of Existing Tool & Die Recovery Zone; company closed operations; former member of United Tooling Coalition Recovery Zone

ECONOMIC DEVELOPMENT JOB TRAINING PROGRAM

Job training assistance funded by the Economic Development Job Training (EDJT) program helps companies maintain a highly skilled workforce that can compete in the global economy. EDJT funding is available for training such as technical processes, applied academics, new technology, quality improvement and control, equipment, cost reduction and efficiency improvements. Companies work with MEDC business development managers and a workforce development specialist to create the training. EDJT funds are discretionary and must retain or attract permanent, full-time jobs for Michigan citizens. Companies that demonstrate a need for high-skill training, invest in Michigan through the purchase of equipment and/or property, and pay at least 150% of the minimum wage are considered. EDJT grants have been given in conjunction with other MEDC incentives (such as MEGA tax credits) to help Michigan retain and attract new business.

EDJT GRANTS Fiscal Year 2010 (10.01.2009-09.30.2010)						
Grantee	Employer	City	County	Total trainees	New hires	Approved award amount
Mott Community College	General Motors	Flint	Genesee	100	0	\$200,000
Michigan Manufacturing Technology Center	Gemini Group	Bad Axe	Huron	56	0	\$56,000
Jackson National Life	Jackson National Life	Lansing	Ingham	200	75	\$150,000
Grand Rapids Community College	Farmers Insurance	Caledonia	Kent	760	0	\$335,060
Grand Rapids Community College	Sellner Corporation	Comstock Park	Kent	125	50	\$57,215
Grand Rapids Community College	Undercar Products Group, Inc	Grand Rapids	Kent	125	35	\$75,000
Macomb Community College	BAE Systems Land and Armaments L.P.	Sterling Heights	Macomb	521	460	\$460,000
Delta College	Dow Corning Corporation	Midland	Midland	21	21	\$21,000
Monroe Community College	Meijer Distribution	Newport	Monroe	95	95	\$34,243
Michigan Manufacturing Technology Center	Dokka Fasteners	Auburn Hills	Oakland	30	30	\$60,453
Oakland Community College	ThyssenKrupp System Engineering, Inc.	Auburn Hills	Oakland	40	0	\$40,000
Oakland Community College	Valeo, Inc.	Auburn Hills	Oakland	52	0	\$50,000
Oakland Community College	International Bancard Corporation	Clawson	Oakland	50	40	\$48,000
Oakland Community College	Dearborn Group Technologies	Farmington Hills	Oakland	37	0	\$38,000
Michigan Manufacturing Technology Center	A.B. Heller, Inc.	Milford	Oakland	40	15	\$19,999
Oakland Community College	Rayconnect, Inc.	Rochester Hills	Oakland	65	0	\$66,213
Oakland Community College	Lear Corporation	Southfield	Oakland	123	0	\$100,000
Oakland University	DENSO International America, Inc.	Southfield	Oakland	200	0	\$100,000
Oakland Community College	Moeller Manufacturing Company	Wixom	Oakland	385	0	\$150,000
Grand Rapids Community College	Energetx Composites LLC	Holland	Ottawa	40	40	\$28,000

EDJT GRANTS <i>continued</i>						
Grantee	Employer	City	County	Total trainees	New hires	Approved award amount
Michigan Manufacturing Technology Center	JAC Products, Inc.	Saline	Washtenaw	120	87	\$55,902
Henry Ford Community College	Martinrea Fabco Hot Stampings	Detroit	Wayne	100	57	\$60,000
Michigan Manufacturing Technology center	Milton Manufacturing, Inc.	Detroit	Wayne	75	0	\$74,998
Michigan Manufacturing Technology Center	Diversification Grant*	Plymouth	Wayne			\$3,000,000
Henry Ford Community College	Piston Automotive	Redford	Wayne	65	25	\$32,500
Henry Ford Community College	Mercedes Benz Research and Development	Redford	Wayne	100	50	\$100,000
TOTAL				3,525	1,080	\$5,412,583
<i>*The Diversification Grant was awarded for job training to companies diversifying into areas of alternative energy, aerospace, medical devices, defense, or general diversification services; companies will be identified and added on an ongoing basis throughout the life of the grant.</i>						

EDJT PROGRAM FUNDS Michigan Aerospace Manufacturers Association Grants Fiscal Year 2010 (10.01.2009-09.30.2010)			
Grantee	City	County	Award amount
Michigan Aerospace Manufacturers Association Organizational Assistance	Grand Rapids	Kent	\$250,000
TOTAL			\$250,000

MICHIGAN ECONOMIC GROWTH AUTHORITY PROGRAM

The Michigan Economic Growth Authority (MEGA) offers a refundable tax credit against the Michigan Business Tax (MBT) to companies expanding or relocating their operations in Michigan. MEGA addresses the cost differentials between Michigan and competing states to provide companies with a strong business case to choose Michigan.

The MEGA credit is up to 100% of the state’s personal income tax rate multiplied by the actual wages and employer-paid health care costs on qualified new or retained jobs. Should the credit exceed a firm’s annual tax liability, the difference is refundable. By law, the credit may be up to 20 years in length. The state awards these tax credits annually after companies create or retain jobs. By carefully following program requirements, monitoring the job creation and tax credits, and focusing on high-tech industries, MEGA helps Michigan to attract the businesses that can diversify and stabilize the state’s economic development.

Eligible companies are typically engaged in manufacturing, research and development, wholesale and trade, headquarter office operations, or certain tourism projects. Retail facilities are not eligible. Credits are awarded based on the strength of the company’s project, competition with other non-Michigan locations, and program guidelines. They also are subject to approval by the MEGA Board, a seven-member body appointed by the governor and includes the state treasurer as chair, the state budget director, and the director of the Department of Energy, Labor and Economic Growth as well as four additional private sector members.

There are four types of MEGA tax credits—Standard, Rural, High-Tech, and Retention—each with specific criteria for qualifying for an award.

MBT CREDIT APPROVALS (not including Brownfields)						
Fiscal Year 2010 (10.01.2009-09.30.2010)						
Company	City	County	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Whirlpool Corporation	Benton Harbor	Berrien	0	868	\$86,864,841	\$19,402,933
Toda America, Inc.	Battle Creek	Calhoun	57		\$70,100,000	\$1,630,000
Clyde Union, Inc.	Battle Creek	Calhoun	190		\$17,090,000	\$1,269,000
Premier Tool and Die Cast Corporation	Dowagiac	Cass	100		\$3,237,000	\$862,227
Diplomat Specialty Pharmacy, Inc.	Flint	Genesee	4,000		\$12,300,000	\$61,494,000
Magna Electronics	Grand Blanc Twp.	Genesee	525		\$70,318,600	\$5,087,324
Saint-Gobain	Beaverton	Gladwin	61		\$9,186,000	\$324,000
Skilled Manufacturing, Inc.	Traverse City	Grand Traverse	73		\$9,588,000	\$571,210
Century Incorporated	Traverse City	Grand Traverse	47		\$6,225,000	\$292,121
Tenneco Automotive Operating Company, Inc.	Litchfield	Hillsdale	185		\$15,600,000	\$1,821,000
Auto-Owners Insurance	Delta Twp.	Ingham	800		\$105,300,000	\$23,168,000
Jet Engineering, Inc. (operating as Symmetry Medical, Inc.)	Lansing	Ingham	159		\$14,825,000	\$770,000
ADCO Products, Inc.	Leoni Twp.	Jackson	212		\$17,336,000	\$1,300,000
Parker Hydraulics Systems	Kalamazoo	Kalamazoo	0	608	\$15,500,000	\$4,384,000
Cascade Engineering, Inc.	Cascade Twp.	Kent	183		\$2,864,000	\$1,853,109
Steelcase, Inc.	Grand Rapids	Kent	0	350	\$18,200,000	\$4,796,000

MBT CREDIT APPROVALS (not including Brownfields) continued

Company	City	County	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Gordon Food Service	Grand Rapids	Kent	173		\$24,200,000	\$1,732,883
SoundTech, Inc.	Kentwood	Kent	0	51	\$5,125,000	\$513,923
ConAgra Food Packaged Foods LLC	Kentwood	Kent	205		\$73,000,000	\$1,114,556
Consolidated Resource Imaging LLC	Walker / Allendale	Kent	50		\$3,035,000	\$626,000
Wacker Chemical Corporation	Adrian	Lenawee	0	156	\$23,735,000	\$4,413,000
BioDri Michigan LLC	Blissfield	Lenawee	337		\$39,540,000	\$3,179,000
Lenawee Stamping Corporation	Tecumseh	Lenawee	78		\$2,519,000	\$414,322
Advanced Integrated Tooling Solutions LLC	Chesterfield Twp.	Macomb	275		\$13,300,000	\$3,901,000
Romeo RIM, Inc.	Romeo	Macomb	67		\$7,584,072	\$699,521
Fisher & Company, Inc.	St. Clair Shores	Macomb	138		\$14,850,000	\$548,000
Fisher & Company, Inc.	St. Clair Shores	Macomb	0	52		\$231,000
Oshkosh Corporation	Warren	Macomb	190		\$6,575,000	\$6,416,000
SPX Corporation	Warren	Macomb	34		\$402,000	\$377,672
Waltonen Engineering, Inc.	Warren	Macomb	145		\$9,072,000	\$538,770
Tata Consultancy Services Michigan	Midland	Midland	1,250		\$20,025,000	\$22,162,000
The Dow Chemical Company	Midland	Midland	1,700		\$600,000,000	\$61,388,000
Styron LLC	Midland	Midland	202		\$13,050,000	\$4,096,000
fortu PowerCell, Inc.	North Muskegon	Muskegon	726		\$623,157,000	\$12,684,000
Johnson Technology Inc. (amendment)	Norton Shores	Muskegon	90			\$2,185,000
U.S. Farathane Corporation	Auburn Hills	Oakland	0	540	\$51,688,000	\$7,271,000
U.S. Farathane Corporation	Auburn Hills	Oakland	398			\$3,778,000
Magneti Marelli Holding USA, Inc.	Auburn Hills	Oakland	200		\$4,544,000	\$4,096,000
ALTe LLC	Auburn Hills	Oakland	305		\$51,309,000	\$8,467,000
Katcon USA, Inc.	Auburn Hills	Oakland	35		\$3,705,000	\$525,000
OASIS Advanced Engineering	Auburn Hills	Oakland	100		\$7,470,000	\$1,499,000
Recaro North America, Inc.	Auburn Hills	Oakland	0	69	\$6,020,000	\$520,000
Magna Holdings of America, Inc.	Auburn Hills	Oakland	508		\$49,873,000	\$5,607,032
PSCU Financial Services	Auburn Hills	Oakland	837		\$12,067,000	\$3,590,000
Takata	Auburn Hills	Oakland	40		\$14,600,000	\$766,000
YourSource Management Group, Inc.	Auburn Hills	Oakland	27		\$1,500,000	\$206,943
Weber Automotive GmbH	Auburn Hills	Oakland	280		\$24,847,000	\$2,174,726
Williams International Company LLC	Commerce Twp.	Oakland	0	72	\$12,047,500	\$1,499,000

MBT CREDIT APPROVALS (not including Brownfields) continued

Company	City	County	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Akebono Engineering Center	Farmington Hills	Oakland	118		\$27,960,000	\$1,830,000
Search Optics, Inc.	Ferndale	Oakland	288		\$4,073,800	\$3,078,000
Caparo Vehicle Components, Inc.	Novi	Oakland	0	117	\$10,400,000	\$1,030,000
Metalsa Automotive USA, Inc.	Novi	Oakland	65		\$1,981,000	\$1,926,000
Azure Dynamics Corporation	Oak Park	Oakland	40		\$2,450,000	\$1,357,000
Royal Oak Medical Devices	Oxford	Oakland	26		\$2,587,000	\$195,181
WABCO North America LLC	Rochester Hills	Oakland	274		\$6,285,000	\$1,055,000
Kostal Kontakt Systeme, Inc.	Rochester Hills	Oakland	247		\$27,136,000	\$3,593,695
Oxus America, Inc.	Rochester Hills	Oakland	38		\$2,147,000	\$359,070
Saab Cars North America LLC	Royal Oak	Oakland	60		\$2,447,000	\$1,256,000
Ciber, Inc.	Southfield	Oakland	700		\$8,048,000	\$10,131,000
The Minacs Group (USA), Inc.	Southfield	Oakland	1,928		\$11,436,000	\$9,108,000
National Logistics Management Company, Inc.	Southfield	Oakland	0	122	\$12,526,000	\$1,473,000
National Logistics Management Company, Inc.	Southfield	Oakland	163			\$1,338,000
Nexcess.net LLC	Southfield	Oakland	41		\$4,210,000	\$202,081
Navistar, Incorporated	Sterling Heights	Oakland	87		\$4,016,000	\$2,555,814
AxleTech LLC	Troy	Oakland	0	107	\$5,436,000	\$1,042,269
ilumisys, Inc.	Troy	Oakland	213		\$7,434,000	\$4,019,000
Witzenmann USA LLC	Troy	Oakland	75		\$13,147,000	\$554,000
ArvinMeritor Automotive, Inc.	Troy	Oakland	125		\$23,407,000	\$2,220,000
Creative Breakthroughs, Inc.	Troy	Oakland	100		\$780,000	\$1,018,286
Genesis10	Troy	Oakland	296		\$2,194,000	\$2,129,000
Inteva Products LLC	Troy	Oakland	35		\$4,930,603	\$263,055
SilkRoute Global, Inc.	Troy	Oakland	103		\$1,950,000	\$608,037
Clairvoyant Energy Solar Panel Manufacturing, Inc.	Wixom	Oakland	751		\$856,718,000	\$31,233,000
Xtreme Power, Inc.	Wixom	Oakland	2,500		\$475,392,000	\$106,687,000
Hallite Dynamics	Wixom	Oakland	0	60	\$7,440,000	\$475,445
Wolverine Assemblies LLC	Wixom	Oakland	174		\$8,350,000	\$785,000
Herman Miller, Inc.	Holland/Holland Charter Twp.	Ottawa	600		\$11,000,000	\$7,855,967
Lear Corporation	Roscommon	Roscommon	151		\$14,019,880	\$2,883,000
Lear Corporation	Roscommon	Roscommon	0	155		\$4,364,000
Nexteer Automotive	Saginaw	Saginaw	0	2,400	\$413,033,000	\$70,701,000

MBT CREDIT APPROVALS (not including Brownfields) continued

Company	City	County	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
GlobalWatt, Inc.	Saginaw	Saginaw	500		\$177,130,000	\$4,049,000
Morley Companies, Inc.	Saginaw	Saginaw	700		\$3,000,000	\$8,138,000
Covenant Eyes, Inc.	Owosso	Shiawassee	139		\$3,764,000	\$635,203
Wausaukee Composites–Owosso, Inc.	Owosso	Shiawassee	156		\$1,915,385	\$783,909
Sakor Technologies, Inc.	Perry	Shiawassee	25		\$1,080,000	\$364,000
Masco Cabinetry Company	Ann Arbor	Washtenaw	0	206	\$20,600,000	\$5,710,000
Masco Cabinetry Company	Ann Arbor	Washtenaw	250			\$7,393,000
Grand River Interactive LLC	Ann Arbor	Washtenaw	48		\$1,017,000	\$361,376
NanoBio Corporation	Ann Arbor	Washtenaw	32		\$1,468,000	\$434,000
Quantum Signal LLC	Saline	Washtenaw	47		\$1,320,000	\$260,083
JAC Products, Inc.	Saline	Washtenaw	128		\$6,770,000	\$572,970
Aeroflex/Inmet	Scio Twp.	Washtenaw	47		\$3,075,000	\$466,000
Link Engineering Company	Dearborn	Wayne	59		\$9,818,000	\$789,787
Ohio Module Manufacturing Company, LLC	Detroit	Wayne	200		\$21,421,000	\$2,237,000
Strategic Staffing Solutions LLC	Detroit	Wayne	437		\$7,274,000	\$3,861,000
Grandpapa's, Inc.	Detroit	Wayne	125		\$4,180,000	\$368,000
Colwell & Salmon Communications, Inc.	Livonia	Wayne	502		\$4,910,600	\$1,373,000
Quality Metalcraft, Inc.	Livonia	Wayne	64		\$1,700,000	\$456,000
GalaxE Solutions, Inc.	Metro Detroit	Wayne	500		\$4,189,000	\$4,619,000
TSC Michigan, Inc.	Northville	Wayne	279		\$31,172,000	\$3,250,096
Materialise USA, Inc.	Plymouth Twp.	Wayne	80		\$12,464,000	\$563,000
Delphinus Medical Technologies, Inc.	Plymouth Twp.	Wayne	109		\$5,896,500	\$779,118
Detroit Diesel Corporation	Redford	Wayne	0	1,900	\$194,055,000	\$52,575,000
SEIU Member Action Service Center, Inc.	Redford Twp.	Wayne	224		\$3,000,000	\$2,057,966
Ash Stevens, Incorporated	Riverview	Wayne	60		\$14,850,000	\$710,000
Proto Manufacturing, Inc.	Taylor	Wayne	46		\$5,252,000	\$587,000
General Electric Company	Van Buren Twp.	Wayne	130		\$20,000,000	\$2,341,000
Four Winns LLC	Cadillac	Wexford	2,320		\$63,000,000	\$27,168,000
Piranha Hose Products	Cadillac	Wexford	45		\$6,346,000	\$154,303
TOTALS			31,432	7,833	\$4,796,975,781	\$706,627,983

OTHER MEGA PROGRAMS

In addition to MEGA tax credits, there are other MBT credits subject to MEGA Board approval that are designed to advance new industries with the potential for significant growth:

Advanced Battery Credits Program: Offers a refundable credit against the MBT toward advanced battery R&D and engineering, and commercial scale package and cell manufacturing. These credits positioned Michigan to successfully compete for over \$1.3 billion in grants from the U.S. Department of Energy to support advanced battery and electric vehicle manufacturing and development.

Anchor Jobs Credit: Offers a refundable credit against the MBT to certain high-technology companies (anchor companies) to influence their suppliers and customers to move to Michigan. The taxpayer is able to claim a credit for the payroll of the suppliers or customers who created qualified new jobs, for up to five years.

Defense Contracting Credit: Offers a refundable credit against the MBT to help Michigan companies procure federal contracts from the Department of Defense, Department of Energy, or the Department of Homeland Security. The credit is based on the new jobs created as a result of the federal contract awarded.

Photovoltaic Credit: Allows a taxpayer engaged in the research, development, or manufacturing of photovoltaic energy, photovoltaic systems, and other photovoltaic technology to claim a refundable credit against the MBT.

OTHER MBT CREDIT APPROVALS Fiscal Year 2010 (10.01.2009-09.30.2010)					
Company	City	County	Projected direct jobs	Projected capital investment	Estimated credit amount
ADVANCED ENERGY STORAGE (BATTERY)					
Advanced Li-Ion Battery Pack (7b)					
Dow Kokam	Midland	Midland	320	\$340,000,000	\$42,000,000
Advanced Li-Ion Battery Pack (7a)					
Ford Motor Company	Rawsonville	Washtenaw	1,000	\$250,000,000	\$78,000,000
CELL MANUFACTURING—Sec. 434(5)					
fortu PowerCell	Muskegon Twp.	Muskegon	300	\$200,000,000	\$100,000,000
Xtreme Power	Wixom	Oakland	300	\$200,000,000	\$100,000,000
PLUG-IN BATTERY PACK—Sec. 434(2)					
Johnson Controls-Saft APS	Holland	Allegan		\$200,000,000	\$20,000,000
ANCHOR JOBS CREDIT					
Dow Kokam	Midland	Midland		\$1,000,000	TBD
Johnson Controls-Saft APS	Holland	Allegan		\$1,000,000	TBD
A123	Ann Arbor	Washtenaw		\$1,000,000	TBD
DEFENSE CONTRACTING CREDIT					
Toda America, Inc.	Battle Creek	Calhoun	25	\$70,100,000	TBD
SOLAR					
<i>Photovoltaic (qualified)</i>					
Suniva	Saginaw	Saginaw	500	\$250,000,000	\$15,000,000
Dow Chemical Company	Midland	Midland	500	\$167,000,000	\$15,000,000
<i>Photovoltaic (eligible)</i>					
Clairvoyant Energy	Wixom	Oakland	250	\$856,700,000	\$25,000,000
TOTALS			2,195	\$2,536,800,000	\$353,000,000

BROWNFIELD REDEVELOPMENT PROGRAM

The Brownfield Redevelopment program promotes redevelopment of contaminated and underutilized property in Michigan in order to bring that property back to productive use. The incentive program, administered by the MEGA, commenced in 2000 and has two major statutory elements—the Brownfield Redevelopment Act and a Michigan Business Tax credit. The program provides incentives to companies, developers or businesses through tax increment financing assistance and/or tax credits for the redevelopment of brownfield property. The MEDC and the Michigan Department of Natural Resources and Environment provide assistance and coordinate incentives to get challenged sites redeveloped.

BROWNFIELD MBT CREDIT PROJECTS Fiscal Year 2010 (10.01.2009–09.30.2010)			
Company	City	County	Estimated credit amount
Gateway LDHA, LP (Gateway Village)	Frankfort	Benzie	\$455,651
Harbor Shores HV Construction	St Joseph	Berrien	\$10,000,000
Harbor Shores BHBT Land Development (Hideaway)	St. Joseph	Berrien	\$2,625,000
Harbor Isle Resort LLC	St. Joseph	Berrien	\$1,250,000
Covance Laboratories, Inc. (Cavalcade)	Battle Creek	Calhoun	\$2,800,000
Toda America, Inc.	Battle Creek	Calhoun	\$7,991,000
Amended Credit: Swanee (Lofts on Ludington)— (original credit: \$385,200)	Escanaba	Delta	\$276,281
Auto-Owners Insurance Company	Delta Twp.	Eaton	\$5,800,000
Diplomat Specialty Pharmacy	Flint	Genesee	\$1,237,500
Woodworth, Inc.	Mount Morris Twp.	Genesee	\$1,250,000
The Minervini Group (TC Commons Buildings 600 and 620)	Traverse City	Grand Traverse	\$2,324,800
TC Commons Limited Dividend Housing Association LLC (Building 630)	Traverse City	Grand Traverse	\$1,230,000
Tom Arnold (former REO Town building)	Lansing	Ingham	\$163,700
Eastside Armory LLC	Lansing	Ingham	\$441,314
Commercial Property Development Company LLC (Mavcon Properties LLC)	Kalamazoo	Kalamazoo	\$1,118,530
610 Burdick LLC	Kalamazoo	Kalamazoo	\$399,000
River Reach Partners LLC	Parchment	Kalamazoo	\$250,000
Cherry Stone LLC (Heart of the City Health Center)	Grand Rapids	Kent	\$3,300,000
Core Fitness Holdings LLC	Grand Rapids	Kent	\$343,750
607 Dewey LLC	Grand Rapids	Kent	\$323,529
925 Cherry LLC and Double Barrel Partners LLC	Grand Rapids	Kent	\$556,000
Federal Building Partners LLC (Christman)	Grand Rapids	Kent	\$4,173,054
Canal Street Brewing Co LLC	Grand Rapids	Kent	\$483,000
CWD Grandville—1 LLC	Grandville	Kent	\$980,000
Gordon Food Services, Inc.	Wyoming	Kent	\$2,565,625
Wacker Chemical Corporation	Raisin Twp.	Lenawee	\$1,250,000
Station 65 LLC	Mount Clemens	Macomb	\$135,364
BAE Systems Land and Armaments, L.P.	Sterling Heights	Macomb	\$6,906,504
Great Lakes Air Technologies (RoboVent)	Sterling Heights	Macomb	\$123,813
The Dow Chemical Company—Solar manufacturing	Midland	Midland	\$10,000,000
The Dow Chemical Company—Solar Solutions North America Manufacturing	Midland	Midland	\$10,000,000
U.S. Farathane Corporation	Auburn Hills	Oakland	\$1,250,000
Woodward North Holdings LLC (CARE House)	Pontiac	Oakland	\$348,969

BROWNFIELD MBT CREDIT PROJECTS <i>continued</i>			
Company	City	County	Estimated credit amount
Liberty Limited Dividend Housing Association Limited Partnership (Midtown Village)	Holland	Ottawa	\$796,419
GlobalWatt, Inc.	Saginaw	Saginaw	\$10,000,000
Sycamore House LLC	Durand	Shiawassee	\$113,087
Deli Partners LLC and Zingerman's Delicatessen, Inc.	Ann Arbor	Washtenaw	\$1,180,000
Near North Greenway LLC and Near North Apartments LDHP, LP	Ann Arbor	Washtenaw	\$1,678,745
BST Investments LLC (Dexter Towne Center)	Dexter	Washtenaw	\$700,000
Automotive Components Holdings LLC (Ford)	Saline	Washtenaw	\$1,250,000
NSO Bell Housing LDHA LP	Detroit	Wayne	\$7,240,229
81 Peterboro Limited Partnership (Scott Castle)	Detroit	Wayne	\$743,158
Woodward Theatre LLC	Detroit	Wayne	\$3,530,657
Gardenview Homes IV LDHA	Detroit	Wayne	\$3,168,644
Vernier Holdings LLC (1260 Library)	Detroit	Wayne	\$263,078
Mosaic Second Avenue Owner LLC	Detroit	Wayne	\$1,101,231
Creative Arts Center LLC	Detroit	Wayne	\$195,140
KMB Group LLC (The Book House)	Detroit	Wayne	\$440,000
The Power of Green Housing LLC	Detroit	Wayne	\$607,720
Gray Street Affordable Housing	Detroit	Wayne	\$517,231
4625 Second LLC (Forest Arms)	Detroit	Wayne	\$1,487,341
Newberry Hall Development LLC (Newberry Lofts)	Detroit	Wayne	\$746,543
La Vogue Square LDHA, LP	Detroit	Wayne	\$450,000
Paradise Valley Estates LLC	Detroit	Wayne	\$327,750
The Green Garage	Detroit	Wayne	\$170,000
Dickerson Manor/MHT LDHA LP	Detroit	Wayne	\$717,854
TechOne Development LLC	Detroit	Wayne	\$226,875
Delta Development LLC (Delta TIFCO Brownfield Redevelopment)	Livonia	Wayne	\$1,923,750
Detroit Diesel Corporation—Project Two	Redford Twp.	Wayne	\$7,000,000
CH Royal Oak LLC (Imagine movie theater)	Royal Oak	Wayne	\$1,250,000
Watson Engineering, Inc.	Taylor	Wayne	\$659,160
Ford Motor Company—Wayne Stamping Plant	Wayne	Wayne	\$10,000,000
Michilake Corporation (Cobbs Mitchell)	Cadillac	Wexford	\$361,500
TOTAL			\$141,198,496

BROWNFIELD TAX INCREMENT FINANCING PROJECTS				
Fiscal Year 2010 (10.01.2009-09.30.2010)				
Brownfield Authority	Name of project	City	County	TIF amount
City of Alpena	Dean Arbour Ford	Alpena	Alpena	\$221,500
City of Flint	IRS Building /901-915 North Saginaw Street	Flint	Genesee	\$227,786
City of Lansing	Sonic Restaurant (former Governor's Inn)	Lansing	Ingham	\$374,000
City of Parchment	River Reach Partners LLC	Parchment	Kalamazoo	\$49,661,900
City of Grand Rapids	925 Cherry LLC Double Barrel Partners LLC	Grand Rapids	Kent	\$296,187
City of Grand Rapids	Amendment: Founders RE LLC and Blue Tiger LLLC (Canal Street Brewery)	Grand Rapids	Kent	\$154,875
City of Wyoming	Gordon Food Service, Inc.	Wyoming	Kent	\$1,830,677
City of Mount Clemens	Station 65 LLC	Mount Clemens	Macomb	\$175,860
County of Saginaw	Fort Saginaw Mall 3235 East Holland Avenue	Buena Vista Twp.	Saginaw	\$1,773,695
Brownstown Charter Twp.	18472 Allen Road—NWS Michigan	Brownstown Twp.	Wayne	\$58,500
City of Detroit	Forest Arms Redevelopment 4625 Second Avenue	Detroit	Wayne	\$297,000
City of Taylor	Watson Engineering, Inc.	Taylor	Wayne	\$221,220
City of Wyandotte	2704 Biddle Avenue Redevelopment	Wyandotte	Wayne	\$118,750
City of Cadillac	Michilake—Cobbs Mitchell	Cadillac	Wexford	\$231,193
TOTAL				\$55,643,143

UPPER HAND CAMPAIGN

In fiscal year 2010, the business marketing program for Michigan implemented the fifth year of the **Upper Hand** advertising campaign. The MEDC continued to reach national and international markets, highlighting the key assets in Michigan, including a skilled workforce, great university systems, significant research and development assets, and a great quality of life, although the campaign was scaled-back due to reduced funding levels. No new commercials were produced nor any new web-based products created.

The **Upper Hand** advertising campaign targets C-level executives (CEOs, CFOs, site consultants, etc.) using a testimonial-style marketing strategy that encourages businesses to contact the MEDC to see how their business can “get the upper hand.” To date, over 30 successful executives have shared why they chose to locate or expand their business in Michigan in a series of national and international television and radio spots. Actor and business owner Jeff Daniels introduces these executives during the **Upper Hand** ad spots.

Using an independent research firm, the MEDC has conducted tracking studies to generate a pre and post assessment of the effectiveness of the **Upper Hand** advertising campaign in changing C-level executives’ attitudes and behaviors about Michigan as a place to start and do business. The studies have been used to determine changes in awareness of the campaign, assess changes in how business leaders feel about Michigan as a place to do business, and identify actions taken as a result of the campaign.

Survey findings over the five-year period of the campaign showed that 11% to 13% of the target audience at a national level can identify the campaign and its slogan. In Michigan, between 54% and 77% of executives remember seeing the advertising. The level of interest in obtaining information about expanding or relocating business to Michigan remained relatively constant among Michigan executives at 20% to 30%, but showed an increase among national executives from 10% to 24%.

Along with paid advertising, the business marketing program funds events and trade shows in targeted industries. The MEDC identified wind, solar, advanced manufacturing, advanced energy storage, capital access, technology, and entrepreneurship as industries in which Michigan has unique strengths. These complement the MEDC’s business attraction and retention efforts. Some of the key shows and

events MEDC participated in during fiscal year 2010 included:

- **North American International Auto Show (NAIAS)—EcoXperience:** Spotlighted the global automotive industry’s progress in making alternative propulsion technology a reality
- **CAR Management Briefing Seminars:** Largest management conference in North American automotive industry
- **XPRIZE Driving Change Through Michigan:** A multi-state competition to inspire a new generation of super-efficient clean, production-capable vehicles that achieve at least 100 mpg equivalent fuel economy in a stage race for a \$10 million prize
- **BIO International 2010 Convention:** A forum to address business challenges and offer thousands of partnering meetings for investing in innovations to produce the next generation of medical, agricultural, industrial and environmental solutions to help heal, fuel and feed the world
- **AWEA Small and Community Wind Conference and Exhibition:** Brought together industry leaders, new entrants, project developers, economic development groups, municipalities, land owners and other allied organizations to formulate and enact growth strategies for small and mid-sized wind applications
- **European Photovoltaic Solar Energy Conference:** The world’s leading science-to-science, business-to-business and science-to-industry forum for the global PV Solar sector
- **TiECoN Midwest 2009:** A global organization dedicated to fostering entrepreneurs across an international network of non-profit organization for entrepreneurs
- **Global Entrepreneurship Week:** A worldwide event connecting young people and inspiring them to embrace innovation, imagination, and creativity

Visits to www.MichiganAdvantage.org

	FY 2010	FY 2009
October	135,342	45,932
November	88,767	46,623
December	62,075	40,802
January	68,103	51,645
February	53,129	54,869
March	83,830	100,095
April	140,344	98,452
May	185,820	94,489
June	71,709	76,554
July	56,404	67,016
August	54,094	64,476
September	53,675	129,818
TOTAL	1,053,292	870,771

The fiscal year 2010 total Web site visits to www.MichiganAdvantage.org of 1,053,292 represents a 20.96% increase over the fiscal year 2009 visits of 870,771.

PURE MICHIGAN MARKETING CAMPAIGN

The U.S. Travel Association, the national organization representing the U.S. travel industry, honored Travel Michigan/**Pure Michigan** with four Mercury Awards in 2010. This is the most ever won by Michigan in a single year. The four categories are: Best State Tourism Television Advertising; Best State Tourism Radio Advertising; Best State Tourism Partnership Advertising; and Best State Tourism Welcome Center Program. These four awards join the other Mercury Awards the **Pure Michigan** campaign has received, including Best State Tourism Advertising Campaign (2007); Best State Tourism Television Advertising (2007); Best State Tourism Radio Advertising (2008 and 2009); and Best State Tourism Niche Marketing (2009).

The **Pure Michigan** tourism campaign ran national advertising for the second year on cable channels including: Golf Channel, Travel Channel, A&E, Bravo, Style, Fine Living, HGTV, Food Network, TLC, E!, DIY Network, CNN, MSNBC, CNBC and Fox News. Due to reduced funds, reductions were made to the regional and in-state campaigns.

The inaugural **Pure Michigan** national advertising campaign in 2009 motivated 680,000 new trips to Michigan from outside the Great Lakes region and resulted in more than \$250 million being spent at Michigan businesses by those visitors. For every dollar spent on the **Pure Michigan** national campaign, new visits to Michigan stimulated by that advertising generated \$2.23 in new state tax collections.

Travel Web activity on www.michigan.org: In fiscal year 2010, there were 13.5 million Web visits to www.michigan.org. This compares to 11.5 million visits last year, an increase of 17% over last year.

Note: Effective 07/01/10, the MEDC upgraded WebTrends to a new version on a new platform. To preserve the integrity of year-to-year visit comparisons, the MEDC re-analyzed 2009 log files beginning with 07/01/09. As a result, the 11.5 million visits listed above differ from the number reported in the MEDC's fiscal year 2009 annual report.

Number of visits passed on to travel industry partners' Web sites: In fiscal year 2010, there were 6.6 million click-throughs. This compares to 6.1 million last year, a 9% increase from last year. Click-throughs are defined as the number of times www.michigan.org Web visitors clicked on a link and were transferred to a Michigan travel industry private sector Web site.

In a 2010 study, "How Social is Your State DMO," conducted by Gammett Interactive, Michigan took the top spot of the 50 states for the **Pure Michigan** use of popular social media outlets, including Facebook, Twitter, Flickr, YouTube, and others.

Pure Michigan Bayview Mackinac Race

For the second year, **Pure Michigan** took sail with the Pure Michigan Bayview Mackinac Race. The annual race attracted thousands of visitors to the start of the race in Port Huron where more than 200 sail boats and 2,500 crew members headed to the Mackinac Island finish. With global positional tracking (GPS) only available on www.michigan.org to monitor race boats, the number of GPS-tracking visitors on www.michigan.org jumped from one million in 2009 to four million in 2010.

Media Familiarization Media Tours

Each year, Travel Michigan invites travel writers to tour Michigan attractions, destinations, etc. to familiarize them with these properties and destinations. They then write stories about their tour experiences, and Travel Michigan generates "editorial placements." Below are areas visited during Travel Michigan's 2010 familiarization media tours:

Domestic familiarization media tours (*typically 30 travel writers from North America*)

- February 8–12: Winter Resorts in the Grand Traverse Area (Traverse City, Shanty Creek Resort)
- June 6–10: Mackinac Island (including St. Ignace and Mackinaw City)
- October 12–16: Southwest Michigan Lakeshore (New Buffalo, Three Oaks, Lakeside, Harbert, Sawyer, St. Joseph)

International familiarization media tours

(*typically 1–5 travel writers from Canada, Germany, Austria and/or the United Kingdom*)

- January 19–22: Marquette, Munising, Hillman, Detroit
- June 1–7: Detroit, Frankenmuth
- July 14–20: Keweenaw, Marquette, Munising, Sault Ste. Marie, Port Huron, Detroit
- July 31–August 2: Detroit (German calendar/TV shoot)
- September 13–17: Keweenaw, Mackinac Island
- October 10–12: Livingston County, Detroit

Golf familiarization media tours (*typically 6–8 golf writers*)

- May 16–19: Detroit
- July 18–21: Petoskey
- August 8–11: Escanaba, Marquette

Welcome Centers

In fiscal year 2010, Michigan's 14 Welcome Centers served 7,493,574 travelers, giving guidance to destinations and attractions throughout all of Michigan. Over 5.6 million brochures from the state's tourism industry were distributed representing all 83 counties in the state. In addition, the 14 Welcome Centers hosted over 50 special industry events and promotions, all geared to provide greater awareness of the state's many tourism assets. The Welcome Center network also collected over 25,000 visitor e-mail addresses and sign-ups for Travel Michigan's regular e-newsletters, thereby providing an ongoing mechanism for the promotion of the state's tourism destinations, attractions, and special events. Michigan's Welcome Centers were awarded a prestigious Mercury Award for best state welcome center program by the National Association of State Tourism Directors in August 2010.

2010 Partnership Programs

The Partnership Program is intended to extend the marketing reach of **Pure Michigan** by leveraging private-sector marketing dollars to promote Michigan. The program's key markets are Chicago, Cleveland, Indianapolis, Cincinnati, Milwaukee, Columbus, Dayton, St. Louis and Southern Ontario, Canada. Feeder markets are Toledo, Green Bay, South Bend, and Fort Wayne.

In fiscal year 2010, 30 partnerships committed more than \$1.5 million for radio, billboard and online advertising. Travel Michigan matched the private-sector partnership dollars for a total budget of \$3 million.

The Travel Michigan advertising partnership program was launched in 2002. Interest in the program has grown over the years, from three partners in 2002 to 30 partners in 2010. This has been a win-win program for the partners and Travel Michigan.

In an effort to accommodate the entire tourism industry, Travel Michigan has developed three partnership programs: Out-of-State Advertising Partnerships; Pay-per-Click Partnerships; and In-State Advertising Partnerships. All partnership advertising

includes the Travel Michigan brand identity and creative strategy to keep the messages consistent. Program participants also receive value added benefits of featured Web presence and public relations support.

Below is a list of 2010 partnerships:

Out-of-State Advertising Partners

Ann Arbor Area Convention & Visitors Bureau
 Beachtowns
 Flint
 Frankenmuth
 Harbor Country
 Greater Lansing Convention & Visitors Bureau
 Great Waters of the Upper Peninsula
 Mackinac Island
 Michigan's West Coast
 Downtown Grand Rapids
 Bays, Beaches & Boutiques (*Traverse City and surrounding area*)
 Blue Water Area/Port Huron
 Saginaw Valley Convention & Visitors Bureau
 Traverse City Convention & Visitors Bureau
 Muskegon
 Mackinaw City
 Coldwater/Branch County

In-State Advertising Partners

Alpena
 Flint
 Sault Ste. Marie
 The Henry Ford
 Downtown Grand Rapids
 Frankenmuth
 Great Waters of the Upper Peninsula
 Ludington
 Blue Water Area/Port Huron
 Sunrise Coast—Lake Huron coastline
 Silver Lake Sands Dunes

Pay-Per-Click Partners

Grand Rapids/Kent County Convention & Visitors Bureau
 The Henry Ford/Dearborn
 Kalamazoo
 Muskegon County Convention & Visitors Bureau
 Ramada Inns
 Saginaw Valley Convention & Visitors Bureau
 Traverse City Convention & Visitors Bureau
 Ludington Convention & Visitors Bureau
 Mecosta County Convention & Visitors Bureau