

FISCAL YEAR 2011

Year-End Report to the Legislature

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Michigan Economic Development Corporation

21ST CENTURY JOBS FUND INITIATIVE

The 21st Century Jobs Fund was created in 2005 and implemented in 2006 to reshape and diversify Michigan's economy by sparking new investments to rapidly companies and jobs. Michigan's economy is increasingly being driven by young, entrepreneurial businesses. This new configuration means the rebirth of industry in smarter, faster, and leaner clusters of innovative manufacturers and service providers. The 21st Century Jobs Fund now has four primary areas of focus:

Development and Commercialization of Competitive Edge Technologies

First, to encourage the development and commercialization of competitive-edge technologies in the following industry sectors:

- Life sciences
- Alternative energy
- Information technology
- Advanced automotive, manufacturing and materials
- Agricultural processing technology
- Other innovative technology as determined by the MSF Board

And, advanced computing and electronic device technology, design, engineering, testing, diagnostics, or product research and development as it relates to any of the competitive-edge technologies. Included in the objective to commercialize competitive edge technologies and launch new ventures, are the critical entrepreneurial support services, business incubators, and seed funds comprising the ecosystem in which these ventures grow and thrive.

Increased Equity Investment

The second focus of the fund is to increase capital investment activity in Michigan. The 21st Century Investment Fund is designed to attract and grow venture capital, private equity and mezzanine financing in Michigan and is structured as a state "fund-of-funds" program.

Increased Commercial Lending

Third, the 21st Century Jobs Fund increases commercial lending activity in Michigan. To stimulate additional lending by financial institutions across the state, the 21st Century Jobs Fund has the ability to create commercial loan enhancement programs. As part of that goal, the Capital Access Program (CAP) was reinstated to stimulate lending to small businesses in the state.

Industry Clusters

The fourth area of focus is on developing new industry clusters in Michigan. With clear competitive advantages, Michigan is poised to translate leading manufacturing and supply chain expertise, coupled with competitive edge technologies, to launch and diversify into new vertical markets.

The Michigan Economic Development Corporation (MEDC), in partnership with its industry partners, local economic development professionals, business acceleration service providers, university researchers and entrepreneurs statewide, has been seeking high-tech start-ups, expanding the risk capital market and nurturing company growth through creation of a multi-faceted entrepreneurial ecosystem, thereby ensuring the movement of promising technologies from the laboratory to the marketplace.

The 21st Century Jobs Fund, 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 is growing our life sciences, advanced manufacturing, and homeland security and defense industries. The Michigan Strategic Fund Act was amended in April 2011 to allow information technology firms, agricultural processing, and other innovative technology as determined by the MSF Board to be eligible for assistance as competitive edge technology enterprises under 21st century investment programs. This expansion will help the agriculture community create jobs in rural areas and make the fund available to more technology industries.

Initially the 21st Century Jobs Fund initiative was primarily focused on long-term goals with a mission to create a fertile climate for entrepreneurship and diversification of Michigan's economy. It has evolved to include programs that provide short-term stimulus for companies needing immediate access to capital to diversify and grow their business, resulting in more jobs and investment for Michigan.

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 (MSF) awarded \$43 million to six companies in the first round of the COEE program and \$21 million to five companies in the second round. The MSF Board authorized an additional \$9 million from the 21st Century Jobs Fund to the COEE program for fiscal year 2011 awards. The following projects were recommended for funding:

COEE AWARDS Fiscal Year 2011 (10/01/2010-09/30/2011)		
Company name	Project description	Award amount
Dow Corning Corporation	Dow Corning, a cooperative venture with Hemlock Semiconductor and in collaboration with Oak Ridge National Lab (ORNL), will establish the Solar Valley Research Enterprise (SVRE) in the Midland area. The center will coordinate a regional cluster of private sector companies, academic institutions and government labs to speed innovation and commercialization in the photovoltaic value chain.	\$6,000,000
Grid Logic Incorporated	Metamora-based Grid Logic will collaborate with ORNL to develop, test, certify and manufacture a fault current limiter that shores up the power supply in the event of a major disruption to the energy grid. Michigan Technological University, Florida State University, Columbia University, and North Carolina State University will assist with research addressing fault current limiter-equipped networks compared to conventionally protected networks. The company expects to create 200 direct jobs at its facility within five years.	\$3,000,000
Total		\$9,000,000

21ST CENTURY INVESTMENT FUND PROGRAM

The 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.

Since 2006, \$109 million has been committed to 13 funds and one company. As of September 2011, the investment fund managers have invested \$57.8 million in 20 Michigan-based portfolio companies.

Fiscal year 2011 Michigan investments include:

Intervention Insights, a Grand Rapids-based company, believes that a personal approach to therapy has the potential to increase survival time, improve a patient’s quality of life, and offer treatments that increase the chances of response. Its service uses dynamic molecular profiling techniques to provide physicians with patient-specific information to help with their therapeutic intervention decisions. Intervention Insights is helping to continue the promise of personalized medicine by focusing efforts on cancer treatments. Accumulative knowledge of the human genome along with enhanced molecular biology technologies presents a historical opportunity to make advances that can directly benefit cancer patients.

ArborMetrix, an Ann Arbor-based company, helps both hospitals and insurers respond to increasing market pressures to optimize their efficiency. It also helps them meet new challenges in the wake of health care reform, including accountable care organizations, bundled payments, and new models for value-based purchasing. ArborMetrix provides scientifically robust, state-of-the-art tools for tracking quality and cost-efficiency in every major clinical specialty, as well as practical solutions for helping hospitals improve.

CytoPherx, Inc., founded in July 2007 and headquartered in Ann Arbor, is a venture-backed, clinical stage medical device company addressing inflammation-based diseases and conditions with a proprietary selective cytopheresis system. The company’s products are custom, patent-protected configurations of commercially available hollow fiber dialysis filters that are used in a proprietary manner to sequester and deactivate leukocytes in the patient’s blood system. CytoPherx is initially focused on acute renal failure (ARF).

Previous Michigan investments include:

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| Accord Biomaterials, Ann Arbor | Kabongo, Ann Arbor |
| Accuri Cytometers, Ann Arbor | Life Magnetics, Ann Arbor |
| Arbor Photonics, Ann Arbor/San Jose, CA | Microposite, Auburn Hills |
| Delphinus Medical Technologies, Detroit | Mobius Microsystems, Detroit/Sunnyvale, CA |
| Eliason Corporation, Portage | NanoBio, Ann Arbor |
| Esperion Therapeutics, Ann Arbor | Outside Hub, Southfield |
| HandyLab, Ann Arbor | Tissue Regeneration Systems, Ann Arbor |
| Histosonics, Inc., Ann Arbor | Unitask, Inc., Bloomfield Hills |
| Incept Biosystems, Ann Arbor | |

VENTURE CAPITAL INVESTED	
Fiscal Year 2011 (10/01/2010–09/30/2011)	
Venture capital \$ invested in Michigan	\$74,000,000
Number of venture capital investments in Michigan	31
Venture capital \$ investments in Midwest	\$1,653,000,000
Number of venture capital investments in Midwest	287
Michigan investments as a percent of Midwest	4.50%

MICHIGAN SUPPLIER DIVERSIFICATION FUND AND MICHIGAN BUSINESS GROWTH FUND

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 such as alternative energy. The first loan enhancement program, the Michigan Loan Participation Program (MSDF-MLPP), 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 (MSDF-MCSP), 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. In 2009, 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.

Michigan is the first state that received federal funds through the State Small Business Credit Initiative (SSBCI), part of the Small Business Jobs Act signed into law in September 2010, and was awarded approximately \$79.1 million to back small business loans. The goal of the federal program is to help small businesses obtain loans of at least \$10 for every one dollar the state provides in support. In May 2011, the MSF Board approved the SSBCI program, which is essentially a federal version of the Michigan Supplier Diversification Fund, named the Michigan Business Growth Fund (MBGF). The board also approved allocation of the SSBCI funds for the program. The MBGF is designed to be flexible and allow a majority of the funds provided by the SSBCI to adjust as the banking environment in Michigan changes. The fund was established to operate the Collateral Support Program (MBGF-CSP) and Loan Participation Program (MBGF-LPP).

MSDF AND MBGF LOANS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Company	County	Type	Total loan	MSF support
MSDF-MCSP				
Be Cool, Inc.	Bay	MSDF-MCSP	\$500,000	\$200,000
Be Cool, Inc.	Bay	MSDF-MCSP	\$400,000	\$195,000
Kirtland Products	Charlevoix	MSDF-MCSP	\$3,800,000	\$1,484,152
Michigan Pipe and Valve—Lansing, Inc.	Eaton	MSDF-MCSP	\$2,750,000	\$500,000
Ryan & Kovich Properties, LLC	Genesee	MSDF-MCSP	\$490,000	\$130,000
Launch Support Specialists/Automation Movers International, Inc.	Genesee	MSDF-MCSP	\$1,750,000	\$350,000
Michigan Pipe and Valve—Flint	Genesee	MSDF-MCSP	\$2,000,000	\$400,000
Michigan Pipe and Valve—Traverse City	Grand Traverse	MSDF-MCSP	\$1,000,000	\$324,350
Microline Technologies	Grand Traverse	MSDF-MCSP	\$1,000,000	\$490,000
Tellurex	Grand Traverse	MSDF-MCSP	\$1,000,000	\$490,000
Tran Tek Automation	Grand Traverse	MSDF-MCSP	\$1,500,000	\$500,000
S S & S/Mantissa Inc.	Ingham	MSDF-MCSP	\$476,000	\$233,240
Sponseller Electric	Isabella	MSDF-MCSP	\$550,000	\$260,000
Full Spectrum	Jackson	MSDF-MCSP	\$2,552,000	\$1,250,000
Firstronic, LLC	Kent	MSDF-MCSP	\$750,000	\$300,000
LDM LLC UMP	Macomb	MSDF-MCSP	\$850,000	\$227,500
Silver Creek Manufacturing	Muskegon	MSDF-MCSP	\$1,250,000	\$612,500

MSDF AND MBGF LOANS <i>continued</i>				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Company	County	Type	Total loan	MSF support
W.M. Tube & Wire Form	Muskegon	MSDF-MCSP	\$65,000	\$31,850
Brasco	Oakland	MSDF-MCSP	\$1,800,000	\$359,000
Paramount Precision	Oakland	MSDF-MCSP	\$2,645,000	\$1,000,000
ITB Packaging	Ottawa	MSDF-MCSP	\$620,000	\$303,800
Reeves Plastics, LLC	Ottawa	MSDF-MCSP	\$400,000	\$199,000
Mistequay	Saginaw	MSDF-MCSP	\$3,303,406	\$499,000
Derona-Shar, LLC	Wayne	MSDF-MCSP	\$450,000	\$180,500
Ernest Acquisitions	Wayne	MSDF-MCSP	\$1,500,000	\$224,000
M & L Industrial Properties, LLC	Wayne	MSDF-MCSP	\$522,000	\$255,000
RBL Products/RBL Plastics	Wayne	MSDF-MCSP	\$350,000	\$125,000
Celtic Properties, LLC	Wayne	MSDF-MCSP	\$250,000	\$122,500
Total MSDF-MCSP			\$34,523,406	\$11,246,392
MSDF-MLP				
Vantage Plastics	Arenac	MSDF-MLPP	\$406,000	\$198,940
JA Foodservice	Berrien	MSDF-MLPP	\$600,000	\$124,000
Maverick	Jackson	MSDF-MLPP	\$800,000	\$392,000
Kalkaska Screw Products	Kalkaska	MSDF-MLPP	\$472,000	\$235,528
Breckenridge Capital, LLC	Oakland	MSDF-MLPP	\$350,000	\$171,500
Scientific Brake	Saginaw	MSDF-MLPP	\$1,000,000	\$490,000
Scientific Brake	Saginaw	MSDF-MLPP	\$1,250,000	\$500,000
Mol-Son, LLC	Van Buren	MSDF-MLPP	\$9,500,000	\$2,500,000
Petter Investments	Van Buren	MSDF-MLPP	\$800,000	\$392,000
Total MSDF-MLPP			\$15,178,000	\$5,003,968
MBGF-CSP				
The SpaBath Company, LLC	Grand Traverse	MBGF-CSP	\$725,000	\$355,250
James Burg Trucking Company	Macomb	MBGF-CSP	\$4,925,000	\$1,200,000
Total MBGF-CSP			\$5,650,000	\$1,555,250
MBGF-LPP				
Manistique Papers, Inc.	Schoolcraft	MBGF-LPP	\$4,142,889	\$2,000,000
Manistique Papers, Inc.	Schoolcraft	MBGF-LPP	\$1,333,348	\$500,000
PEP Stations, LLC	Wayne	MBGF-LPP	\$750,000	\$374,250
Total MBGF-LPP			\$6,226,237	\$2,874,250

SMALL BUSINESS CAPITAL ACCESS PROGRAM LOANS

The Small Business Capital Access Program (SBCAP) is a loan enhancement program that helps small businesses to 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, will offset 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 2011 (10/01/2010-09/30/2011)					
Month	Loans enrolled	Total amount of loans enrolled	MSF reserve contribution	Projected new jobs	Projected retained jobs
October	11	\$629,650	\$24,098	8	72
November	11	\$314,694	\$10,788	10	38
December	26	\$1,095,758	\$36,225	41	111
January	55	\$4,102,909	\$135,257	87	422
February	3	\$299,271	\$9,030	5	7
March	27	\$1,869,633	\$59,609	39	417
April	41	\$2,585,527	\$79,571	87	182
May	27	\$1,962,822	\$61,175	111	208
June	14	\$728,617	\$22,609	36	64
July	28	\$1,609,061	\$51,358	23	113
August	3	\$150,000	\$6,150	5	8
September	0	\$0	\$0	0	0
Total	246	\$15,347,942	\$495,870	452	1,642

SMALL BUSINESS CAPITAL ACCESS PROGRAM LOANS

SBCAP LOAN RECIPIENTS			
Fiscal Year 2011 (10/01/2010-09/30/2011)			
Company name	City	County	Industry
Gnegy Dental Associates	Allegan	Allegan	offices and clinics of dentists
Quantum Construction Company	Douglas	Allegan	management services
Zing Eat/Drink Holdings, LLC	Douglas	Allegan	eating places
The White House, LLC	Fennville	Allegan	drinking places (alcoholic beverages)
1st Choice Trucking	Hamilton	Allegan	trucking, except local
Alle Rue No 133, Inc.	Saugatuck	Allegan	piece goods, notions and other dry goods
David Langley and June Springs	Saugatuck	Allegan	hotels and motels
Ray Pag	Saugatuck	Allegan	eating places
Osbaldo F. Henderson and Holly L. Henderson	Shelbyville	Allegan	nondurable goods
Gun Lake Repair and Detail, Inc.	Wayland	Allegan	general automotive repair shops
Endoscopy Repair Specialists Inc.	Hastings	Barry	repair shops and related services
JK Rose Construction, LLC	Hastings	Barry	general contractors-single family houses
Michael I Hallifax dba Hallifax Services	Hastings	Barry	lawn and garden services
Rivergate Family Campground, LLC	Hastings	Barry	recreational vehicle parks and campsites
Action Leasing, LLC	Auburn	Bay	operators of residential mobile home sites
Ashly Bailey Family Dentistry, PLC	Bay City	Bay	offices and clinics of dentists
Marc Coleman dba Shields Fire Protection	Bay City	Bay	welding repair
Wieland Sales, Inc.	Bay City	Bay	automotive dealers
Peter Miller dba Buzz n Blades Turf Service	Essexville	Bay	lawn services
Aleksandr & Dreychan	Lake Ann	Benzie	local trucking without storage
J.B.M. Enterprises	Benton Harbor	Berrien	general automotive repair shops
Kaz Enterprises	Benton Harbor	Berrien	drinking places (alcoholic beverages)
Rudolf D. Ronto and Wendy L. Ronto	Berrien Center	Berrien	offices and clinics of dentists
Wesley Ryan Kinsey and Brooke Roberts	Coldwater	Branch	barber shops
William and DeAnne Hawley	Coldwater	Branch	ornamental shrub and tree services
Macomber Welding & Fabricating, Inc.	Dutton	Caledonia	metalworking machinery
Lorin M. Granger	Battle Creek	Calhoun	insurance agents, brokers and service
Tennis Connection, Inc.	Battle Creek	Calhoun	professional sports clubs and promoters
B & L Party Coolers, LLC	Homer	Calhoun	nondurable goods
Frank T. Bauer/American Stall Rentals	Marshall	Calhoun	equipment rental and leasing
American Stall Rentals, LLC	Tekonsha	Calhoun	equipment rental and leasing
Jody Sheffer	Dowagiac	Cass	video tape rental
Extraordinary Dental Practice, PLC	East Jordan	Charlevoix	offices and clinics of dentists
Up North Home Inspector, LLC	East Jordan	Charlevoix	plumbing, heating equipment and supplies (hydronics)

SBCAP LOAN RECIPIENTS *continued*
Fiscal Year 2011 (10/01/2010-09/30/2011)

Company name	City	County	Industry
Johnson Sport Shop	Drummond Island	Chippewa	sporting goods stores and bicycle shops
R & R Excavation Services, Inc.	Pickford	Chippewa	excavation work
M Family Salon, Inc.	Petoskey	Emmet	beauty shops
Jack Lands	Davison	Genesee	miscellaneous retail stores
Sabo Properties, LLC and Bobby J. Grossi	Flint	Genesee	offices and clinics of dentists
Crist Family Storage	Lennon	Genesee	beef cattle, except feedlots
Lake Shore AFC Properties LLC	Grawn	Grand Traverse	residential care
5 Star Directional Drilling Services, Inc.	Kingsley	Grand Traverse	oil and gas wells directional drilling
GoLo, LLC	Traverse City	Grand Traverse	commercial printing
In Home Health Care Services, Inc.	Traverse City	Grand Traverse	home health care services
Mission Tool & Die Co.	Traverse City	Grand Traverse	special dies and tools, die sets, jibs and fixtures and industrial molds
Safety Net, Inc.	Traverse City	Grand Traverse	computer related services
Kelly Restaurants LLC	Williamsburg	Grand Traverse	eating places
T.J. Campbell and Company	Williamsburg	Grand Traverse	home furnishings
Amando A. Garcia dba Amando's Service	Alma	Gratiot	automotive repair shops
J&J Hirschman, LLC/Hirsch Holdings, LLC	Alma	Gratiot	metalworking machinery
Kids World News Too, Inc.	Alma	Gratiot	newspaper publishing, or publishing and printing
Matthew and Mary Redman	Alma	Gratiot	dairy farms
Phi L Le and Chi Jarquin-Le	Alma	Gratiot	hotels and motels
Willow Creek Farms Trucking	Ashley	Gratiot	local trucking without storage
Bruce Waldron Excavating, Inc.	Elwell	Gratiot	special trade contractors
Chris & Maria Buerge	Ithaca	Gratiot	eating places
Edward L. Taylor/Taylor Services	Ithaca	Gratiot	operators of nonresidential buildings
Ithaca Chevrolet	Ithaca	Gratiot	motor vehicle dealers (new and used)
Victor Flegel and Tina Flegel/Pencil Craft, LLC	Ithaca	Gratiot	wood products
Brian S. Wood/Discount Dumpster	St. Louis	Gratiot	local trucking without storage
Richard L. Hayes II	Sumner	Gratiot	local trucking without storage
Keith I and Dollie Vincent	Camden	Hillsdale	corn
Hillsdale Aero, Inc.	Hillsdale	Hillsdale	airports, flying fields, and airport terminal services
Lyle E. Gordon	Hillsdale	Hillsdale	water, sewer, pipeline, and communications and power lines
The Victorian Rose, LLC	Hillsdale	Hillsdale	florists
Timothy J. Baker	Hillsdale	Hillsdale	offices and clinics of optometrists
Terry Alan Ladd	Jonesville	Hillsdale	arrangement of transportation of freight and cargo
Cindy L. Paletis and Matthew A. Paletis	Litchfield	Hillsdale	retail bakeries

SBCAP LOAN RECIPIENTS <i>continued</i>			
Fiscal Year 2011 (10/01/2010–09/30/2011)			
Company name	City	County	Industry
John Keith Wireman	Litchfield	Hillsdale	cash grains
S.D. Powers Trucking	Litchfield	Hillsdale	trucking, except local
Christopher Allen	Bad Axe	Huron	sporting goods stores and bicycle shops
Biophotonic Solutions	East Lansing	Ingham	optical instruments and lenses
Dallas H. and Katherine Henney	Leslie	Ingham	field crops, except cash grains
Charles R. Barker, Jr. D.O. Family Services	Belding	Ionia	offices and clinics of doctors of medicine
West Michigan Fab Corporation	Belding	Ionia	fabricated metal products
Snyder Asphalt, Inc.	Saranac	Ionia	highway and street construction
M.D. Refrigeration, LLC	Lake Isabella	Isabella	plumbing, heating and air conditioning
Ryan C. Green/Green Insurance Agency	Mt. Pleasant	Isabella	insurance agents, brokers and service
S & K Food Pride, Inc.	Rosebush	Isabella	groceries, general line
J Hill Services, LLC	Grass Lake	Jackson	arrangement of transportation of freight and cargo
Choice Auto Sales of Jackson	Jackson	Jackson	motor vehicle dealers (used only)
Bond Tool & Engineering, Inc.	Kalamazoo	Kalamazoo	industrial organic chemicals
Case Management of Michigan	Kalamazoo	Kalamazoo	offices and clinics of doctors of medicine
Doug Dodson	Kalamazoo	Kalamazoo	operators of nonresidential buildings
Harrison Packing Co., Inc.	Kalamazoo	Kalamazoo	canned fruits, vegetables, preserves, jams and jellies
Kalamazoo PS, LLC	Kalamazoo	Kalamazoo	eating places
Lucky 13 Moving, LLC	Kalamazoo	Kalamazoo	local trucking with storage
Redline Manufacturing, Inc.	Kalamazoo	Kalamazoo	industrial and commercial machinery and equipment
Steven K. Ray	Kalamazoo	Kalamazoo	offices and clinics of dentists
The Victorian Bakery	Kalamazoo	Kalamazoo	bread and other bakery products
Western Diversified Plastics, LLC	Kalamazoo	Kalamazoo	precision plastic components and electro mechanical components
RJ Saline, Inc.	Portage	Kalamazoo	insurance agents, brokers and service
Shoreline Chiropractic	Wyoming	Kalamazoo	offices and clinics of chiropractors
Stuart Orr	Ada	Kent	physical fitness facilities
Caledonia Tree Service, Inc.	Alto	Kent	lawn and garden services
Landscape Impressions Design & Garden	Caledonia	Kent	lawn and garden services
Vertical Paradise Farms	Caledonia	Kent	food crops grown under cover
Advantage Mechanical Refrigeration, Inc.	Comstock Park	Kent	plumbing, heating and air conditioning
Advanced Concepts Compounding	Grand Rapids	Kent	local trucking without storage
Alpine Fitness, LLC	Grand Rapids	Kent	physical fitness facilities
Boss Electro Static, Inc.	Grand Rapids	Kent	coating, engraving, and allied services
Canal Street Brewing Co.	Grand Rapids	Kent	wines, brandy, and brandy spirits
Chaser Apparel	Grand Rapids	Kent	apparel
Core Technologies, LLC	Grand Rapids	Kent	computer related services

SBCAP LOAN RECIPIENTS <i>continued</i>			
Fiscal Year 2011 (10/01/2010-09/30/2011)			
Company name	City	County	Industry
Grand Rapids Metaltek	Grand Rapids	Kent	repair shops and related services
Hee Ja Oh dba Plainfield Party Store	Grand Rapids	Kent	liquor stores
J. Russo Enterprises	Grand Rapids	Kent	miscellaneous food stores
JTR Transportation	Grand Rapids	Kent	local trucking without storage
Point Transport, LLC	Grand Rapids	Kent	trucking, except local
Queen Bee Quilt Shoppe, LLC	Grand Rapids	Kent	apparel and accessories
Saul Munoz, Roberto Munoz and Maria Pere	Grand Rapids	Kent	eating places
Superior Press and Automation	Grand Rapids	Kent	oil and gas field machinery and equipment
Treads & Sleds dba Grand Rapids Power Co.	Grand Rapids	Kent	automotive dealers
Water Specifications Inc.	Grand Rapids	Kent	water supply
Watersnap, LLC	Grand Rapids	Kent	physical fitness facilities
Noffsinger, LLC	Grandville	Kent	insurance agents, brokers and service
Gymco, Inc.	Kentwood	Kent	physical fitness facilities
Preferred Construction Group LLC	Kentwood	Kent	management services
Rockford Operation	Kentwood	Kent	child day care services
Selvedin Kmetas	Kentwood	Kent	trucking, except local
Studio 2 Digital Dental Design, Inc.	Kentwood	Kent	dental laboratories
Brainard Enterprises, Inc.	Rockford	Kent	special trade contractors
G R Twin Properties	Rockford	Kent	eating places
Kelley's Animal Clinic, P.C.	Walker	Kent	veterinary services for animal specialties
Electric by Lakestate, Inc.	Wyoming	Kent	electrical work
Gerald Rose	Wyoming	Kent	professional equipment and supplies
Ross and Sharon Tuttle	Wyoming	Kent	local trucking without storage
Shoreline Chiropractic	Wyoming	Kent	offices and clinics of chiropractors
White Glove Cleaning and Maintenance	Wyoming	Kent	building cleaning and maintenance services
David R. Smith	Baldwin	Lake	general contractors-single family houses
Mathew J. Manier	Branch	Lake	repair shops and related services
Northern Destiny Investments	Luther	Lake	grocery stores
Northern Michigan Temporary Services, Inc.	Luther	Lake	special trade contractors
Triple D Orchards	Empire	Leelanau	crop preparation services for market
SVH Employment, LLC	Hudsonville	Lenawee	coin-operated laundries and dry cleaning
Chakradhar C. Reddy	Clinton Township	Macomb	offices and clinics of doctors of medicine
Jamie Yang dba Village Cleaners	Clinton Township	Macomb	coin-operated laundries and dry cleaning
Dynamic Polymer Solutions	Fraser	Macomb	sheet metalwork
Robert J. Inc.	Macomb	Macomb	motor vehicle dealers (used only)
Contract Milling Services, Inc.	Roseville	Macomb	screw machine products

SBCAP LOAN RECIPIENTS <i>continued</i>			
Fiscal Year 2011 (10/01/2010–09/30/2011)			
Company name	City	County	Industry
J & J Spring Enterprises, LLC	Shelby Township	Macomb	bolts, nuts, screws, rivets and washers
Pioneer Plastics Inc.	Shelby Township	Macomb	plastics products
Service 1st Maintenance, LLC	Shelby Township	Macomb	building cleaning and maintenance services
Drive Enterprise, LLC	St. Clair Shores	Macomb	excavation work
24-7 Battery Systems, LLC	Warren	Macomb	auto and home supply stores
Rocket Enterprise, Inc.	Warren	Macomb	nondurable goods
Maximum Management, Inc.	Washington	Macomb	eating places
Satnaamjc Inc. & Satnaam, LLC	Wellston	Manistee	hotels and motels
Armato Electric, Inc.	Big Rapids	Mecosta	general contractors-residential buildings
H & H Wildlife Design Fur Dressing, Inc.	Mecosta	Mecosta	leather tanning and finishing / mens and and boys clothing and accessories
RTG Transport, LLC	Morley	Mecosta	local trucking without storage
Stephen L. & Becki J. Lente	Rodney	Mecosta	offices and clinics of health practitioners
180 Designs, LLC	Stanton	Mecosta	commercial art and graphic design
Dare Investigations, LLC	Midland	Midland	detective, guard and armored car services
JA Hoffman Family, LLC	Midland	Midland	eating places
Jack Pine Production, Inc.	Midland	Midland	motion picture and video tape production
McB & MLB Properties	Midland	Midland	operators of nonresidential buildings
Midland Sleep Central, LLC	Midland	Midland	miscellaneous retail stores
Mid Michigan Logging	Lake City	Missaukee	logging
Andrew Braman dba DNE	Edmore	Montcalm	local trucking without storage
Mulholland Enterprises, LLC	Greenville	Montcalm	business services
Three Seasons Campground, Inc.	Greenville	Montcalm	recreational vehicle parks and campsites
Brigham Funeral Chapel, PLC	Six Lakes	Montcalm	funeral homes
Alan and Shannon Buskirt	Stanton	Montcalm	trucking, except local
Circle B Acres	Stanton	Montcalm	dairy farms
Git-R-Dun Trucking, LLC	Stanton	Montcalm	local trucking without storage
Cory Pendrick & Katie Walbridge	Muskegon	Muskegon	coin-operated laundries and dry cleaning
Fatboy's Gallery of Tattoo Art, LLC	Muskegon	Muskegon	miscellaneous personal services
Hartshorn Holdings, LLC	Muskegon	Muskegon	eating places
MTA Land/Muskegon Tire	North Muskegon	Muskegon	motor vehicle parts and accessories
Aesthetic Dentistry by DiPilla, PC	Birmingham	Oakland	offices and clinics of dentists
Mills Pharmacy & Apothecary, LLC	Birmingham	Oakland	drug stores and proprietary stores

SBCAP LOAN RECIPIENTS <i>continued</i>			
Fiscal Year 2011 (10/01/2010–09/30/2011)			
Company name	City	County	Industry
Roman Electrical Co.	Clarkston	Oakland	electrical work
Springbrook Sub, LLC	Commerce Township	Oakland	variety stores
J&R Industries, Inc.	Farmington Hills	Oakland	home furnishings
Sneaker Station, Inc.	Highland	Oakland	women's accessory and specialty stores
Dolce Panetteria Foods, LLC	Lake Orion	Oakland	bread and other bakery products
Outbound Technologies Incorporated	New Hudson	Oakland	engineering services
Financial Future Management	Novi	Oakland	loan brokers
Luma Resources	Rochester Hills	Oakland	heating equipment, except electric and warm air furnaces
Marconi Brothers, LLC	Rochester Hills	Oakland	eating places
Michael J. Golding	Southfield	Oakland	legal services
AAL Enterprises, LLC	Waterford	Oakland	coin-operated laundries and dry cleaning
AAA Underground, Inc.	West Bloomfield	Oakland	water well drilling
Wrotten & Associates, P.C.	Wixom	Oakland	accounting, auditing, and bookkeeping services
Wild Bill's ATVs, Inc.	Mears	Oceana	coin-operated amuses devices
J & J Spring Enterprises, LLC	Shelby	Oceana	bolts, nuts, screws, rivets and washers
Patricia J. Brown dba Pizza Factory	Shelby	Oceana	eating places
Brian E. Rehkopf dba BBR Mobile	Reed City	Osceola	special trade contractors
Rouse Transport, LLC	Reed City	Osceola	transportation services
Big to Small Delivery Service	Tustin	Osceola	trucking without storage
ADL Home Care Inc.	Holland	Ottawa	residential care
Central Park Grocery, LLC–LOC	Holland	Ottawa	grocery stores
Dykstra Drug Store	Holland	Ottawa	drug stores and proprietary stores
Exinent, LLC	Holland	Ottawa	business consulting services
Advanced CNC Machining, LLC	Hudsonville	Ottawa	industrial and commercial machinery and equipment/metal doors, sash, frames, molding and trim
Bissell Painting	Jenison	Ottawa	painting and paper hanging
KL Tools, LLC	West Olive	Ottawa	automotive repair shops
Kathleen Haveman	Zeeland	Ottawa	trucking, except local
Primera Plastics, Inc.	Zeeland	Ottawa	plastics materials, synthetic resins, and nonvulcanizable elastomers
Jen's Lens Photography, Inc.	Merrill	Saginaw	photographic studios, portrait
James Giffin	Saginaw	Saginaw	trucking, except local
Karl J. Weyand III and Allison E. Weyand	Saginaw	Saginaw	miscellaneous personal services
Midwest Marketing, Inc.	Saginaw	Saginaw	hardware

SBCAP LOAN RECIPIENTS <i>continued</i>			
Fiscal Year 2011 (10/01/2010-09/30/2011)			
Company name	City	County	Industry
Scott Krugielka dba Rightway Remediation	Saginaw	Saginaw	special trade contractors
L & S Tree Moving	Mendon	St. Joseph	forest nurseries and gathering of forest products
Bangor Land Holding, LLC	Bangor	Van Buren	residential care
Beacon Specialized Living Services, Inc.	Bangor	Van Buren	residential care
Peter W. Fritz and Joshua Fritz	Gobles	Van Buren	equipment rental and leasing
Preferred Providers, Inc.	Ann Arbor	Washtenaw	home health care services
The Lodge of Quincy Real Estate Company	Ann Arbor	Washtenaw	intermediate care facilities
Animal Regenerative Care Center PLLC	Chelsea	Washtenaw	testing laboratories
Anthony P. and Vivian R. Frudakis	Saline	Washtenaw	corn
Fifth Avenue Liquor Spot, Inc.	Detroit	Wayne	grocery stores
Pony Enterprises, Inc.	Detroit	Wayne	liquor stores
Andrea Shameti	Livonia	Wayne	trucking, except local
Custom Designed Security, Inc.	Livonia	Wayne	security systems services
Dawood Inc. dba Brass Mug Liquor	Livonia	Wayne	grocery stores
Pizza Czars	Livonia	Wayne	eating places
Center Street Wealth Strategies, LLC	Northville	Wayne	investment advice
Sole Construction, Inc.	Westland	Wayne	water well drilling
JSJA Enterprises, Inc.	Woodhaven	Wayne	eating places
Mahnke Machine	Cadillac	Wexford	machine shop
Nelson Logging, Inc.	Cadillac	Wexford	logging

FOLLOW-ON FUND

To maximize the economic impact of the portfolio of investments the MEDC manages on behalf of dollars distributed 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 to 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 2011 (10/01/2010–09/30/2011)				
Company name	City	County	Loan amount	Project highlights
Armune BioScience, Inc.	Kalamazoo	Kalamazoo	\$500,000	Armune BioScience was formed to develop and commercialize high value, protein signature-based diagnostic tests for prostate, lung and breast cancers that will allow physicians and patients to make better treatment decisions.
Tolera Therapeutics, Inc.	Kalamazoo	Kalamazoo	\$500,000	Tolera Therapeutics is developing novel therapies and technologies, to offer patients and their doctors, targeted and safer solutions, for immune modulation and related medical needs.
3D Biomatrix, Inc.	Ann Arbor	Washtenaw	\$415,000	3D Biomatrix provides three dimensional (3D) cell culture plates and scaffolds (matrices). Its 3D cell culture solutions boost life sciences research and drug discovery/testing applications by providing life-like results. Cells grown on 3D Biomatrix products have been shown to retain a much higher complexity of body response than traditional 2D cell cultures.
Arbor Photonics, Inc.	Ann Arbor	Washtenaw	\$500,000	Arbor Photonics is developing highly reliable fiber lasers that feature an unmatched combination of beam quality and optical power. Its proprietary fiber platform technology expands the limits of single-mode laser performance to hundreds of watts of average pulsed power and multi-kilowatts of continuous wave optical power. These lasers can enable dramatic improvements in throughput and processing speed in microelectronics manufacturing, solar cell processing and industrial materials processing applications.

FOLLOW-ON FUND LOANS <i>continued</i>				
Fiscal Year 2011 (10/01/2010–09/30/2011)				
Company name	City	County	Loan amount	Project highlights
Gema Diagnostics	Ann Arbor	Washtenaw	\$250,000	Gema Diagnostics is a venture-backed molecular diagnostics company developing applications to dramatically improve clinical outcomes in in vitro fertilization (IVF). Gema has designed an oocyte screening technique as a diagnostic service which uses a genetic “pregnancy signature” to identify the most viable oocytes prior to fertilization.
Solidica, Inc.	Ann Arbor	Washtenaw	\$500,000	Solidica provides sensor network and fabrication solutions to military, automotive, aerospace, industrial, and consumer product industries. The company’s mission is to be the world’s leading provider of next generation ruggedized smart sensor networks linking physical parameter monitoring to customers’ knowledge systems—delivering enhanced product differentiation, improved safety and control, visibility and profitable outcomes.
Total			\$2,665,000	

SMALL BUSINESS INVESTMENT TAX CREDIT

The Small Business Investment Tax Credit (SBITC) program allows a taxpayer that makes a qualified investment after December 31, 2010, and before January 1, 2012, in a qualified business to claim a tax credit imposed by the Income Tax Act equal to 25 percent of the qualified investment made during the tax year, as described in MCL 206.278. The SBITC is intended to incent angel investors to invest in Michigan-based innovative seed and early-stage companies. The benefits of this program are shared by the small businesses, investors, employees, and the state's economy. Michigan businesses can more readily obtain the capital needed to grow, and investors are better able to manage the risk associated with investing in early stage businesses and novel technologies. The state benefits by the larger number of investments which support the growth of emerging businesses and ultimately create jobs. In 2011, the Michigan Legislature shortened the timeframe in which to make qualified investments under the program from January 1, 2013, to January 1, 2012.

Since its inception, the program has generated the following aggregate results:

Registered Investment Groups: 38 (*angel or venture capital groups that have registered with the Michigan Strategic Fund in order to utilize the program*)

Investors approved for tax credits: 54

Qualified businesses that have received investments: 11

Total tax credits approved: \$680,624

Total qualified investments: \$2,672,501

Additional leverage on qualified investments: \$3,204,001

Leverage ratio: 8.6:1 (*private investment to total tax credits*)

EARLY STAGE FUNDING AND ENTREPRENEURIAL SUPPORT SERVICES

In April 2011, the Michigan Strategic Fund issued two Requests for Proposals (RFPs) for programs to aid Michigan entrepreneurs in commercializing competitive edge technologies fields including alternative energy, life sciences, homeland security and defense, advanced manufacturing and materials, agricultural processing, information technology, and other innovative sectors.

Entrepreneurs: One RFP sought to enhance and sustain Michigan's entrepreneurial ecosystem through business acceleration services, business incubation, entrepreneurial talent development and early-stage business counseling in competitive-edge technology sectors. The MSF approved \$12 million in funding for this initiative.

Early Stage: The MSF also approved \$13 million to fund a second RFP for an innovative Early Stage Seed Capital Initiative. It solicited seed investment funds and non-profit entities that will provide capital to new companies during the investigation and feasibility phases of innovation and technology development.

Forty-one applications were received and reviewed by 19 independent peer review experts. In July 2011, a total of eight organizations received awards from the MSF (funding is for two to three years):

EARLY STAGE AND ENTREPRENEURIAL SUPPORT SERVICES AWARDS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Organization	City	County	Description	Award amount
Great Lakes Entrepreneurs Quest (GLEQ)	Lansing	Ingham	Statewide annual business plan competition that provides a network of volunteer coaching, investor talent, and entrepreneurial support programs for early stage companies.	\$1,080,000 (ESG)
Biosciences Research & Commercialization Center (BRCC) of Western Michigan University	Kalamazoo	Kalamazoo	Statewide pre-seed fund that will invest in life science start-ups.	\$3,830,000 (ESF)
Michigan Small Business & Technology Development Center (SBTDC)	Grand Rapids	Kent	Business Accelerator Fund, a fund that can be accessed by participating business accelerators statewide to provide specialized business acceleration services and resources regardless of their client's geography.	\$3,532,957 (ESG)
Ann Arbor Spark	Ann Arbor	Washtenaw	Pre-Seed Capital Fund: A statewide co-investment program in collaboration with all Michigan SmartZones that makes investments in pre-seed stage companies; Accelerate Michigan Innovation Competition, an annual business competition that awards \$1 million in cash prizes to start-up and emerging companies; and the Michigan Angel Fund, a new fund that will invest in Michigan start-up companies.	\$9,170,000 (ESF) \$1,650,000 (ESG)

EARLY STAGE AND ENTREPRENEURIAL SUPPORT SERVICES AWARDS *continued*
 Fiscal Year 2011 (10/01/2010-09/30/2011)

Organization	City	County	Description	Award amount
Biotechnology Business Consultants (BBC)	Ann Arbor	Washtenaw	Statewide support for Michigan companies to secure funding through federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.	\$1,575,000 (ESG)
Michigan Venture Capital Association (MVCA)	Ann Arbor	Washtenaw	Entrepreneur-in-Residence and CEO placement programs, to improve talent in entrepreneurial companies; the Michigan Venture Fellows program, to develop talent for Michigan venture capital firms; and the Angel Network Growth program, to strengthen angel investment networks across the state.	\$3,068,846 (ESG)
Detroit Creative Corridor Center	Detroit	Wayne	Creative Producers, a program that will deliver targeted business acceleration services to early and second stage businesses in the digital and media production fields.	\$375,000 (ESG)
Inforum Center for Leadership	Detroit/ Grand Rapids	Wayne/ Kent	Implementation of two programs focused on high-growth women entrepreneurs: ACTiVATE, a technology commercialization curriculum, and Astia, a global network of mentors and investors.	\$718,197 (ESG)
Total				\$25,000,000
<i>ESF = Early stage fund</i> <i>ESG = Entrepreneurial support grant</i>				

BUSINESS INCUBATOR AWARDS

In September 2010, the Michigan Legislature appropriated \$1.3 million to the business incubator program through the Michigan Strategic Fund (MSF). The enabling legislation (HB 5880/2010 PA 191) directs the MSF Board to distribute the funds on a competitive basis to one business incubator program in each of the following counties and cities: Houghton, Isabella, Kalamazoo, Kent, Macomb, Muskegon, Oakland and Washtenaw counties, in a city with a population greater than 750,000 (Detroit) and in a city with a population in the 2000 census between 119,000 and 120,000 and that experienced a population loss between 8.0 percent and 9.0 percent between the 1990 and 2000 census (Lansing).

The MSF Board approved the following 10 proposals to receive awards under the business incubator RFP, contingent upon the execution of a contract with terms and conditions agreed to by the MSF and the awardee:

BUSINESS INCUBATOR AWARDS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Incubator applicant	Incubator	City	County	Award amount
Michigan Tech Enterprise Corporation	MTEC SmartZone	Houghton	Houghton	\$100,000
Lansing LDFA	Lansing/East Lansing LDFA/SmartZone	Lansing/ East Lansing	Ingham	\$100,000
Central Michigan University	CMU/Research Corporation	Mount Pleasant	Isabella	\$100,000
Kalamazoo SmartZone	Southwest Michigan Innovation Center	Kalamazoo	Kalamazoo	\$100,000
Grand Valley State University	West Michigan Science & Technology Initiative (WMSTI)	Grand Rapids	Kent	\$100,000
Oakland University	Macomb OU Incubator	Sterling Heights	Macomb	\$250,000
Grand Valley State University	Michigan Alternative and Renewable Energy Center (MAREC)	Muskegon	Muskegon	\$100,000
Automation Alley	Automation Alley	Troy	Oakland	\$250,000
Ann Arbor SPARK	Spark East Incubator	Ypsilanti	Washtenaw	\$100,000
Detroit Creative Corridor Center	DCCC	Detroit	Wayne	\$100,000
			Total	\$1,300,000

EMERGING TECHNOLOGIES FUND

The Michigan Emerging Technologies Fund (ETF) is designed to expand funding opportunities for Michigan technology based companies in the federal innovation research and development arena. The Michigan Small Business & Technology Development Center (MI-SBTDC) in partnership with the Michigan Economic Development Corporation (MEDC), is dedicating up to \$1.4 million annually to match federal SBIR/STTR* funding opportunities for exceptional research and technical innovation generated in Michigan.

The Michigan ETF will match 25 percent of phase I SBIR/STTR awards up to \$25,000, and 25 percent of phase II SBIR/STTR awards up to \$125,000. The ETF awards will come in the form of grants and do not need to be paid back; however, ETF award dollars must be used to help bring projects to commercialization in Michigan.

Companies must leverage a third party match to be eligible for ETF awards. Before submitting an SBIR/STTR proposal to the federal government, an applicant must first secure a matching commitment from the MI-SBTDC. Preference will be given to applicants who demonstrate significant commercialization potential.

The Michigan Legislature appropriated \$1.4 million through the Michigan Strategic Fund (MSF) to the MI-SBTDC to be used for the SBIR/STTR grant or loans matching program for fiscal year 2011. The MSF Board approved allocation of the \$1.4 million in January 2011. The MSF approved a similar appropriation for fiscal years 2007, 2008, 2009 and 2010. Over \$4.5 million of the funds have been tentatively committed to 81 projects with the following breakdown:

Phase I awards	47
Phase II awards	34
ETF funds disbursed	\$4,570,074
ETF funds set aside	\$245,000
ETF funds available	\$784,926
SBIR/STTR leverage	\$32,576,847
Third party leverage	\$28,710,177
Jobs created and retained	191
Additional financing raised	\$40,599,406

**The Small Business Innovation Research (SBIR) program is a United States government program, coordinated by the Small Business Administration, in which 2.5 percent of the total extramural research budgets of all federal agencies with extramural research budgets in excess of \$100 million are reserved for contracts or grants to small businesses. Annually, the SBIR budget represents more than \$1 billion in research funds. Over half the awards are to firms with fewer than 25 people and a third to firms of fewer than 10. A fifth are minority or women-owned businesses. Historically, a quarter of the companies are first-time winners.*

Congress established the Small Business Technology Transfer (STTR) program in 1992. It is similar in structure to SBIR and funds cooperative research and development projects with small businesses in partnership with not-for profit research institutions (such as universities) to move research to the marketplace.

The SBIR/STTR programs are structured in three phases. Phase I (project feasibility) determines the scientific, technical and commercial merit and feasibility of the ideas submitted. Phase II (project development to prototype) is the major research and development effort, funding the prototyping and demonstration of the most promising Phase I projects. Phase III (commercialization) is the ultimate goal of each SBIR/STTR effort and statute requires that Phase III work be funded by sources outside the SBIR/STTR program.

SMARTZONES/BUSINESS ACCELERATORS

In 2000, the Michigan Economic Development Corporation launched the Michigan SmartZoneSM Network—an innovative, statewide, technology business acceleration strategy to build entrepreneurial talent and infrastructure. Today, Michigan is home to 15 SmartZones in distinct geographical locations, each anchored by an academic institution and supported by the local communities.

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. SmartZones have contributed over \$1.7 billion in public and private investment in the state.

Below is a list of the 15 SmartZones:

1. MTEC SmartZone—Michigan Technological University
2. Sault Ste. Marie—Lake Superior State University
3. Michigan Alternative and Renewable Center—Grand Valley State University
4. Western Michigan Science & Technology Center—Cook-DeVos Center for Health Sciences
5. CMU Research Corporation—Central Michigan University
 - 5a. Mount Pleasant SmartZone Satellite—Mid-Michigan Innovation Center
6. Lansing Regional SmartZone—Cities of East Lansing and Lansing, Ingham County, Lansing Regional Chamber of Commerce, MBI International, Michigan State University, the Michigan State University Foundation and the University Corporate Research Park
7. Southwest Michigan Innovation Center—Western Michigan University
8. Battle Creek Unlimited—Western Michigan University and Kellogg Community College
9. Jackson Technology Park—Baker College, Jackson Community College and Spring Arbor University
10. Ann Arbor SPARK—University of Michigan and Eastern Michigan University
11. Pinnacle Aeropark—Detroit Metropolitan Airport, Wayne County Economic Development Growth Engine (EDGE)
12. TechTown—Wayne State University
13. OU INCubator—Oakland University - Rochester
14. Macomb INCubator—Oakland University - Macomb
15. Automation Alley—Lawrence Technological University and Oakland University

MICHIGAN DEFENSE CENTER

The mission of the Michigan Defense Center (MDC) is to assist Michigan companies to identify and secure federal contract opportunities in the defense and homeland security sectors. The MDC works in close partnership with Michigan defense companies, economic development partners, Procurement Technical Assistance Centers (PTACs), and federal agencies to analyze defense sector budgets, attract defense and homeland security opportunities for Michigan, and assure that the contract pipeline remains continuous.

PTACs are a valuable partner of the MDC. They match the capabilities of Michigan companies with government contract opportunities by preparing them to compete for government contracts and educating them regarding the opportunities, requirements and process of becoming successful government contractors. PTACs provide pre- and post-award assistance, helping companies through the entire procurement process from registering as a government contractor and finding bid opportunities through proposal preparation and post-award modifications. The MDC 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 MDC 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 PTACs of Michigan are not-for-profit organizations funded by the Defense Logistics Agency (DLA), the Michigan Economic Development Corporation (MEDC) and local funding partners. In fiscal year 2011, the MEDC provided \$1.57 million to support 12 PTAC offices, approximately 55 percent of their annual operation budgets. Prior to the MDC, the MEDC supported PTACs at much lower funding levels, typically around \$40,000 per center annually.

In fiscal year 2011, the MDC and PTACs assisted Michigan companies to obtain federal, state, and local contracts for a combined total of \$1.053 billion (MDC: \$287 million; PTACs: \$765.83 million).

PTAC ANNUAL ACTIVITY REPORT			
Fiscal Year 2011 (10/01/2010-09/30/2011)			
Center	New firms	Value of contracts (local/state/federal)	Number of documented jobs*
Northwest Michigan Council of Governments (Traverse City)	43	\$163,241,610	3,265
Northeast Michigan Consortium (Onaway)	29	\$23,699,122	474
Muskegon Area First (Muskegon)	83	\$57,055,362	1,141
Grand Rapids Procurement Office/MDC Affiliate	23	\$36,440,780	729
Macomb Regional PTAC (Warren)	140	\$112,025,587	2,241
Saginaw Future, Inc. (Saginaw)	30	\$82,555,830	1,651
Genesee Regional Chamber of Commerce (Flint)	56	\$54,752,598	1,095
Southwest Michigan Technical Assistance Center (Kalamazoo)	87	\$71,824,974	1,436
Technical Assistance Center of South Central Michigan (Jackson)	111	\$31,048,784	621
Downriver Community Conference (Southgate)	77	\$9,385,273	188
PTAC of Schoolcraft College (Livonia)	189	\$80,181,841	1,604
Wayne State University PTAC (Detroit)	71	\$43,622,213	872
Total	939	\$765,833,974	15,317
* 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.			
**As a result of federal/state/local funding			

PTAC METRICS REPORT

Fiscal Year 2011 (10/01/2010-09/30/2011)

Center	Surveys sent	Surveys returned	% survey return	Clients awarded first time contracts	Clients awarded first time defense contracts	Clients awarded all contracts	Clients awarded defense contracts
Northwest Michigan Council of Governments	512	251	49%	14	4	66	33
Northeast Michigan Consortium	585	387	66%	1	-	39	25
Muskegon Area First	719	375	52%	3	3	66	54
Grand Rapids Procurement Office/MDC Affiliate	632	252	40%	12	6	52	22
Macomb Regional PTAC	1,781	919	52%	8	5	162	131
Saginaw Future, Inc.	594	199	34%	5	2	38	26
Genesee Regional Chamber of Commerce	400	256	64%	8	3	116	54
Southwest Michigan Technical Assistance Center	916	660	72%	9	6	79	41
Technical Assistance Center of South Central Michigan	693	405	58%	12	5	74	37
Downriver Community Conference	649	254	39%	5	3	39	21
PTAC of Schoolcraft College	2,028	982	48%	7	3	80	57
Wayne State University PTAC	1,179	431	37%	15	12	41	26
Total	10,688	5,371	50%	99	52	852	527

PTACS OF MICHIGAN

Fiscal Year 2011 (10/01/2010-09/30/2011)

Grantee	Grant amount	Percent of PTAC total budget
Northwest Michigan Council of Governments	\$160,600	48%
Northeast Michigan Consortium	\$75,000	43%
Muskegon Area First	\$55,000	26%
Macomb Regional PTAC	\$190,000	38%
Saginaw Future, Inc.	\$104,000	55%
Genesee Regional Chamber of Commerce	\$216,000	98%
Southwest Michigan TAC	\$120,000	45%
TAC of South Central Michigan	\$105,000	54%
Downriver Community Conference	\$95,000	66%
PTAC of Schoolcraft College	\$150,000	31%
Wayne State University PTAC	\$83,000	56%
Grand Rapids Procurement Office*	\$215,000	100%
Total	\$1,568,600	

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

EXPORT ASSISTANCE

Michigan is the nation's eighth largest exporting state and global trade is responsible for thousands of jobs here. The MEDC has assembled an export team and is working across department and program lines to establish a supportive service structure including financial resources available to small businesses. The MEDC's export plan was developed through collaboration with strategic export service providers including the U.S. Department of Commerce, U.S. Small Business Administration, Michigan Small Business Technology & Development Center, Michigan Department of Agriculture and Rural Development, and Michigan State University's Center for International Business Education and Research, along with Automation Alley and Van Andel Global Trade Center. The MEDC will coordinate a statewide export assistance delivery system with public and private resources to ensure company access regardless of geographic location.

To support this mission, the Michigan Global Marketplace Program was developed to help moderate the incremental costs over and above traditional costs of a standard line of credit for companies. This program was established under the Michigan Business Growth Fund (MBGF), which utilizes State Small Business Credit Initiative federal funding to provide for various loan enhancements that induce and facilitate the provision of traditional commercial loans to small and medium size businesses in Michigan. The Michigan Global Marketplace Program will use a small amount of public resources to defray the incremental cost difference between domestic and foreign working capital loans. This will have a significant impact on profit margins of the exporter by lowering the weighted average cost of capital, which will induce entry and expansion into foreign markets making those opportunities nearly equivalent to domestic sales opportunities in terms of the cost of capital. Eligible companies may qualify for reimbursement of up to 75 percent of eligible costs which are directly related to financing exports. Because the program was recently launched, no loans were approved in fiscal year 2011.

The Pure Michigan State Trade Export Promotion (STEP) program will launch on October 1, 2011, to help small and medium-sized businesses launch, expand and enhance exporting opportunities. Michigan companies with fewer than 500 employees can qualify for financial assistance for export-related activities. Launched by the U.S. Small Business Administration, the program is designed increase the number of Michigan companies that export and introduce current exporters to new foreign markets and buyers. Direct reimbursements to qualified small and medium-sized export companies may be available to develop or expand export-related activities through cost reimbursement of 50 percent of allowable export-related activities. Eligible companies may qualify for up to \$25,000 in assistance to enhance their ability to launch or grow export operations in Michigan.

Both of these programs are part of the MEDC's economic gardening strategy to support existing Michigan companies and to create new jobs.

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 2011 (10/01/2010-09/30/2011)				
Company	City	County	Approved amount	Type
Erwin Quarder, Inc.	Cascade Charter Twp.	Kent	\$2,300,000	New
MANS/Moeller Manufacturing Company	Wixom	Oakland	\$6,400,000	Manufacturing
Sintel, Inc.	Spring Lake Twp.	Ottawa	\$4,450,000	New
EnovateIT, LLC	Canton	Wayne	\$2,150,000	Manufacturing
Total			\$15,300,000	

TAXABLE BONDS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Company	City	County	Approved amount	Type
Orchestra Place Renewal Partnership Project	Detroit	Wayne	\$17,135,000	Conversion of 2000 Tax-Exempt Bonds to Taxable
Total			\$17,135,000	

NON-PROFIT, SOLID WASTE, REFUNDING/REFINANCING				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Company	City	County	Approved amount	Type
Porter Hills Presbyterian Village, Inc.	Grand Rapids Charter Twp.	Kent	\$4,968,000	Refunding
GreenPath, Inc.	Farmington Hills.	Oakland	\$19,000,000	Non-profit
Sintel, Inc.	Spring Lake Twp	Ottawa	\$2,215,000	Refunding
Merit Network, Inc.	Various	Various	\$8,000,000	Non-Profit
Air Products and Chemicals, Inc.	Detroit	Wayne	\$95,000,000	First supplemental trust indenture amend/reissuance new monthly mode
Cadillac Place Office Building, SOM	Wayne	Wayne	\$119,115,000	New
Total			\$248,298,000	

RECOVERY FACILITY BONDS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Company	City	County	Approved amount	Type
JBS USA, LLC	Gun Lake Charter Twp.	Allegan	\$16,044,679	Recovery
The Hagerty Group, LLC	Traverse City	Grand Traverse	\$8,184,000	Recovery
Bell's Brewery	Galesburg	Kalamazoo	\$12,100,000	Recovery
West Michigan Rental Properties, LLC	Muskegon	Muskegon	\$2,400,000	Recovery—Series A
West Michigan Rental Properties, LLC	Muskegon	Muskegon	\$250,000	Recovery—Series B
The Detroit Edison Company	Various	Various	\$19,855,000	Recovery
The Kroger Company	Various	Various	\$80,925,000	Recovery
Total			\$139,758,679	

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 percent 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.

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

The MEGA Board executed 72 agreements in fiscal year 2011. Of those agreements, 31 were Standard MEGA credits, 24 were High-Tech/High-Wage credits, 12 were Retention credits, and four were Rural credits.

A 6.0 percent Michigan Corporate Income Tax (CIT) will be levied beginning January 1, 2012, replacing the Michigan Business Tax. The new CIT eliminates almost all tax credits, including MEGA credits; however, any taxpayer that has an existing credit (or a "certificated credit") approved and executed before January 1, 2012, will be able to realize the full benefits of their credit. The new tax system will allow taxpayers to receive the benefits of their certificated credits by electing to continue to file the MBT for the duration of their credits.

Beginning in January 2012, the Michigan Strategic Fund and the Michigan Economic Development Corporation will operate new appropriation-based economic development and community revitalization programs that will provide \$100 million in incentives for highly competitive projects in Michigan.

MBT CREDIT APPROVALS (not including Brownfields) Fiscal Year 2011 (10/01/2010–09/30/2011)

Company	Project city	Project county	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Eovations, LLC	Bay City	Bay	64		\$16,000,000	\$1,295,000
IPC Print Services, Inc.	St. Joseph	Berrien		208	\$23,055,000	\$1,071,000
Patriot Solar Group, LLC	Albion	Calhoun	193		\$3,954,000	\$1,288,000
Spartan Motors, Inc.	Charlotte	Eaton	450		\$5,144,000	\$8,859,000
Creative Foam Corporation	Fenton	Genesee	63		\$1,500,000	\$362,000
Magna Electronics	Holly	Genesee	385		\$64,835,538	\$2,110,000
Martinrea Jonesville, LLC	Jonesville	Hillsdale	168		\$15,899,279	\$990,000
Gemini Group, Inc. (<i>retention</i>)	Bad Axe	Huron		555	\$52,569,105	\$5,585,000
Gemini Group, Inc.* (<i>standard</i>)	Bad Axe	Huron	290			\$971,000
Force By Design, Inc.	East Lansing	Ingham	50		\$430,000	\$231,000
MedAssurant, Inc.	Lansing	Ingham	404		\$4,033,000	\$2,232,000
XG Sciences, Inc.	Lansing	Ingham	50		\$6,638,900	\$436,000

MBT CREDIT APPROVALS (not including Brownfields) continued
Fiscal Year 2011 (10/01/2010-09/30/2011)

Company	Project city	Project county	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Chemetail U.S., Inc.	Jackson	Jackson		74	\$20,730,000	\$821,000
Michigan Automotive Compressor, Inc.	Parma	Jackson		562	\$72,000,000	\$4,941,000
Atomic Object, LLC	Grand Rapids	Kent	30		\$983,000	\$162,000
Dematic Corporation	Grand Rapids	Kent	505		\$10,901,000	\$3,252,000
Dynamic Captioning, LLC	Grand Rapids	Kent	40		\$554,000	\$170,000
Knape & Vogt Manufacturing Company	Grand Rapids	Kent	122		\$1,247,485	\$335,000
Hearthside Food Solutions	Kentwood	Kent	302		\$17,500,000	\$1,232,000
Key Plastics, LLC	Howell, Farmington Hills and Cascade Charter Twp.	Livingston, Oakland and Kent	297		\$10,297,800	\$1,105,000
Yanfeng (USA) Automotive Trim Systems, Inc.	Harrison Twp.	Macomb	131		\$17,095,737	\$1,106,000
KUKA Robotics Corp. USA	Shelby Twp.	Macomb		68	\$4,690,000	\$1,039,000
Acument Global Technologies	Sterling Heights	Macomb	150		\$5,115,000	\$875,000
Macomb Pipe and Supply Company, Inc.	Sterling Heights	Macomb		107	\$6,500,000	\$1,005,000
Mountain Valley Recycling, LLC	Sterling Heights	Macomb	396		\$29,500,000	\$5,102,000
Michigan Iron Nugget, LLC	Tilden Twp.	Marquette	114		\$280,000,000	\$1,937,000
Fluid Routing Solutions Incorporated	Big Rapids	Mecosta		277	\$12,500,000	\$1,696,000
Nu-Vu Food Service Systems	Menominee	Menominee	40		\$950,500	\$90,000
Gerdaul Macsteel	Monroe	Monroe		778	\$66,950,100	\$9,289,000
Benteler Automotive Corporation	Auburn Hills	Oakland	250		\$3,966,500	\$1,246,000
Chrysler Group, LLC	Auburn Hills	Oakland		20,000	\$1,000,000,000	\$1,360,189,000
Dokka Fasteners, Incorporated	Auburn Hills	Oakland	90		\$20,596,000	\$1,521,000
Faurecia Interior Systems, Incorporated	Auburn Hills	Oakland	428		\$19,380,000	\$4,322,000
Montaplast of North America, Incorporated	Auburn Hills	Oakland	25		\$2,357,000	\$325,000
Lakeside Software, Inc.	Bloomfield Hills	Oakland	198		\$6,144,000	\$731,000
Tianhai Electric North America, Inc.	Lake Orion	Oakland	202		\$5,468,000	\$299,000

MBT CREDIT APPROVALS (not including Brownfields) continued
Fiscal Year 2011 (10/01/2010-09/30/2011)

Company	Project city	Project county	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Detroit Heavy Truck Engineering, LLC	Novi	Oakland	49		\$4,624,000	\$234,000
Macprofessionals, Inc.	Novi	Oakland	119		\$2,165,054	\$569,000
Summit Health, Inc.	Novi	Oakland	252		\$11,375,584	\$514,000
Toyota Boshoku America, Inc.	Novi	Oakland	40		\$3,213,070	\$210,000
HP Enterprise Services, Inc.	Pontiac	Oakland	250		\$4,790,000	\$3,552,000
Otto Block Polyurethane Technology, Inc.	Rochester	Oakland	98		\$13,347,000	\$672,000
Bright Automotive Incorporated	Rochester Hills	Oakland	204		\$11,062,000	\$4,327,000
WABCO North America, LLC	Rochester Hills	Oakland	100		\$2,187,460	\$987,000
Member Driven Technologies	Southgate	Oakland	101		\$6,486,251	\$557,000
Dialogue Marketing, Inc.	Troy	Oakland	230		\$5,013,000	\$474,000
Kenersys Americas, LLC	Troy	Oakland	160		\$10,242,000	\$1,017,000
Magna Steyr North America	Troy	Oakland	200		\$765,000	\$1,572,000
P3-North America, Inc.	Troy	Oakland	65		\$332,130	\$486,000
Hexagon Metrology	Wixom	Oakland	75		\$3,064,000	\$306,000
Plasan Carbon Composites, Incorporated	Wixom	Oakland	238		\$21,270,500	\$3,489,000
Sketee-Van Huis	Holland	Ottawa	180		\$5,322,000	\$865,000
Genetex Corporation	Zeeland	Ottawa	1,110		\$160,250,000	\$2,446,000
Magna Exteriors and Interiors USA, Inc.	China Township	St. Clair	333		\$14,440,100	\$1,496,000
Metalloid Corporation	Sturgis	St. Joseph	30		\$365,000	\$228,000
American Broach and Machine Company	Ypsilanti	Washtenaw	43		\$25,000,000	\$573,000
MTU Detroit Diesel, Inc. (retention)	Brownstown	Wayne		245	\$32,006,000	\$5,892,000
MTU Detroit Diesel, Inc. (standard)*	Brownstown	Wayne	115			\$1,712,000
Merit Technologies Worldwide	Canton	Wayne	89		\$16,888,000	\$442,000
Ford Motor Company	Dearborn	Wayne		28,000	\$850,000,000	\$909,023,000
Health Business Solutions	Dearborn	Wayne	206		\$2,618,920	\$816,000
Crain Communications, Inc.	Detroit	Wayne	50		\$3,595,000	\$443,000
EnovateIT, LLC	Ferndale	Wayne	160		\$4,450,000	\$1,105,000
Science Applications International Corporation	Livonia	Wayne	50		\$805,000	\$589,703

MBT CREDIT APPROVALS (not including Brownfields) continued
 Fiscal Year 2011 (10/01/2010-09/30/2011)

Company	Project city	Project county	Projected direct jobs created	Projected direct jobs retained	Projected capital investment	Estimated credit amount
Cequent Performance Products, Inc.	Plymouth	Wayne	60		\$3,472,073	\$897,000
Roush Cleantech, LLC	Plymouth	Wayne	54		\$2,105,390	\$1,156,000
Changan U.S. Research and Development Center, Inc.	Plymouth Township	Wayne	161		\$7,010,000	\$1,722,000
Piston Automotive, LLC	Redford	Wayne	135		\$14,937,000	\$889,000
Systrand Manufacturing Corporation	Rockwood	Wayne		162	\$19,250,000	\$716,000
AJM Packaging Corporation	Southgate	Wayne	125		\$28,330,000	\$565,000
Unistrut International Corporation	Wayne	Wayne	86		\$4,525,000	\$606,000
Avon Protection Systems, Incorporated	Cadillac	Wexford	143		\$600,000	\$596,000
Totals			10,748	51,036	\$3,105,391,476	\$2,379,963,703
<i>*Combo Credit-Capital Investment reported only under Retention Credit</i>						

MICHIGAN ECONOMIC GROWTH AUTHORITY PROGRAM

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 offer a refundable credit against the MBT toward advanced battery R&D and engineering, and commercial scale package and cell manufacturing. Defense Contracting Credits offer 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.

These MBT credits also are eliminated beginning January 1, 2012; however, any taxpayer that has an existing credit (or a “certificated credit”) approved and executed before January 1, 2012, will be able to realize the full benefits of their credit.

OTHER MBT CREDIT APPROVALS					
Fiscal Year 2011 (10/01/2010–09/30/2011)					
Company	Project city	Project city	Project county	Projected capital investment	Maximum authorized credit
Vehicle Engineering Battery Credit					
Chrysler Group, LLC	Auburn Hills	Auburn Hills	Oakland	\$137,000,000	\$45,000,000
Defense Contracting Credit					
Powertrain Integration, LLC	Madison Heights	Ypsilanti	Washtenaw	\$2,000,000	\$300,000
Total				\$139,000,000	\$45,300,000

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 MEDC, commenced in 2000 and has two major statutory elements—the Brownfield Redevelopment Act and a Michigan Business Tax (MBT) 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 Environmental Quality provide assistance and coordinate incentives to get challenged sites redeveloped.

Beginning in January 2012, the Michigan Strategic Fund and the Michigan Economic Development Corporation will operate new appropriation-based economic development and community revitalization programs that will provide \$100 million in incentives for highly competitive projects in Michigan.

A 6.0 percent Michigan Corporate Income Tax (CIT) will be levied beginning January 1, 2012, replacing the Michigan Business Tax. The new CIT eliminates almost all tax credits, including Brownfield MBT credits; however, any taxpayer that has an existing credit (or a “certificated credit”) approved and executed before January 1, 2012, will be able to realize the full benefits of their credit. The new tax system will allow taxpayers to receive the benefits of their certificated credits by electing to continue to file the MBT for the duration of their credits.

BROWNFIELD MBT CREDIT APPROVALS

Fiscal Year 2011 (10/01/2010–09/30/2011)

Company	City	County	Estimated credit amount
Excel-Allegan LDHA, LP	Allegan	Allegan	\$389,176
CRA 200 Allegan St., LLC	Plainwell	Allegan	\$323,811
Madison Arts, LLC	Bay City	Bay	\$332,750
Oddfellows Hall, LLC	Bay City	Bay	\$161,571
Swarts Tower, LLC	Bay City	Bay	\$400,000
Wolverine Arts, LLC	Bay City	Bay	\$393,750
Everest Campus, LLC	Benton Harbor	Berrien	\$5,000,000
Whirlpool Corporation	Benton Harbor	Berrien	\$7,740,000
JMWingard, LLC	Coldwater	Branch	\$973,239
McCullough Investments, LLC	Battle Creek	Calhoun	\$93,438
Spartan Motors Chassis, Inc.	Charlotte	Eaton	\$465,500
Lurvey White Ventures 1, LLC	Flint	Genesee	\$5,601,703
Grand Traverse Hotel Properties, LLC	Traverse City	Grand Traverse	\$2,000,000
Lake Street Properties VII, LLC	Traverse City	Grand Traverse	\$1,500,000
Sub Area 3, LLC	Traverse City	Grand Traverse	\$1,136,067
A & G Partnership, LLC	East Lansing	Ingham	\$1,619,041
St. Anne, LLC	East Lansing	Ingham	\$667,975
George F. Eyde Limited Family Partnership, Louis J. Eyde Limited Family Partnership	Lansing	Ingham	\$4,869,654
Marketplace Partners, LLC	Lansing	Ingham	\$1,993,403
Marketplace Partners, LLC	Lansing	Ingham	\$1,603,406
Michigan Avenue Investors II, LLC	Lansing	Ingham	\$113,813
RKH Investments, LLC	Lansing	Ingham	\$78,125
Excel-New Urban Jax LDHA LP	Jackson	Jackson	\$1,448,710
232, LLC	Kalamazoo	Kalamazoo	\$80,000

BROWNFIELD MBT CREDIT APPROVALS *continued*
Fiscal Year 2011 (10/01/2010-09/30/2011)

Company	City	County	Estimated credit amount
Catalyst Development Co. 7, LLC	Kalamazoo	Kalamazoo	\$978,589
Kilgore Point, LLC	Kalamazoo	Kalamazoo	\$361,492
LADD Real Estate, LLC	Kalamazoo	Kalamazoo	\$192,547
People's Food Co-operative of Kalamazoo	Kalamazoo	Kalamazoo	\$156,741
Peregrine Plaza, LLC	Kalamazoo	Kalamazoo	\$355,256
100 Commerce Development, LLC	Grand Rapids	Kent	\$400,000
20 Monroe Bldg Co., LP	Grand Rapids	Kent	\$4,520,000
38 Front Redevelopment, LLC	Grand Rapids	Kent	\$8,000,000
68 Commerce, LLC	Grand Rapids	Kent	\$132,213
Acme Investors, LLC	Grand Rapids	Kent	\$696,525
CityFlats Grand Rapids RE, LLC	Grand Rapids	Kent	\$612,000
Division Park Avenue, LDHA LP	Grand Rapids	Kent	\$1,282,064
Fulton Property Holdings, LLC	Grand Rapids	Kent	\$335,156
Grand Rapids Urban Market Holdings, LLC	Grand Rapids	Kent	\$5,400,000
H Development Group, LLC and Eastown Veterinary Clinic, P.C.	Grand Rapids	Kent	\$136,500
Harris Lofts LLC; Nextwork Group, LLC	Grand Rapids	Kent	\$950,000
Health Park Central, LLC	Grand Rapids	Kent	\$1,062,500
Offsite Lake Drive, LLC	Grand Rapids	Kent	\$181,250
Serrano Lofts, LDHA LP	Grand Rapids	Kent	\$787,867
Downtown Trini Café, Inc.	Sparta	Kent	\$64,375
Undercar Products Group, Inc.	Wyoming	Kent	\$1,037,500
Mar Sal Investments, LLC and Tom Maceri and Son, Inc.	St. Clair Shores	Macomb	\$380,959
Chrysler Group, LLC	Sterling Heights	Macomb	\$10,000,000
Macomb Pipe & Supply Co. dba The Macomb Group	Sterling Heights	Macomb	\$550,000
Ceratizit USA, Inc.	Warren	Macomb	\$550,000
General Motors, LLC	Warren	Macomb	\$10,000,000
RioVista, LLC	Manistee	Manistee	\$46,500
KDMAC Ventures, LLC	Ludington	Mason	\$43,200
McMaster Brother Properties, LLC	Scottville	Mason	\$45,238
The Dow Chemical Company	Midland	Midland	\$1,250,000
JDK, LLC	Monroe	Monroe	\$267,278
Lafayette Place Lofts, LLC	Pontiac	Oakland	\$2,249,084
Tower Real Estate Ventures, LLC	Southfield	Oakland	\$192,470
Mindset Properties, LLC	Grand Haven	Ottawa	\$250,000
Downtown Area Development, LLC	Saginaw	Saginaw	\$343,333
Rebuild Lebowsky, LLC	Owosso	Shiawassee	\$930,000
Wesener, LLC	Owosso	Shiawassee	\$384,000
Landmark Development LLC	Port Huron	St. Clair	\$1,615,200
Mellencamp Building LLC	Ypsilanti	Washtenaw	\$314,724
Severstal Dearborn, LLC	Dearborn	Wayne	\$1,250,000
Severstal Dearborn, LLC	Dearborn	Wayne	\$10,000,000

BROWNFIELD MBT CREDIT APPROVALS *continued*
Fiscal Year 2011 (10/01/2010–09/30/2011)

Company	City	County	Estimated credit amount
609 E. Kirby Lofts, LLC	Detroit	Wayne	\$675,300
8900 Gratiot, LLC	Detroit	Wayne	\$661,400
Brentwood Detroit, LLC	Detroit	Wayne	\$190,820
Comerica Bank	Detroit	Wayne	\$1,065,846
Coronado Apartments, LDHA LP	Detroit	Wayne	\$433,705
DCC Community Development, LLC	Detroit	Wayne	\$94,376
Detroit Thermal, LLC	Detroit	Wayne	\$285,125
DRSN Real Estate, LLC	Detroit	Wayne	\$771,928
Emerald Springs IA, LDHA LP	Detroit	Wayne	\$2,309,727
Free Press Holdings, LLC	Detroit	Wayne	\$10,000,000
Griswold Holdings, LLC	Detroit	Wayne	\$516,880
Historic Book House, LLC	Detroit	Wayne	\$400,000
Madison Theatre Building, LLC	Detroit	Wayne	\$950,000
Metro International Trade Service, LLC	Detroit	Wayne	\$393,750
Palmer Park Square LDHA, LP	Detroit	Wayne	\$136,469
Palmer Park Square LDHA, LP	Detroit	Wayne	\$250,000
Palmer Park Square LDHA, LP	Detroit	Wayne	\$515,618
Palmer Park Square LDHA, LP	Detroit	Wayne	\$382,404
Palmer Park Square LDHA, LP	Detroit	Wayne	\$372,156
Palmer Park Square LDHA, LP	Detroit	Wayne	\$402,899
Paradise Valley Investment Group, LLC	Detroit	Wayne	\$129,660
PVM EJNP Real Estate Company, LLC and Detroit Affordable Assisted Living LDHA, LP	Detroit	Wayne	\$2,521,517
Renaissance Village, LDHA LLC	Detroit	Wayne	\$341,184
Renaissance Village, LDHA LLC	Detroit	Wayne	\$2,000,000
S. Dot Collection, LLC	Detroit	Wayne	\$47,536
S. Dot Collection, LLC	Detroit	Wayne	\$96,412
Sugar Hill Residential, LLC	Detroit	Wayne	\$2,496,943
Thoma Properties, LLC	Detroit	Wayne	\$461,628
Village Park/MHT, LDHA LLC	Detroit	Wayne	\$323,725
Woodward Offices, LLC	Detroit	Wayne	\$10,000,000
Sable Acquisitions, LLC; Flavor, LLC	Hamtramck	Wayne	\$302,680
City Marketplace, LLC	Inkster	Wayne	\$132,000
Total			\$146,951,381
*API West Village, LLC—AMENDMENT #1	East Lansing	Ingham	\$521,471
*Auburn REO LLC fka Cass Canfield, LLC—AMENDMENT #1	Detroit	Wayne	\$1,617,439
*Cass Plaza Apartments, LDHA LP—AMENDMENT #1	Detroit	Wayne	\$621,548
Amendment total			\$2,760,458
<i>*Please note that amendments are only reported when credit increased.</i>			

BROWNFIELD TAX INCREMENT FINANCING APPROVALS				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Brownfield Authority	Name of project	City	County	TIF amount
City of Plainwell	Former Plainwell Paper Mill	Plainwell	Allegan	\$568,546
City of Cheboygan	SAFCU—Straits Area Federal Credit Union	Cheboygan	Cheboygan	\$486,609
County of Grand Traverse	Land Bank Authority Parcels	Interlochen/ Traverse City	Grand Traverse	\$50,537
City of East Lansing	211 Albert Avenue Redevelopment	East Lansing	Ingham	\$3,097,135
City of East Lansing	The St. Anne Redevelopment project	East Lansing	Ingham	\$1,530,209
City of East Lansing	Spartan Technology Development	East Lansing	Ingham	\$262,068
City of Lansing	Marketplace Development	Lansing	Ingham	\$6,717,356
City of Grand Rapids	Wealthy Jefferson Development Initiative Parcel B	Grand Rapids	Kent	\$1,097,299
City of Wyoming	Former General Motors Corporation Grand Rapids Metal Plant 36th Street SW	Wyoming	Kent	\$8,452,998
City of Port Huron	Former Sperry Department Store	Port Huron	St. Clair	\$710,971
County of Washtenaw	Deli Partners, LLC (aka Zingerman's Delicatessen Redevelopment)	Ann Arbor	Washtenaw	\$829,291
County of Washtenaw	Packard Square Redevelopment project	Ann Arbor	Washtenaw	\$2,040,149
City of Dearborn	Continuous Annealing Line	Dearborn	Wayne	\$97,308,616
City of Dearborn	The Union at Dearborn	Dearborn	Wayne	\$2,340,699
City of Dearborn Heights	Tim Hortons Store redevelopment project	Dearborn Heights	Wayne	\$69,617
City of Detroit	Free Press Plaza and Apartments	Detroit	Wayne	\$442,989
City of Detroit	West Grand Blvd. redevelopment project: 1660 West Grand	Detroit	Wayne	\$41,121
City of Detroit	West Grand Blvd. Redevelopment project: 1900 West Grand Blvd. and 1905 West Grand Blvd.	Detroit	Wayne	\$120,409
City of Detroit	East Jefferson Neighborhood project	Detroit	Wayne	\$385,758
City of Detroit	Former Gas Station (10108 and 10130 West 7 Mile Road)	Detroit	Wayne	\$301,133
City of Detroit	Queen Lillian Medical Office Building	Detroit	Wayne	\$408,647
City of Hamtramck	10201 Joseph Campau Redevelopment project	Hamtramck	Wayne	\$116,000
City of Hamtramck	3300 Denton Redevelopment	Hamtramck	Wayne	\$470,933
County of Wayne	Lincoln Park Shopping Center Redevelopment	Lincoln Park and Allen Park	Wayne	\$3,802,495
City of Trenton	Riverside Commons Redevelopment project	Trenton	Wayne	\$2,224,250

BROWNFIELD TAX INCREMENT FINANCING APPROVALS *continued*

Fiscal Year 2011 (10/01/2010-09/30/2011)

Brownfield Authority	Name of project	City	County	TIF amount
City of Westland	Former Showcase Cinema Brownfield Redevelopment	Westland	Wayne	\$187,635
City of Wyandotte	Former Wyandotte Police Station Redevelopment project	Wyandotte	Wayne	\$210,752
Total				\$134,274,222
* County of Grand Traverse	Traverse City Place project-Hotel Indigo Phase—AMENDMENT #2	Traverse City	Grand Traverse	\$1,105,547
* County of Grand Traverse	Boardman Lake Avenue pathway and Trail System—AMENDMENT #1	Traverse City	Grand Traverse	\$6,870,146
* County of Grand Traverse	Grand Traverse Commons and the Village at Grand Traverse Commons, Former Traverse City State Psychiatric Hospital—AMENDMENT #1	Traverse City and Garfield Twp.	Grand Traverse	\$19,962,292
* City of Lansing	East Village Housing project aka Boys Training School Property—AMENDMENT #1	Lansing	Ingham	\$204,349
Amendment total				\$28,142,334
<i>*Please note that amendments are only reported when credit increased.</i>				

MICHIGAN FILM INCENTIVES

The Michigan Film and Digital Media Production Incentive, which expires December 31, 2011, provided qualified production companies up to a 40 percent refund across the board for Michigan expenditures with the opportunity to earn an additional 2.0 percent offered for non-Michigan below-the-line labor.

In 2011, 21 projects were approved for a total of \$24,265,184 in incentives under the Michigan Film and Digital Media Production Incentive. In addition to criteria laid out in the statute, preference was given to projects that best met the following criteria:

1. The production is financially viable.
2. Utilization of existing infrastructure (studios, post-production facilities, etc.).
3. The number and wage levels of direct jobs for Michigan residents created by a production.
4. Ability to show Michigan in a positive light and promote the state as a tourist destination.
5. Magnitude of estimated expenditures in Michigan.

Beginning in January 2012, the Michigan Film Office will operate within a \$25 million appropriation budget and approve projects under the guidelines set in Public Act 291 of 2011.

COMPLETED MICHIGAN FILM AND DIGITAL MEDIA PRODUCTION INCENTIVES				
Fiscal Year 2011 (10/01/2010-09/30/2011)				
Project title	Total Michigan spend (approved)	Incentive amount (approved)	Description	Locations
Keys to the Goose	\$100,000	\$42,000	Documentary	Ferndale, Lansing
Chasing Jimmy	\$80,000	\$32,000	Documentary	Caseville, Huron County
Sky Kids 4	\$4,512,000	\$1,804,800	Feature film (post)	Birmingham
Hung, Season 3	\$2,648,486	\$1,059,394	Television series	Troy, Hamtramck, West Bloomfield, Detroit
Domestic Justice	\$76,450	\$32,109	Television pilot	Livonia, Ferndale
The Citizen	\$1,336,200	\$561,204	Feature film	Detroit
I, Alex Cross	\$8,509,387	\$3,573,943	Feature film	Detroit and surrounding areas
Five Year Engagement	\$12,532,056	\$5,263,464	Feature film	Detroit, Ann Arbor
Detention of the Dead	\$331,233	\$139,118	Feature film	Pontiac
AWOL	\$4,374,960	\$1,837,483	Feature film	Ann Arbor, Detroit, Ypsilanti
Northern Light	\$100,000	\$40,000	Documentary (post)	Farmington Hills
Sparkle	\$7,410,216	\$3,104,455	Feature film	Detroit and surrounding areas
Freaky Deaky	\$6,926,071	\$2,864,020	Feature film	Detroit and surrounding areas
Ghost Game	\$1,029,125	\$411,650	Video game	Farmington Hills
Have a Little Faith	\$5,609,393	\$2,355,945	Long form TV	Detroit and surrounding areas
Dogman	\$382,500	\$155,146	Feature film	Benzie County

**COMPLETED MICHIGAN FILM AND DIGITAL MEDIA
PRODUCTION INCENTIVES *continued***
Fiscal Year 2011 (10/01/2010-09/30/2011)

Project title	Total Michigan spend (approved)	Incentive amount (approved)	Description	Locations
Ben Hogan Lessons Mobile App Game	\$196,100	\$78,440	Interactive game	Royal Oak
A DOT COM Affairs	\$1,175,522	\$493,719	Feature film	Benton Harbor, St. Joseph
Actor?	\$156,000	\$62,520	Documentary (post)	Farmington Hills
Mickey Matson & The Copperhead Conspiracy	\$388,400	\$162,128	Feature film	Ludington, Manistee
Ariel & Zoey & Eli, Too, Season 3	\$456,300	\$191,646	Television series	Ann Arbor, Livonia
21 Approvals in 2011	\$58,330,399	\$24,265,184		

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 (MSF), in cooperation with the MEDC, administers the economic development and community development portions of the program.

The grant awards listed below represent projects for which the MSF Board authorized communities to submit a full application for CDBG funding. At this stage of the process, a public hearing must be held to make the community aware of the proposed project; a local authorizing resolution must be passed in support of the project; and an environmental review must be completed, in accordance with the National Environmental Policy Act of 1969. Once the application is submitted and reviewed for completeness and accuracy and all required steps are completed, a grant agreement is prepared for all required signatures. It is important to note that not all CDBG projects reach the grant agreement stage for various reasons.

CDBG GRANT AWARDS			
Fiscal Year 2011 (10/01/2010-09/30/2011)			
Pass-thru grantee	County	Project description	Approved award amount
Lincoln Village	Alcona	Grant increase: Downtown streetscape and street improvements project (original amount: \$650,000)	\$92,203
Fennville City	Allegan	Grant increase: Water system improvement project (original amount: \$3,800,000)	\$200,000
Alpena City	Alpena	Downtown façade improvements	\$77,890
Central Lake Village and Central Lake Township	Antrim	Central Lake Armor Express, Inc. dba Armor Express machinery and equipment acquisition	\$400,000
Nashville Village	Barry	Downtown façade improvements	\$96,662
Watervliet City	Berrien	Downtown infrastructure improvements	\$287,000
Albion City	Calhoun	Downtown façade improvements	\$270,000
Athens Village	Calhoun	Downtown façade improvements	\$191,528
Homer Village	Calhoun	Downtown façade improvements	\$386,219
Springfield City	Calhoun	Farm to Food—addition of commercial kitchen	\$150,000
Boyne City	Charlevoix	Downtown façade improvements	\$181,428
Boyne City	Charlevoix	Dilsworth Hotel signature building acquisition and façade improvements	\$600,000
Cheboygan City	Cheboygan	Grant increase: Great Lakes Tissue Company bankruptcy proceedings additional legal fees	\$50,000
Escanaba City	Delta	Downtown façade improvements	\$170,087
Gladstone City	Delta	Power plant blight elimination demolition project	\$379,888
Bellevue City	Eaton	Farm to Food—replace pavilion structure	\$219,500
Charlotte City	Eaton	Spartan Motors Chassis, Inc. machinery and equipment acquisition	\$1,120,000
Eaton Rapids City	Eaton	Grant increase: URV USA, LLC infrastructure project (original amount: \$2,200,000)	\$1,000,000
Eaton Rapids City	Eaton	Mill Street Landing downtown improvement project	\$352,500
Oneida Charter Township	Eaton	L&W Engineering machinery and equipment acquisition	\$500,000

CDBG GRANT AWARDS <i>continued</i>			
Fiscal Year 2011 (10/01/2010–09/30/2011)			
Pass-thru grantee	County	Project description	Approved award amount
Beaverton Township	Gladwin	Modern Machinery CNC Machining Center acquisition	\$61,000
Ironwood City	Gogebic	Burton Industries building improvement project	\$200,000
Breckenridge Village	Gratiot	Downtown infrastructure improvements	\$358,635
Breckenridge Village	Gratiot	Gratiot County Wind LLC infrastructure project	\$240,000
Ithaca City	Gratiot	Downtown façade improvements	\$304,640
Jonesville Village	Hillsdale	Public parking lot reconstruction and expansion	\$175,000
Port Austin Village	Huron	Downtown façade improvements	\$90,580
Lake Odessa Village	Ionia	Farm to Food—construct four season building	\$584,829
Portland City	Ionia	Downtown façade improvements	\$200,000
Hermitate Township	Iron	Grant increase: Pine River Hardwoods, LLC saw mill construction/rail spur improvement project (original amount: \$600,000)	\$130,400
Comstock Charter Township	Kalamazoo	Bell's Brewery, Inc. water and sewer upgrades	\$220,000
Keweenaw County	Keweenaw	Stamp sands (copper mills tailings) reuse implementation feasibility study (benefits Baraga, Houghton and Keweenaw counties)	\$25,000
Baldwin Village	Lake	Wastewater treatment improvements	\$1,000,000
Lapeer City	Lapeer	Farm to Food—construct retractable walls for pavilion	\$11,803
Lapeer City	Lapeer	Downtown infrastructure improvements	\$736,100
Adrian City	Lenawee	Farm to Food—parking lot improvements	\$280,000
Blissfield Village	Lenawee	Cannery and auto repair blight elimination project	\$42,000
Hudson City	Lenawee	Downtown façade improvements	\$197,060
Hudson City	Lenawee	Downtown façade improvements	\$321,960
Morenci City	Lenawee	Downtown façade improvements	\$164,000
Tecumseh City	Lenawee	GLOV Enterprises, LLC machinery and equipment	\$360,000
Brighton City	Livingston	Mayday Building façade improvements	\$108,000
Ludington City	Mason	Downtown façade improvements	\$142,952
Coleman City	Midland	Downtown infrastructure improvements	\$355,000
Howard City Village	Montcalm	Downtown infrastructure improvements	\$450,000
Egleston Township	Muskegon	Eagle Alloy, Inc. machinery and equipment acquisition	\$500,000
Muskegon County	Muskegon	Grant increase: Muskegon County Digital Divide Investment project (additional equipment and tower upgrades) (original amount: \$2,216,000)	\$209,396
Rose City	Ogemaw	Grant increase: Culvert improvements project infrastructure (original amount: \$242,500)	\$36,375
Reed City	Osceola	Grant increase: Flo-Pallet, Inc. machinery and equipment project (original amount: \$500,000)	\$25,000
Bagley Township	Otsego	Cooper-Standard Automotive, Inc. hybrid geo-thermal system project	\$126,800

CDBG GRANT AWARDS <i>continued</i>			
Fiscal Year 2011 (10/01/2010–09/30/2011)			
Pass-thru grantee	County	Project description	Approved award amount
Gaylord City	Otsego	Farm to Food—construct retractable walls for pavilion	\$170,000
Gaylord City	Otsego	Downtown façade improvements	\$400,000
Otsego County	Otsego	Aerospace diversification feasibility study project	\$60,000
Grand Haven City	Ottawa	Farm to Food—parking lot improvements	\$83,868
Grand Haven City	Ottawa	Downtown façade improvements	\$358,018
Spring Lake Village	Ottawa	Downtown façade improvements	\$224,255
Spring Lake Village	Ottawa	Downtown infrastructure improvements	\$274,531
Saginaw County	Saginaw	Grant increase: Renewable energy park project/transfer of funds from Suniva, Inc. CDBG project (original amount: \$7,034,700)	\$465,300
Laingsburg City	Shiawassee	Downtown façade improvements	\$381,124
Vernon Village	Shiawassee	Downtown infrastructure improvements	\$500,000
Vernon Village	Shiawassee	Downtown building demolition and public park installation	\$108,428
Constantine Village	St. Joseph	Downtown façade improvements	\$155,044
Sturgis City	St. Joseph	Downtown façade improvements and signature building acquisition	\$160,000
Caro City	Tuscola	Downtown infrastructure improvements	\$153,813
Millington Village	Tuscola	Downtown infrastructure improvements	\$262,500
Bloomington Village	Van Buren	Grant increase: Sewer rehabilitation project (original amount: \$478,800)	\$68,000
Bloomington Village	Van Buren	Grant increase: Downtown parking lot improvements project (original amount: \$238,882)	\$16,000
Decatur Village	Van Buren	Downtown infrastructure improvements	\$180,000
South Haven City	Van Buren	Downtown infrastructure improvements	\$750,000
South Haven City	Van Buren	Downtown façade improvements	\$245,644
Dexter Village	Washtenaw	DAPCO Industry site planning/feasibility study	\$13,250
Total			\$19,411,210
<i>*Please note that amendments to existing CDBG agreements are only reported when a grant is increased.</i>			

MICHIGAN RENAISSANCE RECOVERY 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 percent 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 2011 (10/01/2010–09/30/2011)				
Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
10/27/10	Energetx Composites, LLC	Holland Charter Twp.	Ottawa	Renewable Energy Renaissance Zone: New 15-year designation to begin 01/01/2011 and end 12/31/2025
10/27/10	City of Flint Renaissance Zone—Time extension for Genesee Packaging, Inc. project	Flint	Genesee	Geographic Renaissance Zone: Four-year extension to begin 01/01/2011 and end 12/31/2015
11/17/10	Frontier Renewable Resources, LLC	Kinross Charter Twp.	Chippewa	Renewable Energy Renaissance Zone: New 15-year designation to begin 01/01/2011 and end 12/31/2025
11/17/10	North Country Renaissance Zone/ Township of Marenisco Subzone—Revocation of Marenisco Hardwoods and Manufacturing, Inc. project	Marenisco Twp.	Gogebic	Geographic Renaissance Zone: Revocation of time extension due to project not occurring as a result of declining markets
11/17/10	Berrien County/Benton Harbor/ Benton Township Renaissance Zone / Elisha Gray Enterprise Park subzone—Whirlpool Corporation project	Benton Charter Twp.	Berrien	Geographic Renaissance Zone: 12-year time extension to begin 01/01/2011 and end 12/31/2023
11/17/10	Berrien County/Benton Harbor/ Benton Township Renaissance Zone/ Miller's Pond subzone—Whirlpool Corporation project	Benton Harbor	Berrien	Geographic Renaissance Zone: Six-year time extension to begin 01/01/2011 and end 12/31/2023
11/17/10	Berrien County/Benton Harbor/ Benton Township Renaissance Zone/ Edgewater Redevelopment Area subzone—Whirlpool Corporation project	St. Joseph	Berrien	Geographic Renaissance Zone: 12-year time extension to begin 01/01/2011 and end 12/31/2023

MICHIGAN RENAISSANCE ZONE ACTIVITY *continued*
Fiscal Year 2011 (10/01/2010–09/30/2011)

Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
12/01/10	City of Detroit Renaissance Zone/ Lynch Road subzone—Detroit Chassis project (amendment)	Detroit	Wayne	Geographic Renaissance Zone: Amend previous time extension approval to add a parcel number not originally included
12/01/10	City of Flint Renaissance Zone/ New Great Lakes Medical Complex subzone—Diplomat Specialty Pharmacy LLC & IINN, Inc. (Insight Institute of Neurosurgery and Neuroscience) project	Flint	Genesee	Geographic Renaissance Zone: New 15-year subzone to begin 01/01/2011 and end 12/31/2025
12/15/10	Border to Border Renaissance Zone/City of Coldwater subzone—JMWingard, LLC project	Coldwater	Branch	Geographic Renaissance Zone: 10-year time extension to begin 01/01/2011 and end 12/31/2021
12/15/10	Mid-Michigan Economic Growth Corridor Renaissance Zone/LeRoy Township subzone—Acme Pallet, Inc. project	LeRoy Twp.	Osceola county	Geographic Renaissance Zone: Six-year time extension to begin 01/01/2011 and end 12/13/2020
12/15/10	Montcalm and Gratiot Counties Renaissance Zone/Howard City/ Pierson Township/Reynolds Township subzone—Northern Cable & Automation, LLC (dba Flex-Cable) project	Pierson Twp.	Montcalm	Geographic Renaissance Zone: Seven-year time extension to begin 01/01/2011 and end 12/31/2018
12/15/10	City of Detroit Renaissance Zone/ Southwest/DelRay subzone—Boasso America Corporation project	Detroit	Wayne	Geographic Renaissance Zone: Seven-year time extension to begin 01/01/2011 and end 12/31/2018
12/15/10	City of Detroit Renaissance Zone/ Southwest/DelRay subzone—Bridgewater Interiors, LLC project	Detroit	Wayne	Geographic Renaissance Zone: Seven-year time extension to begin 01/01/2011 and end 12/31/2018
12/15/10	City of Detroit Renaissance Zone/ Southwest/DelRay subzone—Renaissance Global Logistics, LLC project	Detroit	Wayne	Geographic Renaissance Zone: Nine-year time extension to begin 01/01/2011 and end 12/31/2020
12/15/10	City of Detroit Renaissance Zone/ Southwest/DelRay subzone—The John Johnson Company project	Detroit	Wayne	Geographic Renaissance Zone: Five-year time extension to begin 01/01/2011 and end 12/31/2016
12/15/10	Biofuels Industries Group	Adrian	Lenawee	Renewable Energy Renaissance Zone Revocation: Due to business closure and noncompliance
01/26/11	Grid Logic Incorporated	Lapeer Twp.	Lapeer	Renewable Energy Renaissance Zone: New 15-year designation to begin 01/01/2011 and end 12/31/2026
02/23/11	*Detroit Region Aerotropolis Development Corporation: Cities of Belleville, Romulus, Taylor, and Ypsilanti, Charter Townships of Van Buren and Ypsilanti, Huron Township and Wayne County Airport Authority	Various	Washtenaw /Wayne	Designation of the Detroit Region Aerotropolis Development Corporation as a new Next Michigan Development Corporation, effective immediately

MICHIGAN RENAISSANCE ZONE ACTIVITY *continued*
Fiscal Year 2011 (10/01/2010–09/30/2011)

Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
03/23/11	Shoreline Fruit, LLC	Acme Twp.	Grand Traverse	Agricultural Processing Renaissance Zone: New 15-year designation to begin 01/01/2011 and end 12/31/2026
04/27/11	City of Saginaw Renaissance Zone/ Central Business District subzone— SSP & Associates, Inc. project	Saginaw	Saginaw	Geographic Renaissance Zone: Seven-year time extension to begin 01/01/2011 and end 12/31/2021
05/25/11	City of Lansing Renaissance Zone/ Knapps Centre subzone—George F Eyde & Louis J Eyde Limited Family Partnership project	Lansing	Ingham	Geographic Renaissance Zone: New 15-year subzone to begin 01/01/2011 and end 12/31/2026
06/22/11	City/County of Jackson Renaissance Zone/Production Engineering Subzone—Production Engineering, Inc. project	Jackson	Jackson	Geographic Renaissance Zone: New subzone designated in 2008 reduced from 15-years to 14-years due to non-compliance—failure to retain required number of employees; now ends on 12/31/2022
07/27/11	No new projects			
08/24/11	No new projects			
09/21/11	Van Buren County Renaissance Zone/City of Hartford subzone— AmHawk, LLC project	Hartford	Van Buren	Geographic Renaissance Zone: Revocation of time extension due to noncompliance
09/21/11	Montcalm and Gratiot County Renaissance Zone/Carson City/ Bloomer/North Shade Township subzone—Renaissance Power, L.C. project	Carson City	Montcalm	Geographic Renaissance Zone: Three-year time extension to begin 01/01/2011 and end 12/31/2018

**Next Michigan Development Corporation: In 2010, a package of bills was signed into law to provide incentives that encourage economic development and investment, job creation and job retention, and ancillary economic growth delivered by what are called Next Michigan Development Corporations for businesses engaged in various aspects of multimodal commerce, including movement of products, information, and services via air, roads, rail, or water.*

The package was originally known as the “Aerotropolis” legislation because nine municipalities in Wayne and Washtenaw counties near Detroit Metropolitan Airport had already entered into an interlocal agreement that would allow them to make use of the proposal to employ a variety of incentives in order to stimulate economic development close to the airport. These incentives include real and personal property tax abatements, tax increment finance plans, and renaissance zones. The Next Michigan Development Act allows the Michigan Strategic Fund to designate up to five Next Michigan Development Corporations.

The first Next Michigan Development Corporation was designated by the MSF Board in February 2011. The Detroit Regional Aerotropolis Development Corporation includes eight communities in Wayne and Washtenaw counties as well as the Wayne County Airport Authority.

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 percent increments over the last three years of the zone designation.

TOOL & DIE RECOVERY ZONE ACTIVITY Fiscal Year 2011 (10/01/2010-09/30/2011)				
Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
10/27/10	Vicount Industries, Inc.	Farmington Hills	Oakland	Add nine additional years for a total of 15 years—end date is now 12/31/2022; member of Global Tool Alliance, LLC
10/27/10	LS Mold, Inc.	Holland	Allegan	Add six additional years for a total of 12 years—end date is now 12/31/2016; member of Great Lakes Tool & Die Recovery Zone
10/27/10	STM Manufacturing, Inc.	Holland	Allegan	Add six additional years for a total of 12 years—end date is now 12/13/2019; member of Great Lakes Tool & Die Recovery Zone
10/27/10	Global Engineering, Inc.	Shelby Charter Twp.	Macomb	Join Global Tooling Alliance for five years to begin 01/01/2011 and end 12/31/2015
11/17/10	Advanced Integrated Tooling Systems	Chesterfield Charter Twp.	Macomb	Join Third Coast Tooling Alliance for five years to begin 01/01/2011 and end 12/31/2015
11/17/10	Mistequay-ISG LLC	Saginaw Charter Twp.	Saginaw	Join Third Coast Tooling Alliance for five years to begin 01/01/2011 and end 12/31/2015
12/01/10	Carroll Tool & Die Co.	Macomb Twp.	Macomb	Add five additional years for a total of 10 years—end date is now 12/31/2019; member of Third Coast Tooling Alliance
12/01/10	CDM Machine Co., Inc.	Redford Charter Twp.	Macomb	Join Eastern Michigan Tool & Die Collaborative for 10 years to begin 01/01/2011 and end 12/31/2020
12/01/10	Talent Industries, Inc.	Redford Charter Twp.	Wayne	Add five additional years for a total of 15 years—end date is now 12/31/2020; member of Eastern Michigan Tool & Die Collaborative
12/15/10	Michigan International Tooling Alliance			New Recovery Zone comprised of 17 companies identified below with various years of the benefit granted
12/15/10	Arbor Gage & Tooling, Inc.	Grand Rapids	Kent	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	Carbide Form Master, Incorporated	Springfield Charter Twp.	Oakland	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015

TOOL & DIE RECOVERY ZONE ACTIVITY *continued*
Fiscal Year 2011 (10/01/2010–09/30/2011)

Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
12/15/10	Hommel-Etamic America Corporation	Rochester Hills	Oakland	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	I & G Tool Company, Inc.	New Baltimore	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	KEO Cutters, Inc.	Warren	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	M. Curry Corporation	Bridgeport Twp.	Saginaw	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	P.C.S. Company	Fraser	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	PT Tech Stamping, Inc.	Fraser	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	Praet Tool & Engineering, Inc.	Macomb Twp.	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	Product & Tooling Technologies, Inc.	Fraser	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	Troy Industries, Inc.	Shelby Charter Twp.	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2015
12/15/10	Fischer Tool & Die Corporation	Bedford Township	Monroe	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2017
12/15/10	Ecco Tool Co., Inc.	Novi	Oakland	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2018
12/15/10	Centerless Rebuilders, Inc.	New Haven	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2020
12/15/10	Cole's Machine, Inc.	Davison	Genesee	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2020
12/15/10	Fullerton Tool Company, Inc.	Saginaw	Saginaw	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2020
12/15/10	Innovative Mold, Inc.	Washington Charter Twp.	Macomb	Participant in Michigan International Tooling Alliance to begin 01/01/2011 and end 12/31/2020

TOOL & DIE RECOVERY ZONE ACTIVITY *continued*

Fiscal Year 2011 (10/01/2010–09/30/2011)

Meeting date	Company or Renaissance Zone	Location	County	MSF Board action
12/15/10	Metal Processors, Inc.	Lincoln Charter Twp.	Berrien	Revocation of existing Tool & Die Recovery Zone property due to company closure; former member of Berrien Tooling Coalition
12/15/10	C.H. Industries, Inc.	Shelby Charter Twp.	Macomb	Join Michigan Coast to Coast Tool & Die Collaborative for five years to begin 01/01/2011 and end 12/31/2015
12/15/10	DS Mold, Inc.	Belding	Ionia	Allow entire company property in the city of Belding to receive the Tool & Die benefit to begin 01/01/2011 and end 12/31/2020; member of Central Michigan Collaborative
12/15/10	Proper Group International, Inc.	Warren	Macomb	Join Eastern Michigan Tool & Die Collaborative for five years to begin 01/01/2011 and end 12/31/2015
12/15/10	Tranor Industries, L.L.C.	Detroit	Wayne	Join Michigan Coast to Coast Tool & Die Collaborative for 11 years to begin 01/01/2011 and end 12/31/2021
12/15/10	BuhlerPrince, Inc.	Holland	Ottawa	Join Strategic Tool Solutions Collaborative for 12 years to begin 01/01/2011 and end 12/31/2022
12/15/10	International Mold Corporation	Clinton Charter Twp.	Macomb	Join Strategic Tool Solutions Collaborative for 14 years to begin 01/01/2011 and end 12/31/2024

BUSINESS ATTRACTION AND RETENTION

In addition to assisting companies with a full complement of financing programs and economic development incentives, the MEDC provides many other programs and services to businesses. The MEDC's Retention and Attraction Team acts as the agency's sales and marketing divisions for Michigan companies. Business development managers (BDMs) deliver business and retention services based on specific company needs. The BDMs are regionally assigned. Contact with companies occurs through in-person visits, usually in partnership with a local economic development partner. 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—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 support—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.

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 office that provides impartial, independent, and confidential assistance in resolving disputes and investigating business complaints against state government agencies; 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; assisting companies in finding property for expansions; and a suite of talent enhancement services to firms that need to find the right people for their business.

VISIT AND BUSINESS SERVICE ACTIVITIES	
Fiscal Year 2011 (10/01/2010–09/30/2011)	
	No. of Occurrences
Visit activities	
Michigan retention visits	1,655
Michigan customer support visits	451
Michigan project visits	529
International visits	38
Visits (other)	276
Total visits	2,949
Business service provided to MEDC customers	
Assistance—community	62
Assistance—general	43
Assistance—technical	10
Incentive estimating	419
Ombudsman	142
Other services	67
Referral	37
Research	173
Site selection	48
Talent acquisition	9
Workers Compensation cost control	61
Total	1,071

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, Magna, LG Chem, AVL, Valeo, Tata, Fiat, Inalfa, Swedish Biogas, URV, BAE Systems, and many more.

INTERNATIONAL ATTRACTION AND RETENTION						
Fiscal Year 2011 (10/01/2010-09/30/2011)						
Company	County	Opportunity industry/project	Projected new investment	Projected new employees	Projected retained jobs	Parent country
Geislinger Corporation	Calhoun	automotive/job training	\$443,308	3	8	Austria
Seissenschmidt Corporation Precision Components	Iosco	automotive/job training	\$406,000	2	16	Germany
Michigan Automotive Compressor, Inc.	Jackson	automotive/retention	\$72,000,000	0	562	Japan
Dematic Corporation	Kent	manufacturing/expansion	\$10,901,000	505	0	Germany
Hi-Lex Controls, Incorporated	Lenawee	automotive new press	\$840,000	5	0	Japan
Cerazit USA, Inc.	Macomb	automotive/brownfield	\$13,950,000	75	140	Austria
GETRAG Corporation	Macomb	R&D/engineering/job training	\$520,000	0	3	Germany
Benteler Automotive Corporation	Oakland	automotive/relocation of national headquarters	\$3,966,500	250	0	Germany
Blaupunkt Antenna Systems USA, Inc.	Oakland	automotive R&D/testing/North American headquarters and R&D center	\$4,727,000	104	0	Germany
Denso International America, Inc.	Oakland	automotive/job training	\$9,430,000	0	200	Japan
Dokka Fasteners, Incorporated	Oakland	alternative energy-wind/new facility	\$20,596,022	90	0	Switzerland
Kenersys Americas, LLC	Oakland	alternative energy-wind/new project	\$10,242,000	160	0	Germany
KOSTAL Kontakt Systeme, Inc.	Oakland	alternative energy-solar/connector production facility; applications in solar, battery and electric vehicle industries	\$27,136,000	247	0	Germany
Magna Steyr North America	Oakland	automotive/engineering services contract	\$765,000	200	0	Austria

INTERNATIONAL ATTRACTION AND RETENTION *continued*
Fiscal Year 2011 (10/01/2010–09/30/2011)

Company	County	Opportunity industry/project	Projected new investment	Projected new employees	Projected retained jobs	Parent country
Otto Bock Polyurethane Technology, Inc.	Oakland	automotive/tech center and production facility for polyurethane engine dampening components	\$13,347,000	98	0	Germany
P3-North America, Inc.	Oakland	information technology/P3 expansion	\$332,130	65	0	Germany
ThyssenKrupp System Engineering, Incorporated	Oakland	manufacturing-advanced/job training	\$0	0	28	Germany
Weber Automotive Corporation	Oakland	automotive/manufacturing facility for engine components	\$24,847,000	280	0	Germany
American Broach and Machine Company	Washtenaw	machinery/machine tools/R&D center	\$25,000,000	43	0	China
Chemetall U.S., Inc.	Wayne	chemicals/consolidate in Monroe	\$20,730,000	0	74	Germany
Mercedes-Benz Hybrid, LLC	Wayne	automotive/job training	\$0	0	100	Germany
Total			\$260,178,960	2,127	1,131	

TALENT ENHANCEMENT

The MEDC established a talent enhancement unit in early 2011. The goals of the MEDC talent enhancement team are to attract, retain and develop talent to support business attraction, economic gardening and entrepreneurship. They develop and implement key statewide programs, support local talent partners with a variety of tools and resources, and help employers find talent. They partner closely with the MichiganWorks! agencies, community colleges, local economic development organizations, and many other key entities to help reinvent Michigan. Talent enhancement's key values include customer responsiveness, creativity, efficiency, teamwork, collaboration, and having an action orientation.

The talent enhancement team develops local talent enhancement capability and capacity; provides talent enhancement support to employers; connects job seekers to opportunities; and helps support attraction projects.

The talent enhancement team hosted its inaugural LiveWorkDetroit day on March 25. LiveWorkDetroit! showcases Detroit as the place for Michigan's college graduates and young professionals to live and work. The day involved a tour of the best places to live, work and hang out in Detroit. Along the way, students had an opportunity to meet the entrepreneurs and professionals who call the city home.

The MEDC began a statewide roll-out of the Michigan Shifting Gears program—a training program to teach seasoned business professionals how to take the skills and talent developed in corporate settings and reframe and adapt them to provide value to small businesses. The program first launched in 2009 in partnership with Ann Arbor SPARK.

The MEDC also launched a new talent portal on its website designed to help skilled professionals connect with employers. Through the MEDC job portal, located at www.hiremi.org, employers can register to post openings and work closely with the MEDC's talent acquisition team to devise strategies to meet their talent needs. Companies posting on the job portal also will have access to the MEDC's other talent acquisition services, including targeted marketing and social media outreach, career events, assistance with identifying relocation services, and a triage approach to addressing hard-to-fill positions and hiring challenges. The portal also allows job seekers to search for positions around the state, create profiles, and add their résumés to the talent database. It is currently being used in concert with the Michigan Talent Bank. Both systems are working together to effectively connect Michigan's businesses and job-seekers. The goal for the future includes designing one job portal system that combines the strengths of both of the state's current operating systems, to create a world-class, efficient jobs resource.

Among the many creative tools the talent enhancement team is working on to assist job creators and job seekers, they are partnering with universities and community colleges to discuss ways to increase capacity for high-demand skills. No other state is as aggressively seeking to quantify talent information, partner with universities and community colleges, and to implement rapid change across the educational spectrum. They also are working closely with the Michigan Department of Education on a number of exciting initiatives.

Michigan has an opportunity to create a ground-breaking, innovative approach to talent development. Looking forward to fiscal year 2012, there are many talent issues that need to be addressed by the creation of an overall strategy that ties together all pieces of the "talent pipeline."

URBAN ECONOMIC DEVELOPMENT

A priority of the MEDC is to revitalize Michigan's urban centers. The MEDC established an Urban Economic Development unit in January 2011. It is charged with leading efforts to foster an entrepreneurial atmosphere that will support job growth, develop and retain young talent, strengthen training and business development services and improve access to capital. Immediate areas of focus include Detroit, Pontiac, Flint, Saginaw and Benton Harbor. The unit also collaborates on job creation and retention projects. The MEDC's urban approach includes a focus on supporting business sustainability in the small business segment that the MEDC would not normally be engaged with (e.g., retail, food, garment, etc.).

Examples of recent urban projects supported by the MEDC include:

- MEDC provided \$150,000 matched support with the New Economy Initiative (NEI) for the Shifting Gears program to place five mid-level executives in key positions within City of Detroit government to affect positive change and efficiencies in areas such as community relations, finance/purchasing, fiscal management—21st century, technology, and arts/culture. Combined funding provides for one year placements.
- MEDC provided \$50,000 in support of the Detroit Economic Growth Corporation (DEGC) green grocer initiative providing technical, marketing, and distribution support to the 80 independent grocers within the city. In addition, the MEDC provided assistance to the city's only African-American-owned grocer, Metro Foodland, to open a farmer's market stand to increase access to locally grown fresh produce to the community.

The MEDC also introduced a kitchen incubator pilot, which provided access to a licensed commercial kitchen to several food processors who had a defined product but were lacking in expertise to access major distribution points and other technical points in running a business. A team of professionals from the Michigan Small Business & Technology Development Center (MI-SBTDC), Center for Empowerment and Economic Development (CEED), Micro Lenders, MSU Product Center, and MEDC staff provided assistance with business plan development, financials, and product distribution.

The owner of the Ice Cream Place, a participant in the program, was a very small operator in providing excellent varieties of homemade ice cream from a home based operation driven by individual and event orders. As a result of this pilot, the product has been picked up for distribution in Whole Foods and Metro Foodland. The business has received product packaging assistance from the MSU Product Center, and incorporated bar coding to manage inventory and sales. In addition, the company benefited from services provided by a Shifting Gears graduate to help with the business model.

The Snyder administration has created an Office of Urban Initiatives to proactively address issues in Detroit and the rest of Michigan's major urban centers. In addition to Detroit, they will look to establish offices in Grand Rapids and in the Flint and Saginaw areas. The office also will work to support entrepreneurs as they revitalize Michigan cities one neighborhood at a time. The MEDC's Urban Economic Development team will work in partnership with the Office of Urban Initiatives to achieve these goals.

PLACEMAKING/COMMUNITY DEVELOPMENT

The MEDC's Community Assistance Team (CATeam) is dedicated to helping all Michigan communities both urban and rural. The team serves as the community's first point of contact within state government. Contact with communities, at a minimum, occurs annually through in-person visits, while project scoping and technical assistance visits are provided as requested. The CATEam strives to strengthen communities by ensuring access to economic and community development services and programs that cultivate sustainable projects through placemaking. This is accomplished by:

- Serving the individual needs of communities seeking assistance with community development
- Working in partnership with other organizations to design programs that foster a sense of place
- Facilitating collaborative efforts with other state agencies around placemaking
- Launching a statewide Redevelopment Ready Communities® Program

The MEDC, in partnership with the Michigan State Housing Authority (MSHDA), acquired the Redevelopment Ready Communities® (RRC) Program from the Michigan Suburbs Alliance. RRC will support Michigan communities to become development ready, competitive and "open for business." RRC is a strategic tool that leads change in the development culture for communities, building confidence among businesses and developers by encouraging communities to adopt innovative strategies and efficient development processes.

The CATEam is regionally assigned and has built partnerships within MEDC, neighborhood organizations and regional agencies to assist the development or redevelopment of Michigan's downtowns. The team also provides services to complement MSHDA, the Michigan Department of Transportation, Michigan Department of Agriculture and Rural Development, Michigan Department of Natural Resources, and Michigan Department of Environmental Quality's placemaking efforts.

TECHNICAL ASSISTANCE AND PROJECT FINANCIAL ASSISTANCE	
Fiscal Year 2011 (10/01/2010–09/30/2011)	
Technical Assistance	No. of Occurrences
Community visits/project scoping meetings	
Total visits	214
Trainings	
Community Development Block Grant	
Gaylord	25
South Haven	32
Marquette	45
Lansing	34
Community Assistance Team	
Ann Arbor	21
Traverse City	24
Kalamazoo	43
Marquette	36
Total attendees	260
CATEam Project Financial Assistance	
Act 381 Work Plans for Tax Increment Financing	26 projects, \$64,845,872
Brownfield MBT Credits	86 projects, \$100,809,004
Community Development Block Grants—community development projects	49 projects, \$12,468,689

TRIBAL BUSINESS DEVELOPMENT

The MEDC launched its Tribal Business Development efforts in late 2010 to encourage Michigan's 12 federally recognized Indian tribes to expand their business portfolios in Michigan. The goal of the Tribal Business Development unit is to be a resource to Michigan's 12 federally recognized Indian tribes in achieving sustainable tribal economies through business diversification, and to build state-tribal relationships that foster business development beyond gaming.

Five of Michigan's tribes are located in the Upper Peninsula: Bay Mills Indian Community, Hannahville Potawatomi Indian Community, Keweenaw Bay Indian Community, Lac Vieux Desert Band of Lake Superior Chippewa Indians, and the Sault Ste. Marie Tribe of Chippewa Indians. The remaining seven tribes are located in the Lower Peninsula: Grand Traverse Band of Ottawa and Chippewa Indians, Match-E-Be-Nash-She-Wish Band of Pottawatomi Indians (Gun Lake Tribe), Little River Band of Ottawa Indians, Little Traverse Bay Band of Odawa Indians, Nottawaseppi Huron Band of Potawatomi Indians, Pokagon Band of Potawatomi Indians, and the Saginaw Chippewa Indian Tribe.

Tribes are unique but have common economic interest in job retention/creation, business development, infrastructure enhancement, alternative energy, entrepreneurship programs, and contracting opportunities. Fiscal year 2011 has been focused on developing relationships and strategic partners that further tribal business development; identifying federal, state, local and other tribal business and finance resources; coordination and collaboration of resources; encouraging tribes to adopt proven economic strategies and business models that have succeeded in Indian country; and providing technical assistance for specialized legal, financial and business services required for tribal business development.

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 2011 grantees of MCACA grants reported over 11 million individuals—including over five million youth—benefitted from MCACA grants. The grantees also report contracting with 43,493 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: 101 grants awarded totaling \$45,000

Regional Regranting: 160 awards totaling \$369,312

Therefore, funds appropriated for MCACA in fiscal year 2011 resulted in 606 grants being made across the state for arts and cultural activities.

MCACA GRANTS					
Fiscal Year 2011 (10/01/2010-09/30/2011)					
Grant type	Number of awards	Individuals benefiting	Grant amount	Cash and overall match	
Bus grants	110	13,571	\$39,215	\$121,479	\$208,142
New leaders program	13	7,144	\$31,828	\$37,848	\$89,102
Operational and project support	178	8,015,477	\$1,458,650	\$193,532,412	\$200,448,777
Regional Regranting Mini-grant Program	38	561,018	\$493,462	\$2,504,675	\$3,547,768
Services to the field	6	2,436,071	\$326,518	\$7,602,237	\$7,615,381
Total	235	11,033,281	\$2,349,673	\$203,798,651	\$211,909,170

MICHIGAN STRATEGIC FUND

MICHIGAN STRATEGIC FUND EXPENDITURES*				
Fiscal Year 2011 (10/01/2010–09/30/2011)				
Programs	State FTE	State expenditures	Corporate expenditures	Total expenditures
Business Development and Attraction	30.0	\$4,990,326	\$3,315,975	\$8,306,301
Business Support (includes CDBG, EDJT and 21st Century Jobs Fund Administration)	25.0	\$8,067,885	\$2,259,002	\$10,326,887
Michigan Defense Center	2.0	\$2,517,294		\$2,517,294
Film Office	5.0	\$712,249		\$712,249
Marketing and communications (includes Travel Michigan, 21st Century Jobs Fund and Michigan promotion programs)	23.0	\$26,034,190	\$7,409,495	\$33,443,685
Other (administration, compliance, and non-program)	33.0	\$6,417,950	\$5,415,604	\$11,833,554
Sub-total programs	118.0	\$48,739,894	\$18,400,076	\$67,139,970
GRANTS AND OTHER PROGRAMS				
21st Century Jobs Investment Program (includes loans and investments)		\$26,558,202		\$26,558,202
Centers of Energy Excellence		\$13,821,226		\$13,821,226
Michigan Supplier Diversification—collateral program		\$13,699,200		\$13,699,200
Choose Michigan Loan Fund		\$7,000,000		\$7,000,000
Community Development Block (CDBG)		\$64,971,697		\$64,971,697
Closing Fund			\$5,458,916	\$5,458,916
Detroit Institute of Arts		\$10,000,000		\$10,000,000
Growth Business Fund			\$4,429,500	\$4,429,500
Alternative energy programs (Battery Alliance)			\$1,235,051	\$1,235,051
Michigan Manufacturing Technology Center**			\$2,000,000	\$2,000,000
SBTDC Emerging Technology (company support)		\$1,400,000	\$2,858,333	\$4,258,333
Federal grant—Flint Biogas and Biofuels			\$942,863	\$942,863
Follow-on funds			\$2,351,725	\$2,351,725
Research studies			\$399,515	\$399,515
MBSii Wave 3 and Enterprise Permitting and System Consolidation		\$850,189	\$1,899,507	\$2,749,696
2nd Tier Service Partner and other competitions			\$777,281	\$777,281
Urban and rural economic development projects			\$494,240	\$494,240
Michigan Council for Arts and Cultural Affairs		\$2,384,850		\$2,384,850
Michigan Core Communities Fund		\$3,556,060		\$3,556,060
Business incubators		\$876,389		\$876,389
Economic Development Job Training		\$4,889,331		\$4,889,331
Miscellaneous			\$178,468	\$178,468
Sub-total grants		\$150,007,144	\$23,025,399	\$173,032,543
Total programs and grants		\$198,747,038	\$41,425,475	\$240,172,513

* Cash and accrued expenditures made during fiscal year 2011, including payments against prior year encumbrances and work projects.

** Grants made to leverage federal grants.

TRAVEL MICHIGAN

FISCAL YEAR 2011 (10/01/2010–09/30/2011)

Pure Michigan Marketing Campaign

The Pure Michigan campaign was recognized as a top advertising campaign by the Detroit advertising community in December 2010. The campaign was honored with the “Best of Show” award D Show, an annual event celebrating the breadth of ideas, depth of talent and craft of the advertising world. Pure Michigan also was recognized by the Advertising Research Foundation in March 2011. The campaign won a prestigious David Ogilvy Award for Excellence in Advertising Research. Pure Michigan’s advertising agency, McCann Erickson Detroit, shared honors with its media arm, Universal McCann, and research partner Longwoods International. The David Ogilvy Awards honor extraordinary and creative use of research in the development of successful advertising campaigns. These awards join an already crowded Pure Michigan trophy case of nine Mercury Awards, including Best State Tourism Advertising Campaign, Best State Tourism Television Commercials and Best State Tourism Radio Commercials, along with an accolade from *Forbes* magazine as one of the 10 best tourism campaigns of all-time.

In August 2011, the National Council of State Tourism Directors (NCSTD) named Michigan’s George Zimmermann the State Tourism Director of the Year for 2011. The NCSTD, an affiliate of the U.S. Travel Association, has recognized a State Tourism Director of the Year each year since 1970 to honor a tourism director that has clearly influenced the obvious and measurable improvement of a state or territory’s ‘travel and tourism profile’ with their leadership.

Due to reduced funds, the 2010 fall Pure Michigan advertising campaign was canceled for the first time since 2005. However, legislation signed into law in December 2010 provided \$10 million of the \$75 million appropriated for the 21st Century Job Trust Fund for fiscal year 2011 to be used for the promotion of tourism in Michigan. Funding the Pure Michigan campaign was highlighted in Governor Rick Snyder’s 2011 State of the State Address. Legislation was later signed into law that amended the Michigan Strategic Fund (MSF) Act to add the promotion of tourism in Michigan to the authorized uses of MSF money and increased the amount of money from the 21st Century Jobs Trust Fund that may be spent for tourism promotion in fiscal year 2011 from \$10 million to \$20 million. The bill also specified that the promotion of tourism in the state is an ongoing purpose of the 21st Century Jobs Trust Fund, which will permit the MSF Board in future years to allocate funds from 21st Century Jobs Trust Fund appropriations to tourism promotion. This additional funding was critical to maintaining the momentum generated by recent Pure Michigan campaigns. It covered general marketing activity, a regional winter advertising buy and a national cable spring/summer buy as well as regional spring/summer and fall buys.

There were 21 new commercials produced in fiscal year 2011, including partner ads (seven television, 14 radio). Regional markets for fiscal year 2011 (Travel Michigan and partner) included:

Battle Creek, MI	Flint, MI	Saginaw, MI
Bay City, MI	Ft. Wayne, IN	South Bend, IN
Chicago, IL	Grand Rapids, MI	Southern Ontario
Cincinnati, OH	Green Bay, WI	St. Louis, MO
Cleveland, OH	Indianapolis, IN	Toledo, OH
Columbus, OH	Kalamazoo, MI	Traverse City, MI
Dayton, OH	Lansing, MI	
Detroit, MI	Milwaukee, WI	

Since its launch in 2006, the award-winning Pure Michigan campaign has attracted seven million new, out-of-state visitors to the Great Lakes state, visitors who spent \$2 billion at Michigan businesses and paid \$138 million in Michigan taxes, primarily sales tax. The campaign generates \$3.29 in tax revenue for the state for each dollar spent on Pure Michigan advertising.

Travel Web Activity on www.michigan.org

There were 8.9 million web visits in fiscal year 2011. This compares to 8.8 million visits last year, an increase of 1.4 percent over last year.

Note: The reason for the discrepancy in 2010 visits is we switched tracking methodology in 2011 from a log file based system to a tagging system

Number of Visits Passed on to Travel Industry Partners' websites

There were 6.1 million click-throughs in fiscal year 2011. This compares to 6.6 million last year, an 8.0 percent decrease 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 travel industry private sector website.

In August 2011, the Pure Michigan Facebook page reached a record of more than 300,000 fans—the highest number of fans for any state tourism Facebook page in the nation. The Pure Michigan eNewsletter also passed the 300,000 subscriber mark. The Pure Michigan Facebook page also began utilizing the Facebook Question app to give fans an opportunity to answer a Pure Michigan question every week. The first question posted, “What is your favorite Michigan made food?,” received more than 75,000 votes in just 24 hours.

Two of Michigan's best-known brands, Michigan International Speedway (MIS) and Pure Michigan, teamed up to host the Pure Michigan 400 NASCAR Sprint Cup race at MIS in August 2011. This partnership brought the Pure Michigan message to millions of NASCAR fans nationwide who watched the Pure Michigan 400 on ESPN as well as the tens of thousands who came to MIS on race days. The one-year partnership joining these two brands, both focused on attracting new visitors to Michigan, is believed to be the first time a state brand is featured as the title of NASCAR's premier stock car series.

With the success of 2011, MIS and Pure Michigan are again teaming up to host the Pure Michigan 400 NASCAR Sprint Cup Series race at MIS in August 2012. The three-year partnership is a continuation of what started in 2011. The inaugural Pure Michigan 400 received overwhelming feedback from fans and tourists alike.

Travel Michigan rolled out an official Pure Michigan merchandise line in early fiscal year 2011, including sweatshirts, T-shirts, golf shirts, hats, umbrellas, travel mugs, golf balls, and more. Merchandise featuring the Pure Michigan logo is now sold in 45 Meijer stores across the state of Michigan. Travel Michigan also announced a new *Pure Michigan: Eating Fresh and Local in the Great Lakes State* cookbook, published by *Midwest Living*, that includes more than 150 pages of recipes and features about Michigan's menu of culinary offerings in big cities and small towns. The cookbook showcases Michigan's culinary specialties and offers ideas of how to enjoy a visit to savor and explore Pure Michigan products at u-pick farms, orchards, farmers' markets, restaurants, and more than 80 vineyards and wineries.

Media Familiarization Media Tours

Domestic Familiarization Media Tours (typically 20–30 travel writers from North America)

February 7–11: Twenty-five travel writers and editors representing national and regional media outlets split between Crystal Mountain Resort and Spa (Thompsonville) and Marquette/Munising

May 16–19: Twenty-four travel writers and editors representing national and regional media outlets experienced Detroit

August 14–19: Twenty travel writers and editors toured “The Great Waters” area, Eastern Upper Peninsula (Sault Ste. Marie, Paradise, Grand Marais, St. Ignace, De Tour, Les Cheneaux, etc.)

International Familiarization Media tours (typically 1–5 travel writers)

September: German travel writer visit to Detroit, Frankenmuth, Grand Haven, Muskegon

October: United Kingdom travel writer visit to New Buffalo, Holland, Whitehall, Silver Lake, Rothbury

Golf Writer Familiarization Tour (typically 6–8 golf writers)

Summer: Thirty-six golf writers and editors representing international, national and regional media outlets experiences golf courses/communities in: Grand Rapids, New Buffalo, Detroit, Traverse City, South Haven, Gaylord, Oscoda, St Joseph, Grand Haven, Holland, Lewiston, Roscommon, Lansing, Petoskey, Arcadia, Thompsonville, Bellaire, Brimley, Saugatuck.

Individual Familiarization Tour

December: Travel writer in Detroit

In addition to the familiarization tours, Travel Michigan promotes all Michigan communities...all of the time, with www.michigan.org and now even more than ever with an increasingly growing social presence on Facebook, Twitter, YouTube, Flickr, e-newsletters, and the Pure Michigan Connect blog. Travel Michigan also promotes all areas of the state with its WJR radio program in Detroit, which now also airs on stations in Grand Rapids, Traverse City, Lansing, Kalamazoo, Hastings and other Michigan Talk Radio Network stations. In addition, Travel Michigan does radio interviews every week on a network of seven stations featuring conversation about weekly events, and often on other stations as well.

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 and feeder markets are Toledo, Green Bay, South Bend, and Fort Wayne.

In fiscal year 2011, 30 partnerships committed more than \$3.1 million for radio, billboard and online advertising. Travel Michigan matched the private-sector partnership dollars for an total budget of \$6.2 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 and 2011. 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 four partnership programs: National Cable Advertising Partnerships (a pilot program in 2011), 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 2011 partnerships:

National Cable TV Partners—\$500,000 from each

- Traverse City Convention & Visitors Bureau
- Mackinac Island
- The Henry Ford

Out-of-State Advertising Partners

- Ann Arbor Area Convention & Visitors Bureau
- Beachtowns (nine communities along Lake Michigan coastline)
- Frankenmuth
- Greater Lansing Convention & Visitors Bureau
- Mackinac Island
- Downtown Grand Rapids—Grand Rapids Convention & Visitors Bureau
- Blue Water Area/Port Huron
- Great Lakes Bay Region
- Traverse City Convention & Visitors Bureau
- Muskegon
- Mackinaw City
- Michigan Apple Committee
- Michigan Arts Council
- Detroit Convention & Visitors Bureau
- Holland Convention & Visitors Bureau
- The Wilds of Michigan (Western Upper Peninsula)
- St. Ignace
- Michigan Snowsports Association (skiing)—winter
- Kalamazoo Convention & Visitors Bureau
- Mecosta County/Big Rapids
- Monroe

In-State Advertising Partners

Alpena
Flint
Sault Ste. Marie
The Henry Ford
Downtown Grand Rapids—Grand Rapids Convention & Visitors Bureau
Frankenmuth
Great Waters of the Upper Peninsula (Eastern Upper Peninsula)
Ludington
Blue Water Area/Port Huron
Sunrise Coast (seven communities along Lake Huron coastline)
Silver Lake Sands Dunes
Coldwater/Branch County
Michigan Apple Committee
Holland Convention & Visitors Bureau
Mecosta County/Big Rapids
Monroe
St. Ignace
The Wilds of Michigan (Western Upper Peninsula)

Pay-Per-Click Partners

Muskegon County Convention & Visitors Bureau
Ramada Inns
Traverse City Convention & Visitors Bureau

BUSINESS MARKETING

FISCAL YEAR 2011 (10/01/2010–09/30/2011)

Business Marketing Campaign

The Michigan Economic Development Corporation (MEDC) implemented the sixth year of the Upper Hand business marketing program in October 2011. The Upper Hand 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,” although the campaign was scaled-back due to reduced funding levels. 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. No new commercials were produced nor any new web-based products created in fiscal year 2011.

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. Aided awareness of the Upper Hand campaign among National executives dropped from 23 percent in 2009 to 17 percent in 2010. Aided awareness among Michigan executives dropped from 60 percent to 43 percent. Unaided awareness remained fairly consistent to off slightly from last year. Consideration of Michigan for relocation/expansion remains extremely low. Only 3.0 percent of national executives report considering the state of Michigan as a location for relocation/expansion of their business. Positively, 10 percent of in-state executives would consider Michigan for expansion of their business, a significant increase from one year ago.

In January 2011, the Michigan Strategic Fund (MSF) and MEDC made the decision to consolidate its marketing and communication programs under the Pure Michigan brand and the Upper Hand campaign was suspended. The Pure Michigan brand also is in use as the MEDC corporate identity in addition to targeting tourist, business, talent, and urban audiences. The MSF and MEDC issued Request For Proposals (RFPs) in September 2011 to provide marketing and advertising services to help the MEDC market the state and build the Pure Michigan brand. The dual RFPs, funded by the 21st Century Jobs Fund, focuses on the MEDC’s other efforts to market Michigan overall and as a business destination. Together, the combined efforts show Michigan as an ideal place to visit, live, and work with goals including talent attraction and growing Michigan’s economy. Nine proposals were received. A joint evaluation committee was appointed to review the proposals. McCann Erickson USA, Inc. scored the highest among all of the proposals and the business marketing and advertising services campaign was awarded to that agency. The Pure Michigan brand also has been expanded to other state departments through the DNR Recreational Passport and promotional video for the Secretary of State. Other areas for expansion are under development.

The www.MichiganAdvantage.org website was re-launched to reflect the Pure Michigan brand and is continually being updated as new programs and services are added or modified. One new feature is the Pure Michigan Business Connect website, a new \$8 billion public-private initiative that strengthens Michigan’s economic gardening philosophy through an alliance of the MEDC, Michigan companies, and other Michigan organizations. Pure Michigan Business Connect matches people with resources, business support services, and additional public/private support. A marketing toolkit has been added that includes a number of easy-to-access resources, including use of the Pure Michigan logo.

Along with advertising, the business marketing program funds events and trade shows in targeted industries in which Michigan has unique strengths. These complement the MEDC’s business attraction and retention efforts. Some of the key shows and events the MEDC participated in during fiscal year 2011 included:

- **North American International Auto Show (NAIAS):** “Smarter Living in Michigan,” a 5,000-square-foot town square display dedicated to the state’s burgeoning alternative energy industry and innovative companies, and featured ways in which alternative energy technologies are reinventing our lives.

- **CAR Management Briefing Seminars:** largest management conference in North American automotive industry
- **2010 World Stem Cell Summit:** unites the stem cell universe of researchers, ReGEN industry leaders, funders, medical philanthropies, policy-makers, advocates, educators and regulators to chart the future of regenerative medicine
- **2010 MichBio Expo and Conference:** largest gathering of bioscience professionals in the state where representatives discuss current issues facing the industry, learn about the latest technologies, and interact with vendors providing services to the industry
- **Eighth Annual MidAmerica Healthcare Venture Forum:** MidAmerica Healthcare Investors Network and International Business Forum joined forces to unite venture capitalists from around the nation to facilitate investment opportunities in promising healthcare companies from the MidAmerica region
- **ACE II Annual Collaboration for Entrepreneurship:** Great Lakes region entrepreneurs gather to network, learn, and connect
- **2011 International Conference on Thermoelectrics:** annual conference that brings together International experts in the field of thermoelectricity, drawing several hundred scientists and engineers from Asia, Europe and the United States

VISITS TO WWW.MICHIGANADVANTAGE.ORG			
	FY2011	FY2010	FY2009
October	56,430	135,342	45,932
November	62,839	88,767	46,623
December	56,050	62,075	40,802
January	64,297	68,103	51,645
February	53,506	53,129	54,869
March	69,979	83,830	100,095
April	64,195	140,344	98,452
May	85,054	185,820	94,489
June	93,467	71,709	76,554
July	90,662	56,404	67,016
August	106,140	54,094	64,476
September	113,888	53,675	129,818
Total	916,507	1,053,292	870,771
<i>The fiscal year 2011 total website visits to www.MichiganAdvantage.org represents a 14.9 percent decrease over fiscal year 2010 visits; however, the last four months of fiscal year 2011 represents a 71.3 percent increase over the last four months of fiscal year 2010. Fiscal year 2011 exceeded fiscal year 2009 website visits by approximately 5.2 percent.</i>			