



NEWS from MCEDC

Marshall County Economic Development Corporation

July 2013

Indiana Continues to Rank High in "Best States for Business" Surveys



Indiana continues to rank high in "best states for business" per rankings recently published by [Chief Executive](#) and [Site Selection](#) magazines.

In the May 2013 issue of Chief Executive, Indiana ranked as the best place to do business in the Midwest and the 5th best nationwide in a survey of more than 500 chief executives. Indiana's 5th place ranking makes it the only state in the Midwest among the top five nationwide.

The magazine's ninth annual "Best & Worst" states survey asks CEOs to evaluate states based on business tax policies, regulations, workforce quality and livability factors. Indiana's ranking has moved up eleven places since 2010.

Indiana recently enacted the largest tax cut, more than \$600 million, in state history. Through a combination of income tax relief, inheritance tax repeal and other business reductions, Indiana is the only state in the country to achieve more than \$1 billion in tax cuts over the next two years.

The May 2013 issue of Site Selection magazine ranked Indiana as the most competitive state for business in the Midwest and the 2nd best in the nation in their 2012 Top 10 Competitive States rankings. The rankings evaluates the states abilities to attract investment based upon new and expanded facility announcements. Indiana's second place ranking is the state's highest finish in ten years.

These rankings are the latest in a series of national accolades that Indiana's business climate has received. Other high rankings have been published by CNBC, Forbes, the Tax Foundation, and Area Development magazine, which rated Indiana as the best state for doing business in the Midwest and 8th nationally.

Source: Indiana Economic Development Corporation

A Marshall County Manufacturer Expands, and One is Retained Nishikawa Cooper (NISCO) and Whitley Products

Nishawaka Cooper receives state and local incentives; Whitley Products Retained and purchased by Aggressive Manufacturing Innovations, Inc.

Nishawaka Cooper (d/b/a NISCO), a sealing systems manufacturer for the automotive industry, plans to expand their operations in Bremen investing approximately \$12.7 million in equipment and adding 34 new jobs by 2015. As part of the expansion, NISCO will install new equipment to accommodate their door hole sealing finishing capabilities which are being moved from their production facilities in China and Japan. In addition to new job creation, the re-shoring of this production will allow them to retain approximately 80 of their over 420 current employees. In support of NISCO's investment, the State of Indiana offered up to \$225,000 in tax credits based upon job creation plans. The Town of Bremen approved a



personal property tax abatement at the request of MCEDC.

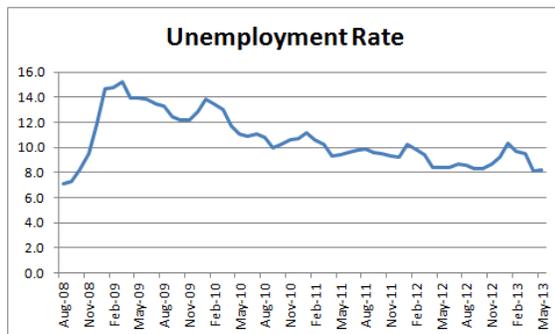


The former Whitley Products, a manufacturer of fabricated tubular products for agricultural and heavy-duty vehicular equipment, was purchased by Aggressive Manufacturing Innovations, Inc. (AMI) in late May. The purchase included AMI's acquisition of all of Whitley Product's assets, and the rehiring of approximately 10 of the companies top management positions. AMI is currently reaching out to all of Whitley's prior customers to recapture their business and grow the new facility. As a part of the acquisition deal, MCEDC staff coordinated offers for state and local tax incentives based upon their growth plans. AMI management stated that the state and local support were instrumental in completing the deal.

Rebound from the Great Depression: County Unemployment Rate Continues to Decline

The May unemployment data provided by the Bureau of Labor Statistics shows that the unemployment rate is generally continuing its downward trend.

The May 2013 unemployment rate of 8.2 percent, which is a slight uptick from the April rate of 8.1 percent, has fallen from over 10 percent in December 2012 and 8.4 percent in May 2012. The April and May 2013 rates are the lowest for any two



consecutive months dating back to September and October 2008 which marked a severe downward turn in the economy and is often considered the starting point of the Great Recession. The local unemployment rate peaked in March 2012 when it sat at 15.2 percent.

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)

New Laws Affecting Business Taxes, Investment, and Workforce Training Become Effective



On July 1st, several new laws became effective which can be used as incentives to retain and attract jobs and investment to our communities.

These laws reduce business taxes, increase tax credits for infrastructure investments, increase transportation funding, increase venture capital funding, and increase funding for new and incumbent workforce training.

Highlights of these new laws include:

- Reduction in the personal income tax rate to 3.3% for years 2015-2016 and to 3.23% for 2017 and beyond. Currently, the personal income tax rate is 3.4% which is 9th lowest in the U.S.
- Repealing of the inheritance tax.
- Establishing a Major Moves 2020 Trust Fund for major highway expansion projects funded at \$200 million per year from 2003-2014.
- Increase in funding for the 21st Century Fund, a venture capital fund administered by Elevate Ventures, to \$40 million. (Increase of \$10 million from last budget cycle.)
- Increase in funding for the Skills Enhancement Fund (SEF), a state incentive used for new and incumbent workforce training, to \$25 million. (\$7 million increase over last budget cycle.)
- Clarification that SEF can be used for incumbent workers.
- Expansion of the sales tax exemption available for research and development activities.
- Addition of logistics investments as a specific type of qualified investment under the Hoosier Business Investment Tax Credit. This credit is for fixed capital investments in logistics and supply chain industries with a maximum 25% credit to be capped at \$10 million annually starting in 2014.

Please call our office if you have any questions on these new laws.

Focus on Entrepreneurial Development: Elevate Ventures Announces Funding Availability

[Elevate Ventures](#), a private venture development organization that nurtures and develops emerging and existing high-potential businesses into high-performing companies, plans to award \$100,000 in North Central Indiana to high potential start up companies in 2013.



The High Potential Start-Up Grants, which range from \$5,000 to \$25,000, are designed to help early incubating companies fund measurable outcomes or milestones that will help them compete for incubation phase investment dollars. The grants are unique in that they are available only to pre-revenue companies still in the "incubation" phase.

Elevate expects to award six to seven grants in north central Indiana in 2013. The grants provide funding to high potential early stage ideas that lack the evidence, measurable outcomes, or milestones that would make them attractive to investors. Grant funding makes it possible for these companies to generate data needed as proof points for potential success.

Complementing the grants, Elevate Ventures provides business analysis and advisory services to entrepreneurs to develop their businesses to interest investment from private sources.

For High Potential Start-up Grant qualification information or to apply, please contact Gregg Kiel, Entrepreneur-In-Residence, North Central Region, at (317) 252-0285, ext. 301 or visit www.elevateventures.com/apply/reap to apply.

Source: *Elevate Ventures*

Focus on Marshall County Industry & Workforce Development: Bay Valley Foods Receives WorkOne Honors



In April, [Bay Valley Foods](#) located in Plymouth received a WorkOne Achievement Award. The award, which was issued by the Indiana Department of Workforce Development, honored Bay Valley for creating jobs and personal advancement opportunities through the use

of WorkOne services and programs. Bay Valley was one of only 12 companies located throughout Indiana to receive this award!

Bay Valley Foods is the leading provider for private label foods in Indiana. They provide shelf staple foods such as salad dressings, pickles, puddings, marinades and BBQ sauces. In their search to find qualified employees to fill various positions, Bay Valley conducts

customized employment searches through IndianaCareerConnect.com, a service provided by WorkOne. This is a service that Bay Valley utilizes to fill all their employment needs.

In addition to providing employment assistance services to companies such as Bay Valley Foods, the [WorkOne Plymouth](#) office also connects individual job seekers with education and career training opportunities.

For more information on the workforce development resources available through WorkOne, please contact Lorna Shivley, Job Lead Specialist, at the Plymouth office at (574) 936-8919.

Source: Indiana Inside Business & Indiana Statehouse

Focus on Small Business Mentoring Resources..... ISBDC Provides Free Business Consulting

The [North Central - Indiana Small Business Development Center \(NC-ISBDC\)](#) creates a positive and

measurable impact on the formation, growth, and sustainability of Indiana's small businesses by providing entrepreneurs expert guidance and a comprehensive network of resources.



The ISBDC Network aims to accomplish its mission through a continuous focus on impact, realizing it is not enough to hold training events and meet with clients, but that tangible value needs to be provided to businesses as a result of outcome-focused SBDC engagement. All engagement has a primary focus on the existing entrepreneur or business and on viable new business opportunities with the prompt identification, documentation, and communication of needs and action plans.

One of the ways that NC-ISBDC meets its goals is by providing business counseling to small business and entrepreneurs at least one day every month in the MCEDC office in Plymouth.

- During the first half of 2013, NC-ISBDC provided business counseling to 17 individual clients
- Of the 17, six are attempting to start a new business and 11 are already in business
- Hours of counseling totaled over 78
- Value of business consulting provided to small business/entrepreneurs of Marshall County free of charge

For more information on this valuable resource, please visit MCEDC's website or call Alan Steele, Business Advisor, at (574) 282-4350 ext. 0 to schedule an appointment.

Source: North Central - Indiana Small Business Development Center

Comment from Jay Bahr.....

This is Not Your Father's Job Market



Over the past decade I have had the opportunity to tour numerous manufacturing facilities in Ohio, Michigan and now Indiana. Because I am not an Engineer I have the ability to tour modern plants and maintain a sense of child-like wonder and amazement when I see fully automated production lines and robotics in use. I also feel very free to ask all the "stupid" questions like, "How does the machine know which part to pick up and put into the other machine?", or "Where are the workers on the production line?" For me it's been a very fruitful way to learn.

Given that one of my main concerns is to grow jobs as well as the overall economic health of Marshall County, I spend significant time thinking about the readiness of our workforce particularly for manufacturing. Despite rumors of its demise, manufacturing is alive and well in Marshall County and remains our best bang for the buck in terms of dollars spent to retain and attract jobs. What I consistently hear from manufacturers is that they need more skilled workers. So how do they define "skilled"? In some ways the bar is set fairly low and other ways the bar is higher than it's ever been. I would put skills into two main groups, soft skills and technical skills.

The soft skills include job-readiness items that are second nature to some, like showing up on time every day, show up drug free, and wear suitable clothing. Whereas the technical skills that many manufacturing companies are seeking include welding, CNC proficiency and the ability to think through problems and propose solutions. Many people consider the soft skill set to be completely dependent upon ones upbringing and that if someone didn't learn how to dress for a job interview, the importance of being punctual and remaining substance free, especially in the workplace, then it may just be that person's place in life to forever be unemployed, underemployed, or constantly drifting from job to job. I believe that a person's home life has a high level of influence on these qualities. However, a person who is observant of his or her surroundings and studies the behaviors of successful people they will find behavior that is worth modeling and the soft skills gap can be overcome.

On the technical skills side, I cannot stress enough that unskilled jobs do not exist in the current economy and I don't see them coming back any time soon, barring a post-apocalyptic return to a simpler economy. Most of the job creation and most of the wage growth that is occurring in manufacturing is in the middle-skill area. These are jobs that do not require a four-year degree. However, they absolutely do require proficiency in reading, math, a high school diploma and some training beyond high school. Training beyond high school doesn't even need to be a two-year degree, although for many jobs this has become the standard; but frequently a technically oriented certificate program can serve as the gateway to a career in advanced manufacturing.

One of the biggest changes in education and training compared to the world before 2000, or thereabouts, is that successful workers will be the ones who actively and consistently throughout their working years seek numerous opportunities to grow their knowledge and skill base both on the job and during their personal time.

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