

# MICHIGAN *Good News*

a monthly update brought to you by the Michigan Economic Development Corporation  
April 2010





**MICHIGAN**  
ECONOMIC DEVELOPMENT CORPORATION

Dear Friends,

The signs of economic renewal and transformation are all around us. The General Motors plant in Delta Township is adding a third shift to make the Buick Enclave, GMC Acadia and Chevrolet Traverse. Chrysler and Ford are gaining sales. Dow Chemical is diversifying into a specialty-chemical business working on products ranging from solar roof shingles to wind turbine blades.

Winning another prestigious award for economic development just adds to the growing good feeling about our prospects. This time, Michigan led all other states in *Trade & Industry Development* magazine's fifth annual CiCi Awards competition with seven top projects out of a possible 30 in North America for 2009. As detailed in the following pages, these are seven of the key projects that propelled Michigan to third place in *Site Selection* magazine's annual Governor's Cup competition for major new corporate investments in 2009 announced just days earlier.

Economic diversification in Michigan is advancing on several fronts as we continue to attract investment in an amazing variety of industries, traditional and emerging, domestic and international. Heading the list of 12 job-creating projects in March were two major battery manufacturing investments, one Japanese, one German, and the North American headquarters of Swedish automaker Saab coming to Royal Oak. Companies ranging from auto supply to solar panels to life science research and software development to military R&D committed to invest nearly \$724 million; brownfield redevelopments in Lansing and Detroit rounded off the list. In total, they will create up to 5,369 jobs (2,025 direct and 3,344 indirect), and retain another 781. One is consolidating operations from China, and the others opted for Michigan after considering locations in Indiana, Massachusetts, Ohio, Florida and Wisconsin.

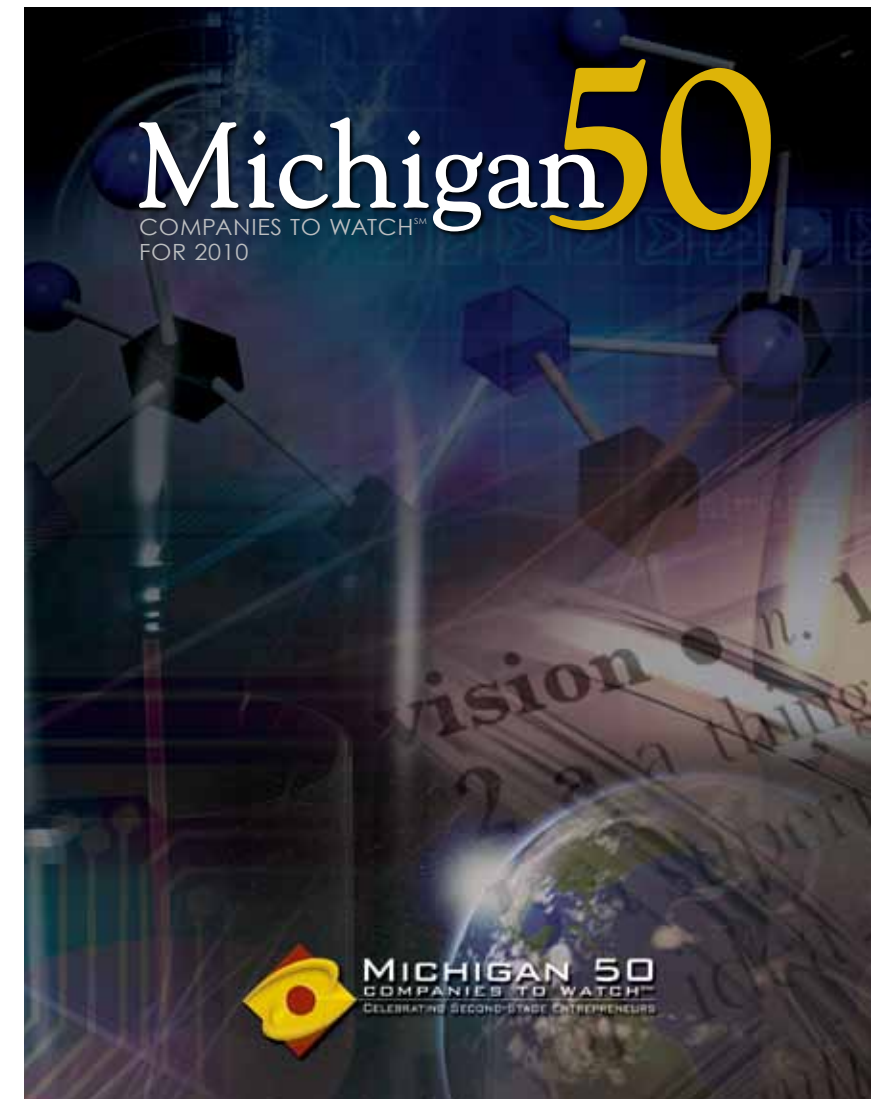
Read and enjoy!

Greg Main, President and CEO

Michigan Economic Development Corporation<sup>SM</sup>

## SAVE THE DATE: MICHIGAN CELEBRATES SMALL BUSINESS ON APRIL 29

Maria A. Thompson, recently retired general manager of battery technology developer A123 Systems and co-founder, president and CEO of T/J Technologies, will be the featured speaker at the sixth annual Michigan Celebrates Small Business awards dinner recognizing entrepreneurial success. The event at the Lansing Center, featuring the Michigan 50 Companies to Watch, is sponsored and promoted by the Edward Lowe Foundation, the MEDC, the Michigan Small Business Technology Development Centers (MI-SBTDC), the Small Business Association of Michigan and the U.S. Small Business Administration. Tickets are \$135 per person or \$850 to reserve a table of eight. Contact: Jennifer Deamud, MI-SBTDC, at 616.331.7480 or [info@michigancelebrates.biz](mailto:info@michigancelebrates.biz). To register by telephone, call Pam Lantrip at 800.362.5461



### MICHIGAN LEADS WITH SEVEN PROJECTS IN TRADE & INDUSTRY DEVELOPMENT COMPETITION

The fifth annual CiCi Awards competition sponsored by *Trade & Industry Development* magazine recognizes the nation's top 30 projects in North America for 2009. In the Corporate Investment category, Michigan led the field with six awards out of a possible 15, four of them in the clean energy sector, as follows:

- Xtreme Power and Clairvoyant Energy anchoring what will be the nation's largest renewable energy center on the site of the former Ford Motor Wixom assembly plant.
- Advanced battery development and manufacturing firms A123 Systems (Livonia) and Johnson Controls-Saft Advanced Power Solutions (Holland), and solar manufacturer Suniva (Thomas Township, Saginaw).

- Nexteer Automotive, the former steering division of Delphi Corporation, now focused on development of advanced steering and driveline systems technology.
- Quicken Loans, the nation's largest online lender, undertaking a \$240 million expansion and headquarters relocation to Detroit.

The Community Impact award honored MEDC's success in winning the new General Electric advanced technology and training center in Van Buren Township (western Wayne County), which will become GE's largest single-site IT operations. It is based in large part on Michigan's roster of engineering and technology professionals.

Describing itself as the only vertical market publication dedicated to site selection, *Trade & Industry Development* has a circulation of 25,000. It is available in print online free of charge at [www.TradeandIndustryDev.com](http://www.TradeandIndustryDev.com)

**MICHIGAN FILM OFFICE HIGHLIGHTS**

April 7, 2010, marked the two-year anniversary of the state's film incentive program. In her weekly radio address, Governor Granholm said it has made Michigan one of the top three states in the nation for the production of all types of media. She noted that 89 movie or television productions were completed in Michigan in the last two years, spending \$348 million for salaries, goods and services and creating more than 6,700 jobs. In addition to the 10 West Studio in Manistee and the Hangar 42 facility in Walker near Grand Rapids, three more production facilities are scheduled to be built. They represent a total investment of more than \$300 million projected to create almost 6,000 permanent full-time jobs:

- *You Don't Know Jack*, starring Al Pacino as Dr. Jack Kevorkian and directed by Barry Levinson, will air on HBO on Saturday, April 24. Filmed in: Clawson, Detroit, Pontiac, Royal Oak, Troy. *Gran Torino*, starring Clint Eastwood, is scheduled to air on HBO through April 25.

- *Meet Monica Velour*, filmed in Ann Arbor, Dearborn Heights, Farmington Hills, Livonia, Milford, Monroe, Novi, Pontiac, Romulus, South Lyon and Waterford, premieres at the Tribeca Film Festival on Sunday, April 25. The festival, founded in 2002 to celebrate New York City as a major film-making center and to contribute to the long-term recovery of Lower Manhattan after the Sept. 11, 2001, terrorist attacks on the World Trade Center, offers moviegoers a wide variety of independent films.
- The remaining episodes of *Motor City Motors* will air on The Discovery Channel. The show, which is the first national television series filmed entirely in Michigan, follows renowned fabricators and custom bike builders Dave and James Kaye, founders of Detroit Bros. Custom Cycles, as they create one-of-a-kind vehicles.

**ROYAL OAK LANDS NEW SAAB CARS HQ, BEATING OUT EAST COAST COMPETITOR**

The Swedish automaker plans to invest \$2.4 million to establish its North American headquarters in Royal Oak, focusing on marketing, sales and product evaluation. The project is expected to create up to 60 direct new jobs by the company plus an additional 98 indirect jobs. State and local tax credits valued at more than \$1.2 million over five years attracted the coveted expansion to Michigan.

**JAPANESE COMPANY BUILDING BATTERY FACTORY IN BATTLE CREEK'S FORT CUSTER INDUSTRIAL PARK**

The Michigan Economic Growth Authority (MEGA) board approved key incentives to move the previously announced Toda America project forward: a brownfield tax credit valued at \$7.9 million as well as a federal contracting Michigan Business Tax (MBT) credit with a projected value of \$395,000. Last November, the manufacturer of iron oxide and mixed metal oxide particles used in rechargeable lithium-ion batteries was approved for a state tax credit of \$1.6 million over 12 years to encourage the company to invest \$70.1 million in a new cathode material manufacturing facility in Battle Creek in support of the lithium-ion battery industry. The two-phase project will, when complete, have the capacity to supply batteries for hundreds of thousands of hybrid electric vehicles and plug-in hybrid electric vehicles. The project is expected to

create up to 148 total jobs, including 57 directly by the company plus 91 spin-off jobs. The company has also been awarded a \$35-million U.S. Department of Energy grant.

**TAX CREDITS BRINGING BATTERY INDUSTRY JOBS TO WEST MICHIGAN**

Menlo Park, Calif.-based Fortu PowerCell, a subsidiary of Fortu Holding AG, the international researcher and developer of rechargeable batteries, plans to invest \$623 million in a new integrated battery-cell manufacturing plant in Muskegon Township (Muskegon County). The multi-phase project is expected to create up to 726 direct new jobs plus 1,245 spin-off jobs. State tax credit valued at \$12.6 million over 10 years, in addition to a battery cell manufacturing tax credit of \$100 million over four years, helped make it possible for the company's first large-scale manufacturing plant to be opened in North America rather than near its current facilities in Switzerland or Germany. Fortu PowerCell currently does not have any operations in Michigan.

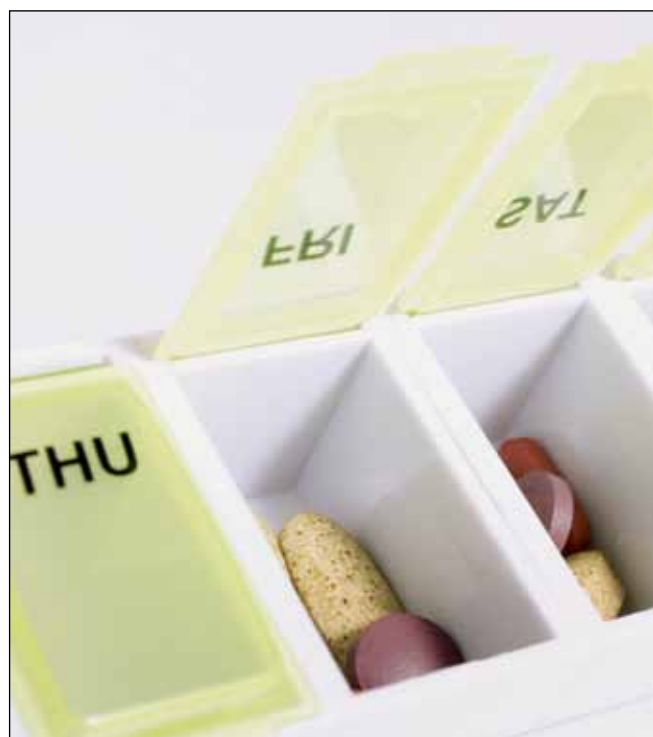
**MAKER OF SEALANTS, ADHESIVES EXPANDING PRESENCE IN SOLAR PANEL MARKET**

Illinois-based ADCO Global Inc., a producer of sealants and adhesives for the roofing, transportation, construction and solar markets, plans to further establish itself in the solar panel industry by investment into the photovoltaic panel

adhesive market through consolidation of existing Michigan facilities in Michigan Center (Jackson County). The company currently makes more than 50 products with applications in the solar market. ADCO operations in Michigan, where it has 158 employees, have been focused on products for the automotive, maritime and architectural industries. The \$17.3-million project is expected to create up to 673 new jobs, including 212 directly by the company and 461 spin-off jobs. State-approved tax credits valued at \$1.2 million over five years helped secure the expansion for Michigan instead of Indiana.

**DOWNRIVER LIFE SCIENCE COMPANY EXPANDING IN MICHIGAN OVER MASSACHUSETTS**

Ash Stevens Inc, a provider of life-science research services to the federal government and pioneer in cancer-treatment drugs, plans a \$14.9 million expansion at its facility in Riverview (Southern Wayne County) to address new market segments. Founded in 1962 to provide contract research services to the federal government, ASI today is mostly devoted to development and manufacturing for commercial life science companies around the world. The Riverview expansion and renovation is expected to create up to 60 direct new jobs and 142 indirect jobs. State tax credit valued at \$710,019 over seven years helped convince the company to choose Michigan, where it currently employs 65, over a competing site in Massachusetts.



**FORTUNE 500 CORPORATION MASCO FORMS NEW COMPANY IN WASHTENAW COUNTY**

Newly formed Masco Cabinetry Company, kitchen and bath cabinet maker, plans investment of \$20.6 million in a new Ann Arbor Township headquarters. The facility, consolidating parent Masco's retail and manufacturing cabinetry operations from Adrian and Ohio, will house executive oversight, R&D resources, corporate finance, marketing and IT services. The project is expected to create up to 686 new jobs, including up to 250 directly by the company and an additional 329 spin-off jobs. It is also expected to retain 535 jobs, including 206 directly by the company and an additional 329 spin-off jobs. Masco Corporation currently has 1,272 employees in Michigan. State and local tax credits valued at more than \$13 million over 10 years made the business case for a Michigan location over Ohio.

**MEDICAL IMAGE PROCESSING FIRM MATERIALISE USA EXPANDING IN WAYNE COUNTY**

The subsidiary of Belgian-based Materialise NV, a company specializing in three-dimensional medical image processing, will invest \$12.5 million in its Plymouth Township facility to focus on the market development of software for surgery and other medical applications. The project is expected to create up to 80 jobs directly by the company plus an additional 146 indirect jobs. The offer of a state tax credit valued at \$563,119 over seven years helped secure the expansion for Michigan over a competing site in Indiana.

**AUBURN HILLS SOFTWARE FIRM TO EXPAND MILITARY R&D OPERATIONS**

Oasis Advanced Engineering Inc. plans to invest \$7.5 million in expansion of its research and development capabilities and establishment of a production capability for switchable vision blocks for current and future force military vehicles. It will also focus on design and fabrication of training devices for the Army and National Guard. The project is expected to create up to 204 jobs, including 100 directly by the company and create an additional 104 indirect jobs. Oasis chose Michigan over Florida for the expansion thanks to the offer of a state tax credit valued at \$1.4 million over seven years.

**OSHKOSH CORPORATION OPENING MILITARY TECH CENTER IN WARREN**

The Warren-based manufacturer and marketer of access equipment; commercial, fire, emergency and military vehicles and truck bodies, currently with seven employees in Michigan, plans to invest \$6.5 million to open a new state-of-the-art tech center in Warren. The facility will provide advanced system technical support and systems engineering for Army medium truck fleets. The project is expected to result in creation of up to 396 new jobs, including 190 directly by the company plus another 206 spin-off jobs. State tax credit valued at \$6.4 million over 12 years won the expansion project for Michigan over Wisconsin.

**RECARO NORTH AMERICA CONSOLIDATING SOME OPERATIONS FROM CHINA**

The designer and manufacturer of high-end mobile seating for the automotive market plans to invest \$6 million to consolidate some of its operations from China to its Auburn Hills facility. The project will expand RECARO's involvement in its child-restraint and OEM business units creating a rare diversification for a Michigan automotive manufacturer. The project is expected to retain 69 direct jobs plus an additional 177 indirect jobs. State tax credit valued at \$519,000 over five years encouraged the company to stay and expand in Michigan.



COMMUNITY SUCCESSES

*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 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. Continued investment in brownfield redevelopment will help economic recovery and benefit our communities for years to come.*

**HISTORIC APARTMENT BUILDING ON SECOND AVENUE IN MIDTOWN DETROIT SCHEDULED FOR REHAB**

State and local tax capture valued at \$297,000 will help support redevelopment of the Forest Arms apartment building on Second Avenue in the Midtown neighborhood. The four-story building sustained severe fire damage in 2008. The development team will perform a historic rehabilitation on the property, constructing 74 residential apartment units and two commercial units. The project is expected to generate \$11.8 million in new private investment.

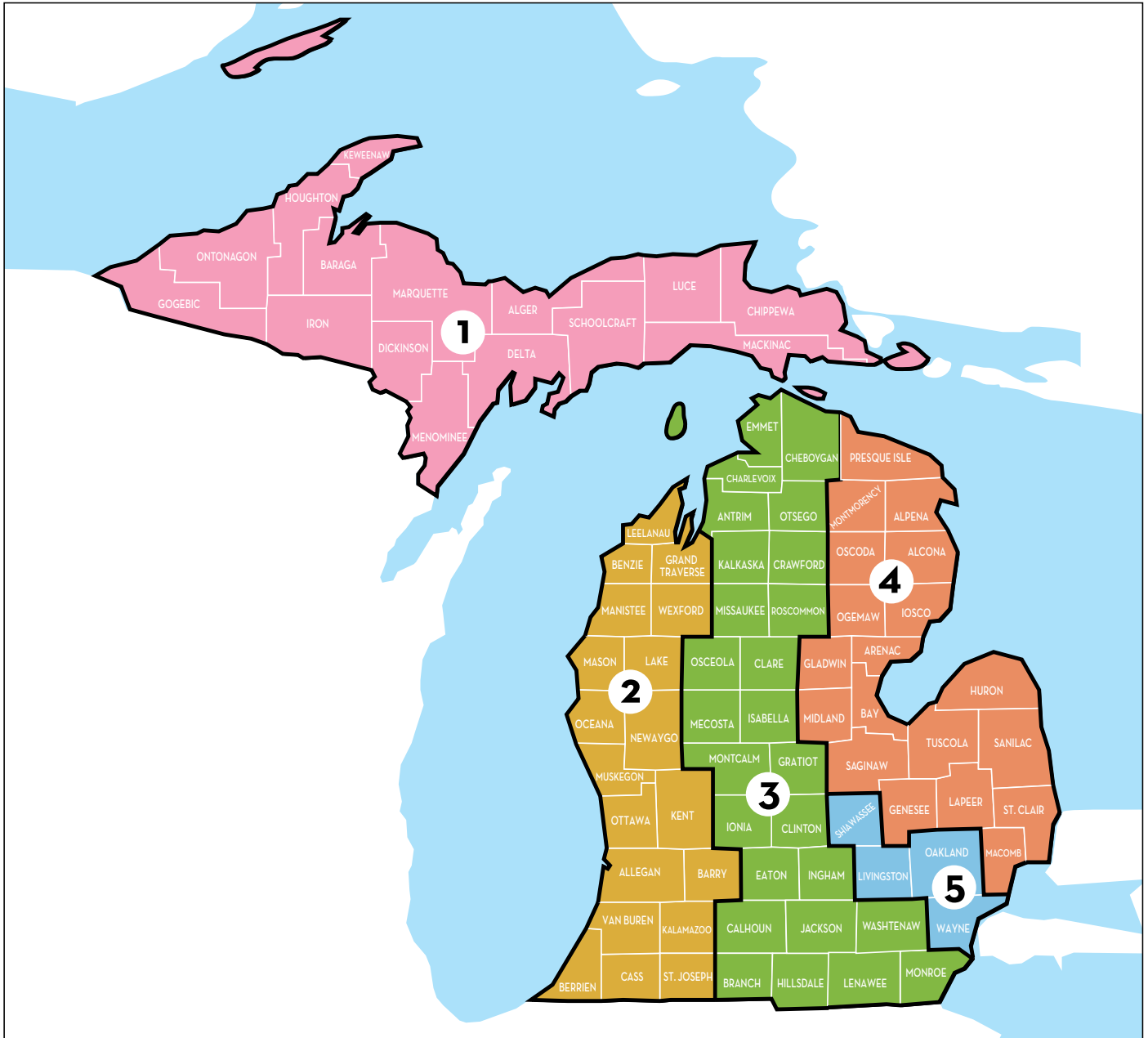
**NEW RESTAURANT WILL REPLACE VACANT AND BLIGHTED LANSING HOTEL**

State and local tax capture valued at \$374,000 will help prepare the site of the vacant Governor's Inn Hotel in Lansing for a proposed 1,900-square-foot Sonic restaurant. In addition, the project will prepare three acres of land for future development. The project is expected to generate \$1.45 million in new private investment and create up to 72 new jobs.



# 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 just a phone call or click away to get you the information you need.



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