

# MICHIGAN *Good News*

a monthly update brought to you by the Michigan Economic Development Corporation  
November 2009





Dear Friends,

Michigan's future is looking brighter (and greener) as our strategy to diversify the economy through job-creating alternative energy projects in sectors like advanced batteries and solar continues to pay off.

A few weeks after news of plans to transform the former Wixom Assembly Plant into a renewable energy park anchored by Xtreme Power and Clairvoyant Solar came word that Georgia-based Suniva Inc. plans to invest \$250 million in a new solar panel manufacturing plant in Thomas Township in Michigan's burgeoning "Solar Valley"—creating 500 jobs over the next five years.

Along with transforming Michigan into a center of green industrial production, other trends in October show a move in the right direction. New jobs data demonstrate an increase in manufacturing jobs in Michigan for three months in a row—30,000 added since June. Employment in professional and business services also increased, up 11,000 jobs from August to September. That is economic diversification in action.

In October, 10 projects representing 2,965 total jobs created and retained and \$254 million in private investment were announced for Michigan, thanks to assistance provided by the Michigan Economic Development Corporation. Seven company expansions plus three brownfield developments are expected to create and retain 1,657 direct and 1,308 indirect jobs. They include a manufacturer of chassis modules for Chrysler's Jeep Wrangler, a new IT center being opened by in Detroit, an insurance company headquarters expansion, and a plant renovation by a former defense manufacturer transitioning to the alternative energy industry. Two major alternative energy projects essential to the new Wixom Renewable Energy Park, and a battery manufacturing project, all previously announced, moved another step forward with the approval of state incentives.

Details of these projects and more are on the pages that follow. Enjoy!

A handwritten signature in black ink, appearing to read "Greg Main". The signature is fluid and cursive, with a large initial "G" and "M".

Greg Main, President and CEO  
Michigan Economic Development Corporation<sup>SM</sup>



### MICHIGAN BUSINESSES, COMMUNITIES AND MEDC PARTNERS TAKE HONORS IN OCTOBER

\*\*According to the National Association of Realtors, Michigan has three cities ranked in the Top 10 for the strongest rebounding housing markets: Lansing (No. 3), Grand Rapids (No. 5) and Saginaw (No. 10.)

\*\*ITC Holdings Corp. in Novi, the nation's first fully independent transmission company, was ranked 18th of Fortune magazine's 100 Fastest Growing Companies in the United States for 2009.

\*\*Grand Rapids-based economic development organization and MEDC partner The Right Place Inc. took honors in the category of Special Events by Organizations for its 2009 Automotive Diversification Conference last February. The prestigious award was given by the International Economic Development Council (IEDC) at its annual conference in October.

\*\*Ann Arbor's South Main Street and Front Street in Traverse City have been named to the 10 Great American Streets list for 2009. The award is part of the American Planning Association's Great Places in America program.

### PURE MICHIGAN SOARS TO 20,000 FACEBOOK FANS, REMAINS # 1 IN SOCIAL MEDIA TOURISM PROMOTION

The Pure Michigan Facebook page recently passed the 20,000 mark for Facebook fans in October, putting Michigan among the top states for fans on the social media outlet.

In addition, Travel Michigan retained the top-state ranking among the 50 official U.S. tourism office Web sites in the use of social media. In a recent study, How Social is Your State DMO, conducted by Gammet Interactive, Michigan was the No. 1 spot for the use of popular social media outlets including Facebook, Twitter, Flickr, YouTube and others.

*Travel Michigan, a division of the MEDC, is the state of Michigan's official agency for the promotion of tourism. Travel Michigan markets the state's tourism industry and provides valuable visitor information services. For Michigan travel information and updates go to [michigan.org](http://michigan.org).*

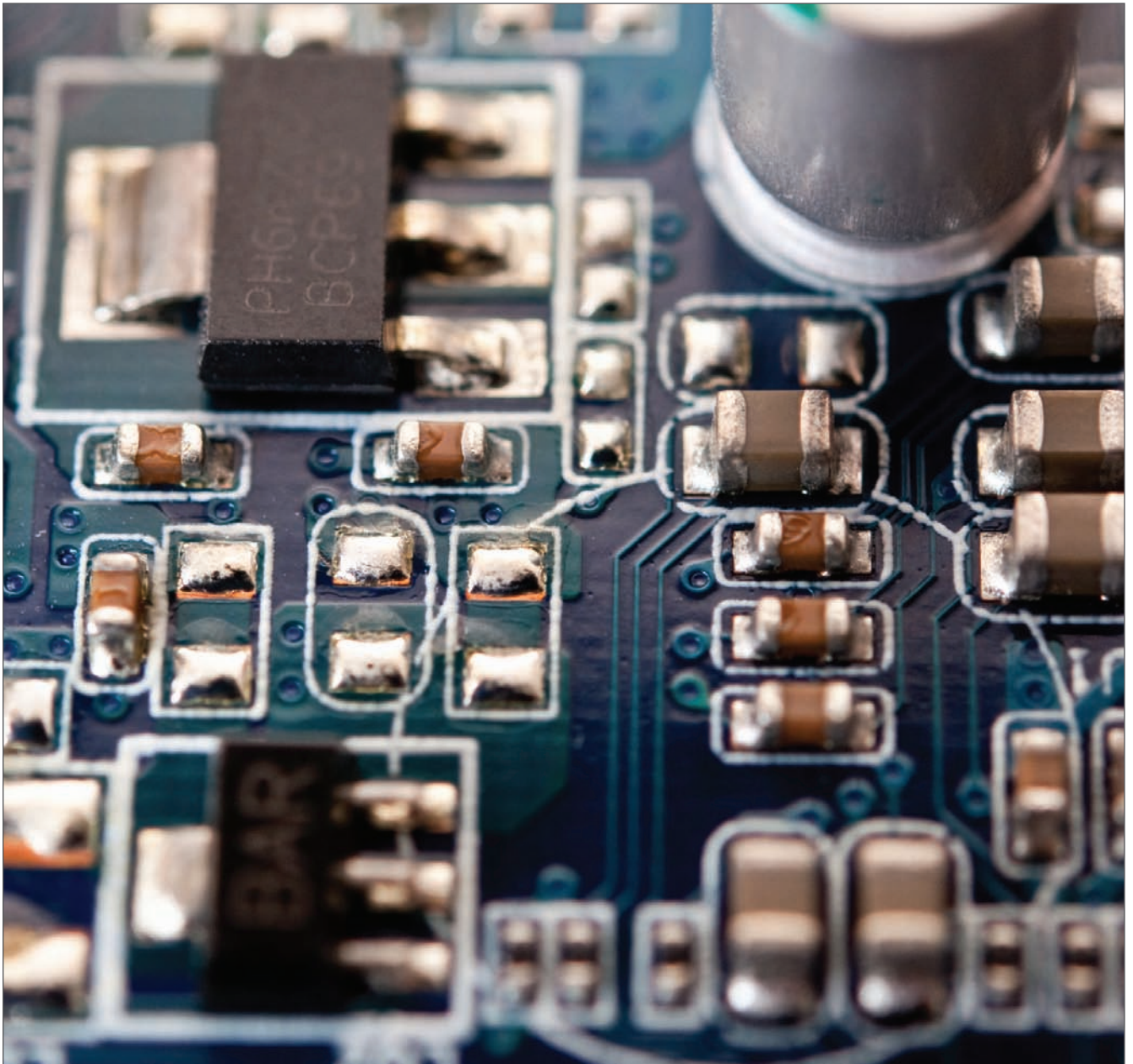
## MANUFACTURING DIVERSIFICATION SUMMITS HELPING SUPPLIERS FIND NEW MARKETS

MEDC partnered with Muskegon Area First and 10 other regional economic development organizations in October for the Automotive Diversification Summit in downtown Muskegon, the 11th of 13 summits being held throughout Michigan. An audience of more than 115 learned about strategies for converting capacity to advanced energy technology, medical device, aerospace and homeland security/defense manufacturing. To date, the statewide summits have attracted 2,200 participants representing more than 1,500 companies and the MEDC has awarded training grants valued at nearly \$2.5 million to 164 companies. For further information about the MEDC's diversification efforts, visit

[www.MichiganAdvantage.org/diversification](http://www.MichiganAdvantage.org/diversification)

## UM MOVES UP TO NO. 1 ON COLLEGE MEDIA COVERAGE LIST

The University of Michigan has moved ahead of Harvard University and all other universities in the United States for the amount of public interest measured by media coverage, Internet traffic and social media mentions, according to an independent national analysis released this week. U of M, previously ranked fourth, was followed by MIT, Harvard (previously No. 1), Columbia University, the University of Chicago, the University of California-Berkley, the University of Wisconsin, Stanford University, the University of North Carolina and Cornell University. The survey was part of Global Language Monitor's newest Predictive Qualities Indicator survey using word analysis to measure media trends. The organization is based in Austin, Texas.



**MICHIGAN'S FIRST-IN-THE-NATION PHOTOVOLTAIC CREDITS ATTRACT SOLAR PANEL PLANT TO SAGINAW COUNTY**

Georgia-based Suniva Inc. plans to invest \$250 million in a new solar manufacturing facility in Saginaw County's Thomas Township, pending approval of a loan guarantee by the U.S. Department of Energy. The company making high-efficiency, low-cost photovoltaic cells and marketing high power-density modules anticipates it will create 500 new jobs over the next five years. MEGA awarded the Suniva project a photovoltaic tax credit valued at \$15 million over five years. These refundable tax credits are available for the construction and operation of facilities that develop and manufacture photovoltaic technology, systems or energy. Other state and local incentives for the project will be considered at a future date.

**JOHNSON CONTROLS-SAFT ADVANCED POWER SOLUTIONS APPROVED FOR ANCHOR TAX CREDIT**

The Holland-based manufacturer of advanced batteries has been approved for an Anchor Jobs tax credit available to manufacturers that attract or influence suppliers or customers to locate or expand in Michigan. JCS was also approved for a Plug-In and all-electric traction battery pack credit valued at up to \$20 million over three years to support the manufacture of battery packs using lithium-ion technology. Last April, the MEGA board approved a battery cell manufacturing state tax credit valued at up to \$100 million over four years and a high-tech MEGA credit over 15 years for the construction of an advanced-battery manufacturing facility. In total, JCS will invest approximately \$220 million and create up to 1,096 new jobs and more than 2,000 indirect jobs.

**TWO ALTERNATIVE ENERGY FIRMS APPROVED FOR TAX CREDITS IN WIXOM ENERGY PARK PROJECT**

Transformation of the former Wixom Assembly Plant into one of the nation's largest renewable energy parks, announced in September by Xtreme Power of Austin, Texas and Clairvoyant Energy Solar Panel Manufacturing of Santa Barbara, Calif., will start to take shape early next year. Manufacturing at the Wixom site is slated to begin in late 2011.

Clairvoyant has been approved for state tax credits valued at \$31.2 million over 15 years. The company plans

to invest \$856 million (over four phases) at the former Ford Wixom Assembly Plant to manufacture solar panels. The project is expected to create over 750 direct jobs over the next five years in addition to nearly 4,600 indirect jobs. The company was approved for a photovoltaic tax credit last month.

Xtreme Power plans to locate a new clean-tech facility in the Wixom energy park. State tax credits valued at \$106 million over 20 years helped to convince the company to expand in Michigan over competing sites in other states. The manufacturer of large-scale power management, control and storage systems at multiple facilities throughout the world plans to create 7,211 new jobs, including 2,500 directly by the company plus an additional 4,700 indirect jobs. Xtreme Power was approved for a battery cell manufacturing tax credit earlier this month.

**NEW-TO-MICHIGAN OHIO MODULE MANUFACTURING CHOOSES DETROIT OVER TOLEDO FOR NEW FACTORY**

The manufacturer of complete chassis modules for the Jeep Wrangler plans to invest \$21.4 million to locate a Michigan facility in **Detroit** to supply the Chrysler Jefferson plant. Parent of the company, formed in Toledo in 2005, is Hyundai Mobis of South Korea, the parts and service arm of Hyundai Motors and Kia Motors. The project will create 673 new jobs, including 200 directly by the company and an additional 473 indirect jobs. Approval of state tax credits valued at \$1.8 million over five years helped make the business case for expansion in Michigan.

**WOMEN-OWNED INFO TECH CENTER OPENING IN DETROIT**

Detroit-based **Strategic Staffing Solutions**, a provider of information-technology consulting, staffing and vendor-management programs, plans to invest \$7.3 million to open a new information technology center. Founded in 1990, it is one of the state's largest women-owned companies and currently has 159 employees in Michigan. The project will create 802 new jobs, including 437 directly by the company plus another 365 spin-off jobs. State tax credits amounting to \$3.8 million over five years helped convince the company to choose Michigan over a competing site in North Carolina. The city of Detroit is considering tax abatement to support the project.



**MICHIGAN-BASED AUTO-OWNERS INSURANCE GROUP EXPANDING, ADDING HUNDREDS OF JOBS**

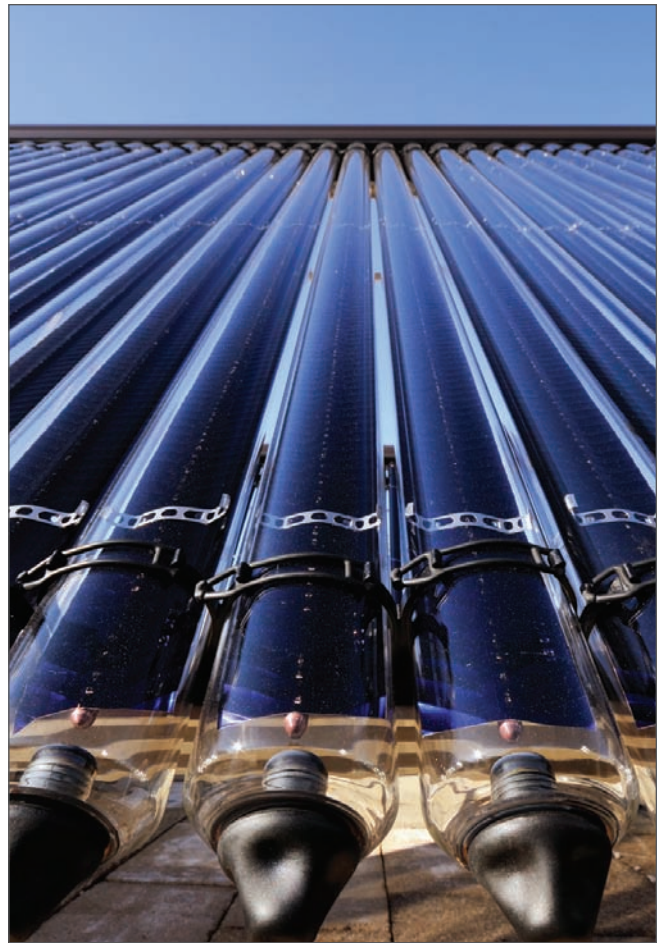
The Delta Township-based provider of life, home, car and business insurance, currently with 1,880 employees in Michigan, plans to invest approximately \$105 million to expand its corporate headquarters across from the company’s existing site in **Delta Township**. It is anticipated that the project will create 1,270 total jobs, including 800 directly by the company plus an additional 470 indirect jobs. State tax credits valued at \$23.1 million over 10 years encouraged the company to expand in Michigan over competing sites in other states in the region. Delta Township is considering tax abatement to support the project. Construction of the project is expected to begin after 2012.

**WILLIAMS INTERNATIONAL EXPANDING IN OAKLAND COUNTY**

The manufacturer of small gas turbine engines used in military, industrial and commercial aircraft plans to invest \$12 million to renovate and upgrade its facility in **Commerce Township**. The company, founded in 1955, has 374 employees in Michigan. It has transitioned from defense contracting to commercial operations and is currently branching out into alternative energy technology. The facility renovation will retain 150 jobs, including 72 directly by the company, and retain an additional 78 indirect jobs. State tax credits valued at \$1.4 million over five years helped convince the company to expand in Michigan instead of Utah. Commerce Township is considering an abatement to support the project.

**LOANS SUPPORT HIRING OF FORMER PFIZER SCIENTISTS**

Two more Michigan biotechs hiring ex-Pfizer scientists are receiving loans from the Company Formation and Growth (CFG) fund designed to keep Pfizer talent and assets in the state. Kalamazoo-based Kalexsys Inc. will use \$150,000 to hire three scientists, and Research Essential Services LLC in Saline, Washtenaw County, hiring four scientists, will receive \$200,000.



**MICHIGAN SUPPLIER DIVERSIFICATION FUND HELPING COMPANY EXPAND, CREATE NEW JOBS**

The Michigan Strategic Fund is making available up to \$998,000 to be used by an Oakland County manufacturer that is repositioning itself as a supplier to the solar industry. The funds are being channeled through the Michigan Supplier Diversification Fund to help Automation & Modular Components Inc./Quality First Systems Inc. in Davisburg. The company manufactures modular conveyor systems.

The program addresses the current lack of bank financing available to companies that are attempting to diversify.

The MEDC is now accepting applications for the fund’s Michigan Loan Participation Program. Interested borrowers and lenders should contact the MEDC customer service center at (517) 373-9808 for more information about how to apply.



**FEDERAL GRANTS SUPPORT IMPROVEMENTS IN ST. JOHNS AND MARINE CITY**

Two Michigan communities have received Community Development Block Grant funds from the U.S. Department of Housing and Urban Development for downtown development projects.

A grant of \$192,000 from the federal Community Development Block Grant (CDBG) program will support expansion of a software development and insurance services company in St. Johns, Clinton County. Quest Software plans to invest \$973,000 in an expansion expected to create 32 new jobs. The city will use the CDBG grant to help with the cost of new machinery and equipment.

Marine City, St. Clair County, will use a CDBG grant of \$81,340 to support downtown public infrastructure improvements. The city is contributing \$135,090 to the project, which will include improving the facades of four downtown buildings located in the core downtown district, replacing windows and doors, removing and replacing old exterior siding, repainting exteriors, installing new exterior lighting and repairing damaged bricks and mortar.

*Michigan's CDBG funds, administered by the MEDC, are used to provide grants and loans to eligible counties, cities, villages and townships — typically those with populations less than 50,000 — for economic development, community development and housing projects. Larger communities receive block grant funds directly from the federal government.*

**BROWNFIELD PROJECTS REVIVE AND RENOVATE FORMER PAPER MILL, SHOPPING MALL AND DOWNTOWN FIRE STATION**

In the city of Parchment, Kalamazoo County, state and local tax capture valued at \$49.6 million will be used to clean up and redevelop the Crown Vantage paper manufacturing complex. Upon completion, the 93-acre site will accommodate a 30,000-square-foot office building, parking, attached and detached residential units and parks and trails. The project will generate \$100 million in new capital investment and is expected to create up to 60 new jobs.

The former Fort Saginaw Mall in Buena Vista Charter Township, Saginaw County, closed since the 1990s, will be the site of new business activity with the help of state and local tax capture valued at \$1.7 million to

demolish blighted buildings and clear the way for new development. The project will generate \$9 million in new capital investment.

Historic preservation of a former fire station in downtown Mount Clemens, Macomb County, will be supported by state and local tax capture valued at \$189,600. Renovations include extensive interior demolition; lead and asbestos abatement; upgraded electrical, plumbing and HVAC; and new light fixtures. The project will generate \$820,000 in new capital investment and is expected to create up to 10 new jobs.

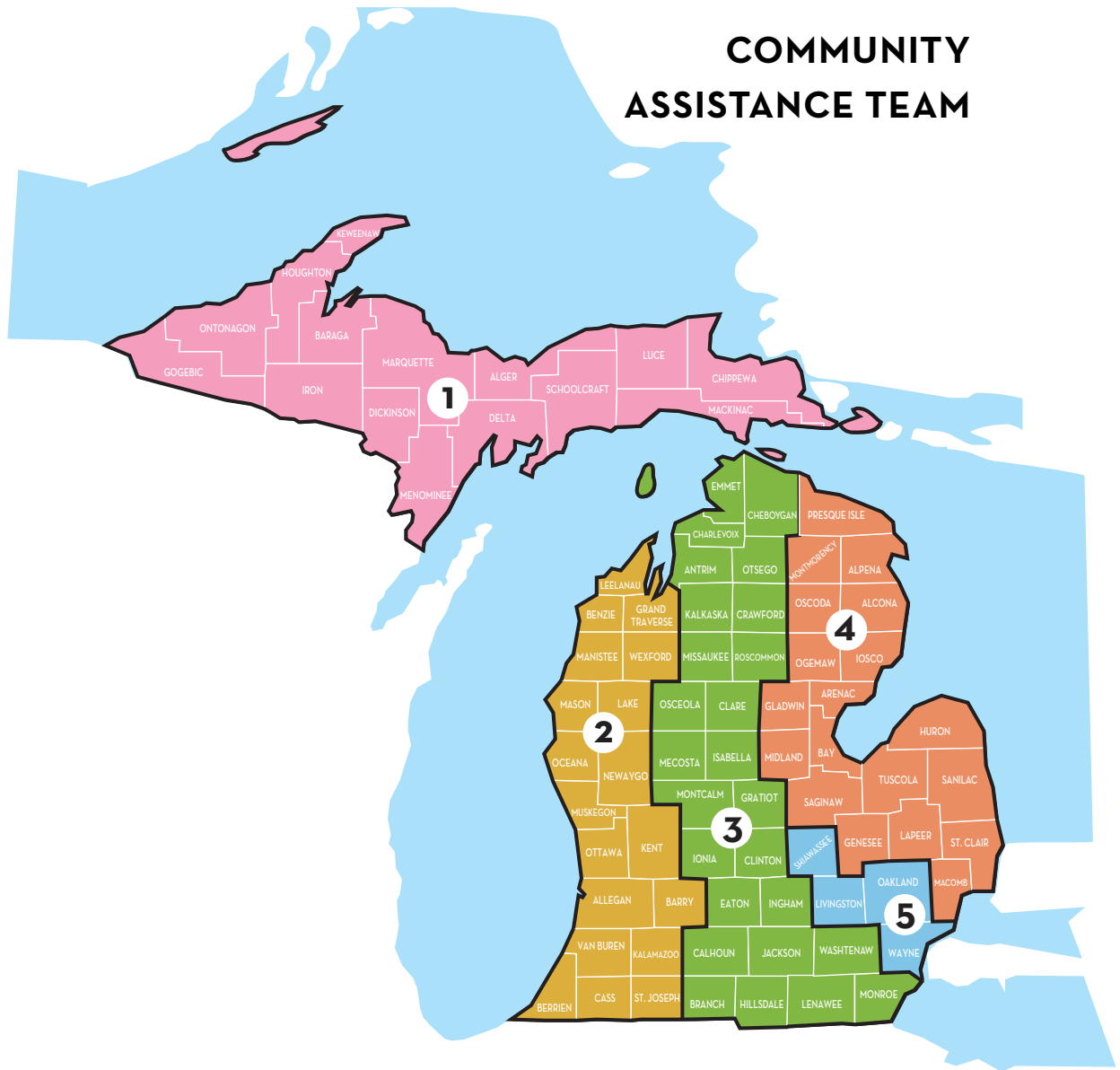
*Michigan's brownfield redevelopment program is among the most competitive in the country. Over the course of the last 10 years it has been instrumental in redeveloping over 500 sites throughout the state, generating an actual investment of \$2.5 billion.*

*Brownfield redevelopment represents an opportunity to redesign and enhance our communities and often has a profound effect. The removal of a blighted building, increased tax revenue, job creation, downtown revitalization, or elimination of a contaminated site are all benefits communities can see through the use of this incentive. The continued investment in brownfield redevelopment will help Michigan's economic recovery and benefit our communities for years to come.*



# CONTACT YOUR CATeam SPECIALIST TODAY!

The CATeam is a part of the MEDC sales force, assigned geographically throughout the state. Your CATeam Specialist serves as a community's single point of contact, coordinating all state and local services required to get the job done. CATeam members are available through e-mail or are a phone call away to get you the information you are seeking.



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