



OHIO

Where the Future Is Happening

By Susan H. Burnell

Rich in assets for a broad spectrum of industries, Ohio is prime territory for business launches and expansion, entrepreneurship and innovation. The new Ohio has a model for economic development that is clearly working.

So what is it about the state in the middle of the U.S., which has been the birthplace of seven presidents, the Wright brothers, Thomas Edison and more than two dozen astronauts, including John Glenn and Neil Armstrong? The state is known as the birthplace of flight, and there's a long history of innovation and leadership with deep roots in Ohio that continues today. Ohio is home to Procter & Gamble, Sherwin-Williams, Eaton, Goodyear, Nationwide Insurance, Steris Corporation, Johnson and Johnson's Ethicon business and General Electric. Amazon, Honda, JPMorgan Chase and Boeing also have a large presence in the state, as do some of the world's most promising startups.

"The assets we have across the state are very valuable," says John Minor, president and chief investment officer of JobsOhio. "Then you also have to look at the business environment that's been created here. Add to that what Governor Kasich has done in his administration, and you have a business environment that is conducive to companies growing, expanding and succeeding."

Ohio has a prime economic and business climate, and its location provides market access to 60% of the U.S. population. The state maintains a balanced budget with a \$2 billion rainy-day fund, a high credit rating, and incentives for new and expanding businesses. "Companies can be more profitable here," says Kristi Tanner, senior managing director for Automotive at JobsOhio. "We have a pro-business tax climate—the lowest tax burden on new investment in the Midwest, for example."

"When CEOs visit Ohio for the first time, they're impressed by what they see, because it isn't at all what they thought it would be," says Tanner. "We can show them a mix of industries. Our major metropolitan areas—Cleveland, Columbus and Cincinnati—are big enough to offer all the resources and services a company looks for."



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What’s also surprising is how comfortable it is to live in Ohio. We have a quality of life with all the cultural amenities they expect, without congestion and long commute times. We also show them they can live in a more suburban or rural area, and still be close to one of the major metros.”

Workforce size and affordability are part of the value proposition that makes

Ohio a top choice for growth industries. Average wages in Ohio are 11% below the national average. Ohio has a workforce of nearly 6 million and the third-largest manufacturing workforce in the nation. With more than 200 higher education institutions, the state provides a steady supply of highly educated workers. In addition, top teaching and

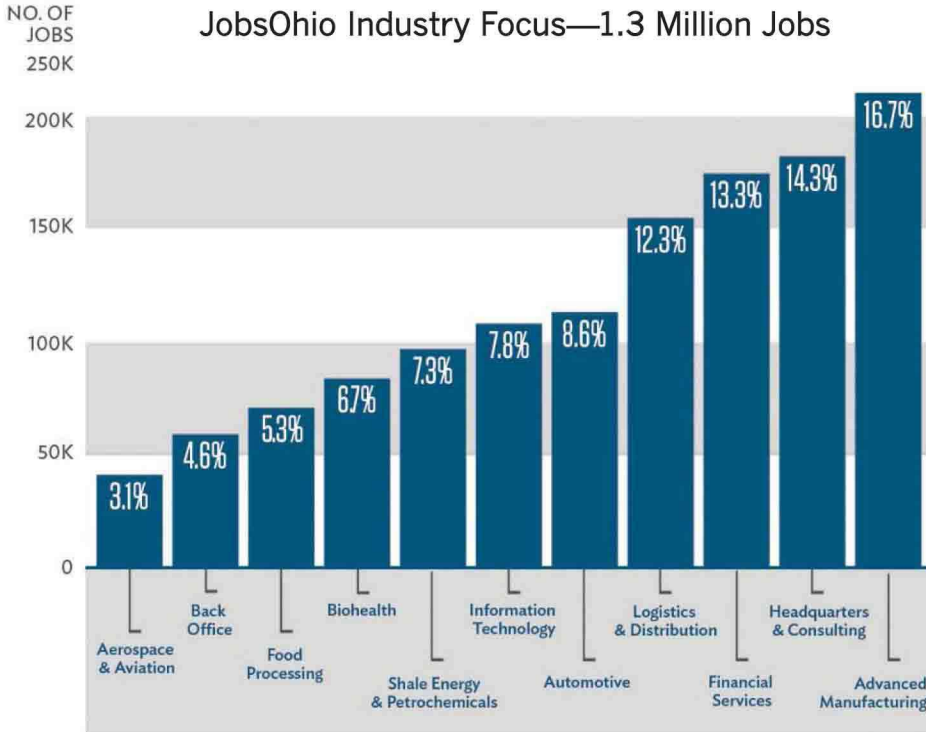
research facilities partner with more than 2,000 companies, further enhancing workers’ specialized skills.

Growing Game-Changer Industries

Ohio is one of the few states that has all five “game changers”—opportunities for U.S. growth and renewal, as identified by McKinsey Global Institute: shale energy, big data analytics, advanced manufacturing, infrastructure and talent.

“Our game changers are part of Ohio’s diversified industry base,” says Minor. “Some people may still think of Ohio in terms of automotive, agriculture, food processing and manufacturing. Those industries have strong foundations here. But we have a very diverse industry base they may not recognize. It includes IT and big data analytics, biohealth, the chemical sector, financial services and logistics. What’s interesting about these game changers is that they cut across various industries. Big data impacts financial services and the healthcare sector. Shale is important in the energy sector, in advanced manufacturing, and in the polymers and chemicals sector. The state’s diversity means growth opportunities across the board.”

Gov. John R. Kasich has led workforce development reforms that are transforming Ohio’s workforce for the state’s growth industries. Initiatives are under way to enhance workers’ competitiveness, streamline worker-training programs and align them more closely with employers’



*Other Sectors: Agriculture, Forestry, Recreation, Construction, Real Estate, Entertainment, and Food Service
Sources: U.S. Bureau of Labor Statistics QCEW and LAUS
Analysis by Cleveland State University, Center for Economic Development

ProMedica



Randy Oostra,
Chief Executive Officer, ProMedica

As a mission-driven, community-based organization, ProMedica understands that bringing our vision of healthy individuals and healthy communities to life means going beyond our four walls. We must go beyond those moments in which we provide care for people at our facilities to the moments when health is most significantly impacted when and where we live, learn, work and play.

From a foundation of financial and clinical strength, ProMedica executes strategies that make us a highly reliable, high-performing organization. We are integrators of care for our communities, connecting the dots and collaborating with like-minded organizations to impact the social determinants of health, provide the stimulus for economic development, encourage partnerships to revitalize neighborhoods, enhance education and be a catalyst for innovation.

At ProMedica, we improve health by taking a broader view and greater role in the health of our communities, one person at a time.

Visit promedica.org for more information.





“JobsOhio takes a ‘one firm, one state’ approach, and we go to market as one entity. We recognize that when something positive happens in one region of the state, it can indirectly benefit other regions.”

—JOHN MINOR, President and CEO, JobsOhio

needs. The efforts have successfully enlisted the support of business leaders in workforce development.

Ohio’s natural gas prices are some of the nation’s lowest, a benefit of shale extraction now taking place in Northeast Ohio. The Marcellus and Utica shale play

attracted the attention of the American subsidiary of PTT Global Chemical (PTTGC), Thailand’s largest integrated petrochemical and refining company. In September, the company announced it is ready to invest \$100 million for the engineering phase of a world-scale ethane

cracker on the Ohio River in Belmont County. JobsOhio has led a two-year effort to bring this opportunity to Ohio.

JobsOhio: Connections and Expertise Statewide

JobsOhio is a private, nonprofit economic development company that helps businesses relocate, expand and prosper in Ohio. It works with six regional partners to promote business development statewide.

“We leverage the experience and expertise in each region to help businesses grow,” says Minor. “We take a ‘one firm, one state’ approach and go to market as one entity. We recognize that when something positive happens in one region of the state, it can indirectly benefit other regions.

“Just like with any private company, our board of directors helps drive the strategy of JobsOhio,” Minor explains. “We have a world-class board, with successful leaders in major industries and higher education. They provide the framework and the foundation for corporate governance, which is something that we take very seriously. Our board plays a very important role in the success of JobsOhio and the businesses we serve.”

The Columbus Region: Diversified Economy Tops Growth Charts

A thriving 11-county area in Central Ohio, the Columbus Region is home to 2.1 million people. It’s the fastest-growing metropolitan area in the Midwest, according to 2015 U.S. Census Bureau reports.

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Companies in the region have access to a significant talent pool that's supplied by 63 college and university campuses, and a full array of research institutions and development facilities. Thousands of science and technology organizations have operations here, forming an innovation hub that attracts growth-minded companies of every size.

Big Data Success Story

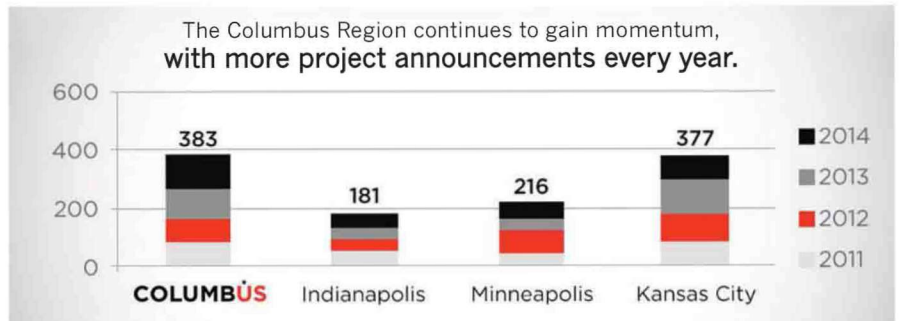
One of the state's and the region's targeted industries is big data and analytics. A leading big data solutions and services company headquartered in Silicon Valley, Saama Technologies found just what it was looking for in Ohio.

"There are a wide range of initiatives in big data and analytics at Ohio State and across the Columbus region," says Ken Coleman, Saama chairman. "We became even more committed as we looked at the opportunities for talent and partnerships already developing."

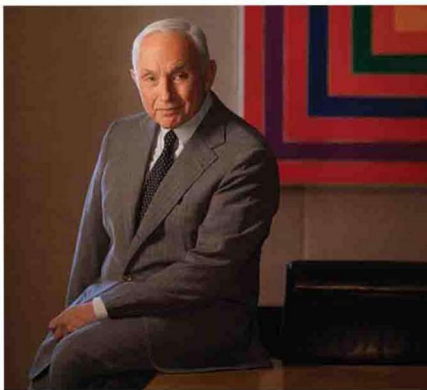
"Saama's expanded presence will significantly improve our advanced analytics infrastructure, and the Columbus region can only benefit," notes Kenny McDonald, Columbus 2020 president and chief economic officer.

Hub for Retail Operations

Central Ohio's strategic location for retail and e-commerce gained the attention of Klarna, the largest payments company in Europe, last year. One of Europe's fastest-growing companies, Sweden-based Klarna will initiate its



The Columbus Region



Leslie H. Wexner

Founder, Chairman and CEO of L Brands

Headquartered in Columbus, the L Brands family includes Victoria's Secret, PINK, Bath & Body Works, La Senza and Henri Bendel.

The Columbus Region's success has been fueled by a powerful home state, a diverse economy, an uncommonly talented workforce and forward-thinking leadership.

"We are the population center of North America, we are a center of innovation, and we have a thriving creative community," says Les Wexner, founder, chairman and CEO of L Brands. "All of these things make Columbus a great place to build a company and a career. But what makes our business leadership extraordinary is that collaboration is the expectation."

In fact, the Columbus Region has been

touted as a national model because its public and private sector leaders collaborate in a way that's unseen in other parts of the country. The result? Columbus is now experiencing its strongest decade of economic growth in its history—adding more jobs than ever, leading the Midwest in population growth, and welcoming industry-leading companies from around the world.

Learn more at columbusregion.com.



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U.S. operations in Columbus. Its Ohio base will provide the same back-end retail services in the U.S. that it provides across 15 markets in Europe, where it currently supports more than 25 million users and 45,000 retailers.

"Columbus is at the heart of retail and e-commerce activity in the U.S., and a perfect launch pad for our U.S. expansion," says Brian Billingsley, chief executive officer, Klarna North America. "Over the coming years, we will invest at least \$100 million into the U.S. rollout of Klarna's solution that simplifies buying online."

Subscription-based women's apparel retailer Gwynnie Bee chose the region for a new fulfillment center last year. "The Columbus Region's strategic location, skilled workforce and proven success in e-commerce were major factors in the site selection process," says Robert Escobar, vice president of operations.

Diversity of Industry and Opportunity

The Columbus region continues to attract investment and jobs in other major sectors. Scottish craft brewery BrewDog will

open its North American headquarters and first production facility outside the U.K. in Canal Winchester in 2016. The area's biohealth industry gained innovator

ProteoSense, developer of a portable food safety-testing device. Healthcare technology company CoverMyMeds, one
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Greater Cincinnati: All-Star Economy in the Midwest

Greater Cincinnati, host of the 2015 All-Star Game, is growing fast and is primed to continue that growth.



The region has one of the most vibrant economies in the country, supporting businesses of all sizes and industries. A diverse array of companies specializing in advanced manufacturing, biohealth, consumer products and brand development, food and flavor processing, as well as back-office functions continues to thrive there.

Greater Cincinnati's economic output grew 2.5% in 2014, making it the fastest-growing region in the Midwest and 20th in the U.S., according to the Federal Bureau of Economic Analysis. It's easy to see how this region more than doubled year-over-year job growth in 2015.

REDI HELPS SPUR GROWTH

Formed in 2014, the Regional Economic Development Initiative (REDI) Cincinnati played a key role in bringing \$295 million in capital investment and more than 5,000 jobs to the Cincinnati region that year. The economic development organization helps attract, retain and expand businesses in a 15-county region at the intersection of Ohio, Kentucky and Indiana.

Barclaycard and CDK Global were two notable projects REDI worked on 2015. "These projects created 2,500 jobs combined and almost \$20 million in capital investments," says Johnna Reeder, president and CEO of REDI Cincinnati.





“We are the regional connection between business leaders and the resources they need to thrive.”

—**JOHNNA REEDER, PRESIDENT
AND CEO, REDI CINCINNATI**

With the 2014 announcement of the GE U.S. Global Operations Center moving to Cincinnati, these three economic development wins in Ohio since 2005.

But it could not have been done without teamwork. “Our business community is rolling up its sleeves, with CEOs actively engaging REDI Cincinnati and economic development partners across the region,” says Gary Lindgren, executive director of the Cincinnati Business Community and REDI board member.

Others are taking note. In November 2015, *Site Selection* magazine named Cincinnati one of the world’s most competitive cities in aerospace, chemicals and plastics, food and beverage, metals, and transportation and logistics.

ENTREPRENEUR HUB

Greater Cincinnati is not solely focused on recruiting large companies. REDI also courts smaller, high-tech firms that are changing their industries.

In fact, Techie.com named Cincinnati “One of the ten most unexpected cities for high-tech innovation” in 2013. And *Forbes* listed Cincinnati as “a hotbed for entrepreneurial growth” earlier this year.

“Greater Cincinnati is truly a hub of innovation,” says John Barrett, president

and CEO of Western & Southern Financial Group and REDI Cincinnati executive board member. “Pioneering companies will feel at home among the hundreds of businesses here that started small before becoming household names.”

Cincinnati’s story has always been one of innovation, says Reeder. “As a region, we’re one of the few places in the U.S. that still makes things—from soap to aircraft engines.” And that focus on entrepreneurship attracts companies that are nimble and poised for accelerated growth.

One such industry leader is Stewart Filmscreen Corp. Its projection screens are made of a proprietary material designed to make movies look better in theaters. Stewart Filmscreen won two

Oscars for the technology and came to Greater Cincinnati to fuel its expansion.

Apexia Pharmaceuticals, based in Blue Ash, 20 miles north of downtown Cincinnati, recently won FDA approval for its cutting-edge 3-D printed drug wafer that makes it easier to take and give medication. While 3-D printing has been used to manufacture medical devices, this move marks the first time a drug product manufactured with this technology has earned FDA approval.

Foreign direct investment is also important to the region. “Our recent wins tell us Greater Cincinnati is resonating with a global audience in ways it hasn’t before,” says Reeder. “Tech Mahindra, an Indian tech firm, and Frutarom, an Israel-based flavorings company, announced their choice of Greater Cincinnati this year.”

RELATIONSHIPS AND RESULTS

Organizations across the region are coming together to develop a thriving business ecosystem. “Greater Cincinnati has deep roots, but we’re not afraid to change and grow to remain competitive,” Reeder says. “We wouldn’t be seeing this success without public and private leaders from Ohio, Kentucky and Indiana building strong relationships.”

The entire region is working together, and the results are impressive, says Thomas Williams, president and CEO of North American Properties and board chair for REDI Cincinnati. “Our business and government leaders are all-in to ensure that growth is here to stay.”

“People come to Greater Cincinnati to make a difference,” adds Kay Geiger, president, Greater Cincinnati/Northern Kentucky at PNC Bank and REDI executive board member. “Whether as a young professional just starting out or a seasoned executive looking for a new challenge, our region offers anyone the chance to create positive change. If you have a passion, we’ll help you fuel it.”

Diversity: An Essential Part of Cincinnati’s Success Model

- Greater Cincinnati is home to more than 450 foreign-owned firms
- Named a “model for diversity and inclusion” by *Black Enterprise* magazine
- The Human Rights Campaign gave Cincinnati a perfect 100 score on its Municipality Equality Index in 2015
- Top three business/economic development organizations are headed by women: REDI Cincinnati (Johnna Reeder), Cincinnati USA Regional Chamber (Jill Meyer), Greater Cincinnati Port Authority (Laura Brunner)

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(Continued from page 8)

of the 50 fastest-growing companies in Columbus, has doubled its growth every year since its founding five years ago. And telemedicine startup Ardina is solving patient needs in innovative ways with the help of Columbus technology business incubator Rev1 Ventures.

ProMedica: Healthcare and Urban Redevelopment Leader

Hospital system ProMedica worked with JobsOhio and government entities to launch a project that will transform downtown Toledo. In October, the non-profit healthcare group broke ground on its new downtown headquarters campus. The \$60 million project will include the revival of a vintage steam plant that has been vacant for 30 years. ProMedica plans to consolidate its system employees from multiple locations throughout the metropolitan Toledo area to the steam plant and another adjacent building on what will become the ProMedica downtown campus once completed.

"Our move to downtown will help ProMedica be more connected, more efficient and more effective as an organization," says Randy Oostra, ProMedica president and chief executive officer. "At the same time, we hope it will serve as a catalyst in the ongoing revitalization of downtown Toledo."

The steam plant was constructed in 1896 under the direction of renowned architect Daniel Burnham, chief architect of the 1893 Chicago World's Fair. The building served as a power plant until 1930, when it was converted to a steam plant to supply steam heat to downtown buildings. It was shuttered in 1985 amid the conversion to nuclear power.

"It is going to be the most beautiful steam-plant corporate health headquarters you could ever envision," says Aaron Pitts, JobsOhio senior managing director for Biohealth, Agribusiness and Food Processing. The project is expected to be complete in Spring 2017, when ProMedica will welcome nearly 1,000 employees to its new downtown workspace.

The project has received federal, state and local support in the form of tax credits, low interest loans and

grants to support historic preservation, new development and job creation.

ProMedica is a 13-hospital system with more than 17,000 employees, 2,300 physicians with privileges, and more than 800 healthcare providers employed by ProMedica Physicians. It offers its own health plan, Paramount, which serves 320,000 members, including more than 225,000 members in the statewide Medicaid plan. In its mission to improve the health and well-being of northwest Ohio and southeast Michigan residents, ProMedica offers diagnostic, medical and surgical specialties in areas such as emergency medicine and trauma, behavioral health, heart and vascular, oncology, orthopedics, neurology, and women's and children's services.

ProMedica collaborates with state and regional educational institutions to offer research, grants and residency programs, as well as fellowship, clerkship, nursing, pharmacy, allied health and continuing education opportunities.

"Making this project a reality has been like completing a complex puzzle with the help of a lot of people and organizations working together," says Oostra. "Working collaboratively, we can



strive to have a transformative impact on healthcare, our community and urban redevelopment.”

Cooper Tire: R&D Investment for Competitive Advantage

Ohio offers incentives for new and expanding businesses that include state loan and grant programs and tax credits. An example of the power of these incentives is Cooper Tire, which celebrated its 100th anniversary last year. Cooper’s global headquarters is in Findlay, Ohio, where it employs more than 1,900.

The company continues to make significant investments in technology, and in 2014 announced it would locate its Global Technical Center (GTC) on the second floor of its existing Technical building. The GTC drives the development of new technologies that deliver improved performance, environmental advantages and safety benefits for drivers. Cooper received a \$2.8 million State of Ohio Third Frontier grant for the project.

“Our decision to locate the GTC in Ohio and invest more than \$35 million demonstrates the power of public/private coming together to form an excellent and mutual partnership,” says Cooper Chairman, Chief Executive Officer and President Roy Armes.

“Ohio is a great place for Cooper to be headquartered,” Armes adds. “There are a number of programs available, like the Third Frontier grant we received, that offer a strong incentive for companies like ours to build on our global technical capabilities in the state of Ohio. JobsOhio was instrumental in making the grant happen, and they’ve been great partners in this effort.”

CareSource: Reshaping the Health Insurance Landscape

Headquartered in Dayton, an epicenter for biosciences and healthcare industries, CareSource is an innovator redefining the health insurance industry.

The leading Medicaid managed-care plan in Ohio, CareSource has deep roots in Dayton and offices in Columbus and Cleveland. “Dayton’s history of innovation and entrepreneurship, its culture of institutional collaboration and its community-minded spirit make the region a good fit for CareSource,” says Chief Executive Officer and President Pamela Morris. After founding the nonprofit company 26 years ago in Dayton, Morris

still contends, “There’s no better place than Dayton to grow your business.”

Through its Life Services division, CareSource is piloting Job Connect, an innovative model for workforce development. The program works with CareSource members who seek employment and matches them with local employers. The program has had great success in developing an often-overlooked talent source.

Life Services recognizes and then addresses barriers that may prevent individuals from achieving the long-term employment they seek. The program has seen a 93% retention rate at the six-month mark. To date, Job Connect participants have found work in some of the region’s largest industries, including manufacturing, retail, financial call centers, healthcare call centers, warehousing and distribution.

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“Healthcare is just one ripple in the robust circle of change we want to enable in our members’ lives,” says Morris.

AK Steel: Driving Innovation in Ohio and Around the World

AK Steel is a world leader in the production of flat-rolled carbon, stainless and electrical steel products, primarily for the automotive, infrastructure and manufacturing, construction, and electrical power-generation and distribution markets. Headquartered in West Chester, Ohio (Greater Cincinnati), the company employs 8,000 men and women at eight steel plants, two coke plants and two tube manufacturing plants across six states. Approximately 3,400 of its employees work in Ohio.

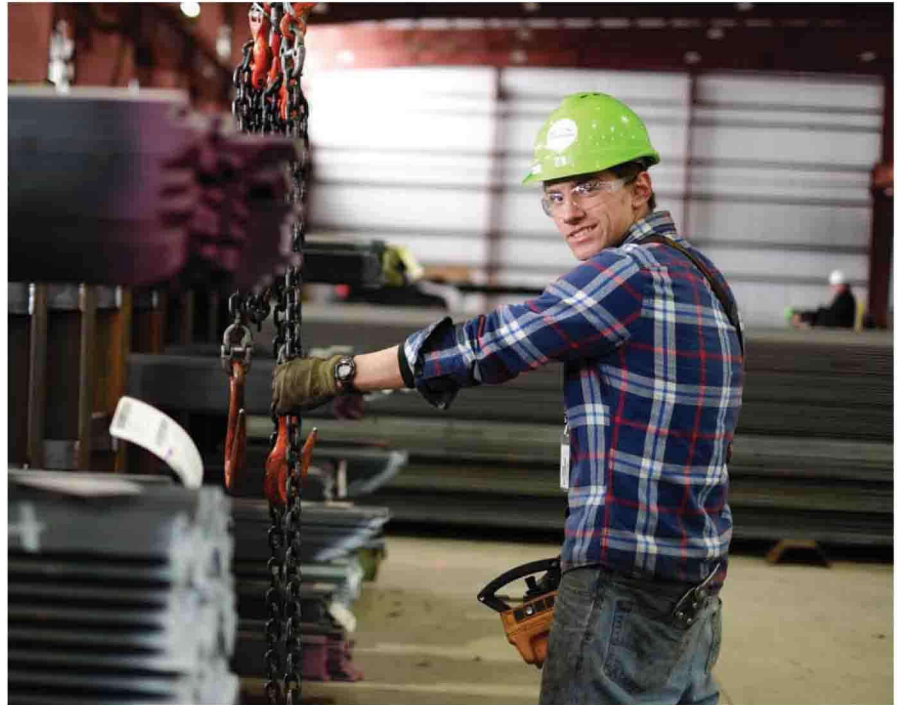
Construction is now under way for AK Steel’s \$36 million Research and Innovation Center in Middletown, Ohio. The 135,000-square-foot facility will occupy a 16-acre site located in the Cincinnati-Dayton Growth Corridor along Interstate 75. Support from JobsOhio, REDI Cincinnati, the State of Ohio, the City of Middletown, and the Warren County Port Authority helped the company bring the project into being.

“Construction of this new Research and Innovation Center underscores AK Steel’s strong commitment to the future of steelmaking in America and to our company’s continued industry leadership as a technological innovator in the steel business,” says James L. Wainscott, chairman, president and

chief executive officer. “While we considered strong proposals from a number of locations, we are very pleased that Middletown—where our company

was founded more than 100 years ago—emerged as the clear best option for this investment in AK Steel’s future.”

The center will provide advanced



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—JAMES L. WAINSCOTT, Chairman, President and CEO, AK Steel

technical support for customers and for new products and processes. This includes developing new stainless steels that offer superior corrosion resistance for a variety of uses, electrical steels that help make the world's electrical grids more energy efficient, and Next-Generation Advanced High Strength Steels (AHSS). By late 2016, AK Steel expects to have the capability to produce one of the first commercially available next-generation AHSS in the world. The company's new technologies will enable AK Steel to introduce a family of steels that have greater formability, and give automakers greater design flexibility to improve safety performance and allow manufacture of lighter-weight vehicles.

Aviation Innovation Soars

Ohio has a longtime connection to the aviation industry. Flexjet continues that legacy as one of the two major fractional jet ownership companies in the state. Based in Dallas, Flexjet is part of Directional Aviation Capital, whose founder, aviation entrepreneur Kenn Ricci, has had an Ohio presence since 1980.

Flexjet employs 350 pilots in the Cleveland area, and 80% of its parent firm's 6,000 employees are in Ohio. From that central U.S. location, the company flies owners throughout North America to the Caribbean and Europe. The company's jet fleet is among the youngest in the fractional jet industry.



Recognized by the FAA for its service excellence, Flexjet also serves the Cleveland community through philanthropic activities. Its jets have been used to fly severely ill patients to Cleveland's UH Rainbow Babies & Children's Hospital for life-saving treatment. Ricci is a member of both the UH Case Medical Center Board of Directors and the Rainbow National Leadership Council. The company also works with county authorities to promote improvements to the Cuyahoga County Airport.

The New Ohio: Momentum Means Continued Success

Business in Ohio has a fundamental sensibility about it. "In state government and across all of our industries, we have a fiscally sound way of doing business," says Aaron Pitts, JobsOhio senior managing director. There's a 'get-along' bias. Ohioans are appreciative of diversity, and they have a generosity of spirit. We approach life and business with an attitude that says, 'Let our advantages become yours.'"



JobsOhio

A long heritage of innovation continues to support Ohio as the state redefines itself. The new Ohio is home to the business-savvy economic development company JobsOhio. As a client-focused, private, nonprofit economic development corporation, JobsOhio helps ensure:

- Domestic and international businesses can relocate, expand and prosper in Ohio.
- Economic development occurs collaboratively through high-value partnerships.
- Long-term growth is sustainable through private funding.

An unmatched team of proactive, business-minded industry experts at JobsOhio helps businesses grow and succeed. As a valued partner to businesses, JobsOhio is flexible, responsive and knowledgeable about the unique needs of companies seeking to invest in Ohio.

JobsOhio utilizes the "One Firm, One State" approach, making it easier than ever for companies to invest in Ohio. The JobsOhio Regional Network includes six regional economic development partners working together strategically to secure growth statewide.