

# FULL STRIDE INITIATIVE

Commerce  
Lexington

ECONOMIC DEVELOPMENT

Investor Update  
Oct. 1 – Dec. 31, 2018

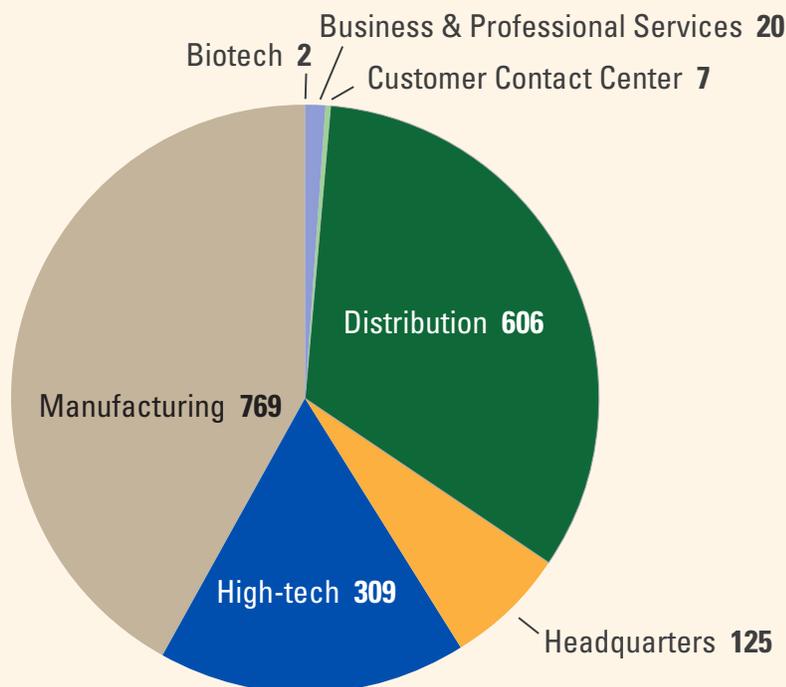
## IN THIS ISSUE

- 1 Year in Review
- 4 Company Announcements and Events
- 5 Events, Conferences and Networking
- 7 Business Education Network
- 9 Community and Minority Business Development

# 2018 YEAR IN REVIEW

CAPITAL INVESTMENT **\$255,193,311**

TOTAL NEW JOBS **1,838**



**DIRECT JOBS** generated **\$73,586,828** in Annual Direct Payroll with an average wage of **\$40,036**.

**906 INDIRECT JOBS** generated **\$1,038,797** in LFUCG Payroll Tax Revenue.

**609 INDUCED JOBS** generated **\$567,212** in LFUCG Payroll Tax Revenue.

**26**

EXPANDING COMPANIES

**3**

NEW COMPANIES

Total LFUCG Revenue Generated

**\$3,101,637**

Total FCPS Revenue Generated

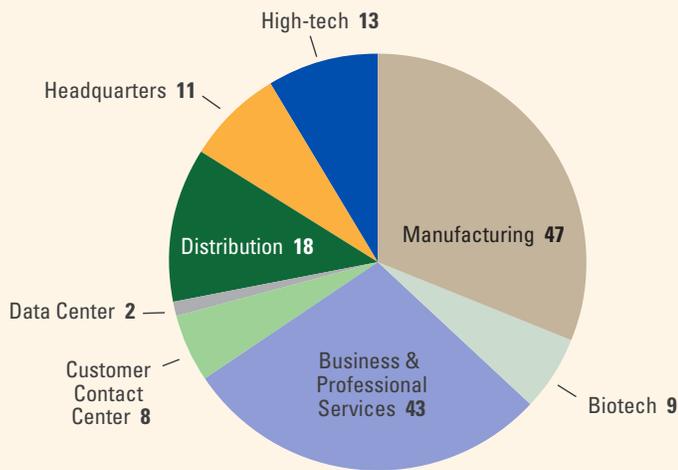
**\$646,396**

# 2018 YEAR IN REVIEW—HERE'S OUR PROOF

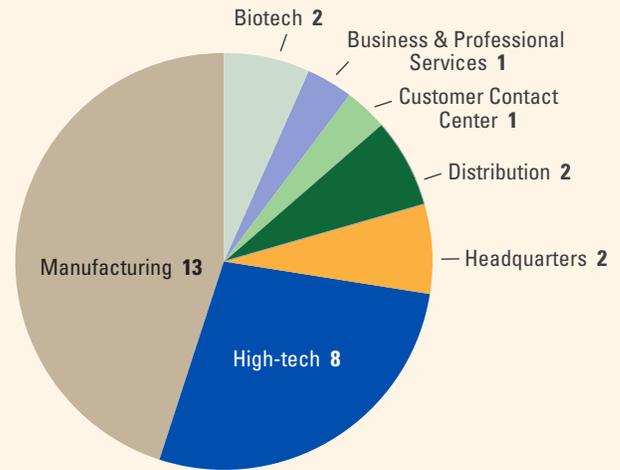
In 2018, Commerce Lexington Inc.'s Economic Development Division had a successful year in terms of project activity and announcements. We had several major announcements ranging from headquarters to manufacturing to software development companies. In this quarterly update is a snapshot of the types of leads we received, locations, targets v. actual, and our new and expanding list.

2018 Targets v. Actual		
	Target	Actual
Prospects (new, existing, start-ups)	150	151
Site Visits	25	28
Prospect Locations	25	29
Existing Business Visits	160	160
Consultant Visits	200	154
Direct Jobs Created	1,000	1,838
Average Wage	\$45,000	\$40,000
Capital Investment	\$100,000,000	\$ 255,193,311

2018 Leads



2018 Locations



HERE'S OUR PROOF:

Lexington is ranked  
**#2 Most Affordable Cities to Live and Work**  
 by BusinessStudent.com

## 2018 New and Expanding List

Month	Firm	Type	Product	Reported Investment	Direct Jobs
Jan	AgTech Scientific, LLC	New	Manufacturer of industrial hemp products	\$5,000,000	271
Feb	Tru-Tone Finishing	New	e-coating and powder coating for industrial parts	\$4,600,000	120
Feb	Integrated Sign & Graphic, Inc.	Exp	Aluminum and steel custom sign fabrication and installation	\$138,169	4
Apr	Hera Testing Laboratories, Inc.	Exp	Toxicology and therapeutic biotech testing company	\$8,989	4
Apr	Blue Frame Technology, LLC	Exp	Digital video software company	\$9,635	4
Apr	Legit Apps, LLC	Exp	Education software development	\$2,383,332	11
May	GreenBox	Exp	HVAC contractor	\$1,725,000	20
May	Hanna Resource Group dba Ezgig	New	Online app connecting employers with employees instantly.	\$938,000	2
June	LBX Company, LLC	Exp	Customer experience center for headquarters	\$8,890,193	0
June	Brockman Hastings	Exp	Medical device company	\$17,308	1
June	Bluegrass Tool & Industrial	Exp	Supplier of industrial products	\$22,430	5
June	Harbor Steel & Supply Corporation	Exp	Full service metals processing and distribution	\$4,100,000	0
June	hydra soap	Exp	Handmade aromatherapy products manufacturer	\$11,633	4
June	Kinemetrix Industrial Design, Inc.	Exp	Manufacturer of advanced automation and robotics systems for a wide range of industries	\$7,200	1
June	Visumatic Industrial Products, Inc.	Exp	Manufacturer of automated systems	\$12,500	2
July	Amazon.com	Exp	Fulfillment center for Amazon.com	\$0	600
Aug	Recycle A Textbook	Exp	Buyer and distributor of used textbooks	\$48,511	6
Aug	Prosper Media Group	Exp	Video production company	\$7,561	1
Aug	Zelios	Exp	Manufacturer of hemp oil extract	\$2,100,000	44
Aug	Webasto Roof Systems, Inc.	Exp	Sunroof and roof systems manufacturer	\$15,200,000	183
Sept	Tiffany and Company Jewelers, Inc.	Exp	Manufacturer of jewelry	\$500,000	130
Oct	Creative Lodging Solutions, LLC	Exp	Headquarters of corporate lodging solutions	\$0	125
Nov	SPARK	Exp	Entrepreneurial companies	\$107,500,000	287
Dec	MosquitoMate Inc.	Exp	Biotech manufacturer of ZAP mosquitoes	\$7,900	1
Dec	Key Investment Solutions	Exp	Shared service center	\$1,645,150	7
Dec	Thynk Health	Exp	Healthcare data collection and mining company	\$250,000	5
Dec	Blue Frame Technology, LLC	Exp	Digital video software company	\$5,800	1
Dec	J.M. Smucker, LLC	Exp	Jif peanut butter manufacturer	\$100,000,000	0
Dec	Barnhill Enterprises, LLC	Exp	Manufacturer of chimney caps and products	\$64,000	5
			<b>TOTAL</b>	<b>\$255,193,311</b>	<b>1,838</b>

HERE'S OUR PROOF:

Lexington is ranked **#18 Best of the Midwest: Startup Cities** by Midwest Startups

# COMPANY ANNOUNCEMENTS AND EVENTS

## SPARK celebrates entrepreneurial community and announces RISE award

In early November, SPARK, a Bluegrass Business Development Partnership (BBDP) initiative, held its annual entrepreneurial celebration and announced that the Central Kentucky entrepreneurial community created 287 new jobs and raised \$107.5 million in capital funds in Fiscal Year 2018. We also announced 29 eAchievers, which are our top performing startups in Central Kentucky, and recognized MakeTime, VeBridge, and NX Development Corp. for being acquired in 2018.

The Kentucky Cabinet for Economic Development (CED) also announced the selection of the Awesome Center for Entrepreneurship (ACE), a division of Awesome Inc, to lead a Lexington consortium in an award under the Regional Innovation for Startups and Entrepreneurs (RISE) initiative. ACE was chosen to lead Central Kentucky's efforts to serve, attract, and develop more innovation and high-growth startups.



2018 eAchievers

## AgTech Scientific holds ground breaking

In mid-October, AgTech Scientific, a new hemp products development and manufacturing center, broke ground on their new facility in Paris, Kentucky. They anticipate creating over 270 new jobs and investing over \$5 million in the new facility. This lead initially came through our economic development partners at the University of Kentucky. Our team worked with AgTech Scientific on their regional site selection process until they narrowed down their location to Bourbon County.



Rep. Andy Barr and Agriculture Commissioner Ryan Quarles join the AgTech Scientific team in breaking ground on their new facility.

## Tech company Fusioncorp opens new headquarters

Fusioncorp, a Lexington-based technology company, joined former Mayor Gray, business leaders, and clients on October 11 in celebrating the grand opening of its new headquarters. The company, which spun out a new startup last year, Gamifi by Fusioncorp, relocated its headquarters to North Forbes Road in late summer 2018. One Gamifi client present at the event was VisitLEX, the Bluegrass's convention and visitors' bureau. Gamifi by Fusioncorp developed a new app for VisitLEX and was unveiled at the event. *The VisitLEX Experience* app uses augmented reality to create an interactive walking tour and scavenger hunt in downtown Lexington.



Fusioncorp executives join former Mayor Gray, Councilmembers, and community leaders in cutting the ribbon to their new headquarters.

# EVENTS, CONFERENCES, AND MARKETING

## CLX celebrates the 20th anniversary of Blue Grass Business Park

In late November, Commerce Lexington Inc. celebrated the 20th anniversary of Webasto's location to Lexington and of the Blue Grass Business Park (BGBP). The BGBP was founded 20 years ago by Commerce Lexington Inc. Today, the Park is full and is home to Webasto Roof Systems, Tiffany & Co., Big Ass Fans, KITO U.S.A., Harbor Steel, Birtley, and Kentucky Eagle. These companies employ over 1,600 people with an average annual wage of over \$44,000. In total, the BGBP produces approximately \$17 million in state and local tax revenues annually. Commerce Lexington Inc. appreciates the investment these companies have made in Lexington to create high-paying, quality jobs for our residents.



Webasto employees, leadership from park tenants, and local leaders gather to celebrate the Park's 20th anniversary.

## Economic Development team attends ALL RISE conference

In mid-December, our economic development team attended and participated in the All RISE conference for partners in the state's Regional Innovation for Startups and Entrepreneurs (RISE) initiative. ALL RISE convened leaders and consortium representatives from across the state to share best practices and to identify opportunities for collaboration. Our team is a part of the Awesome Center for Entrepreneurship, a division of Awesome Inc, which is leading RISE for Central Kentucky.



Partners from across the state attended ALL RISE conference.

## Area Development Women's Forum

Our economic development team maintains strong relationships with site selection consultants as they are the gatekeeper to companies that are growing and establishing new locations. In early October, our team sponsored and attended the Area Development's Women's Forum in Chicago. This is one of the leading professional development forums, which gives our team the opportunity to hear from key site selection consultants on topics from RFIs to retention and incentives.



Attendees hear from site selectors on best practices and case studies.

## Bluegrass Alliance travels to Atlanta

The Bluegrass Alliance hosted a successful site selection consultant luncheon in Atlanta in mid-November. Our regional group, consisting of Lexington, the surrounding counties plus Frankfort and Mt. Sterling, met with 25 site selection consultants and shared new developments in the region. This is an annual trip for all partners to attend. Atlanta has one of the highest concentrations of site selection consultants.



Erran Persley, the Executive Director of International Business at the Cabinet for Economic Development, offered the keynote speech.

# EVENTS, CONFERENCES, AND MARKETING

## Commerce Lexington Inc. co-hosts FAM tour for site selection consultants

In mid-October, eight site selection consultants visited Lexington as a part of a Familiarization (FAM) Tour co-hosted by Commerce Lexington Inc. with the Kentucky Cabinet for Economic Development. FAM Tours give us a unique opportunity to showcase the assets of our community to site selection consultants, who serve as the gatekeepers to companies that are growing or establishing new locations. As they toured our community, the consultants spent time visiting and learning more about the University of Kentucky (UK), our business community, and Keeneland. They also had the opportunity to hear firsthand from former Mayor Jim Gray, UK President Eli Capilouto, Coach Calipari, and our business leaders about the strengths and assets of Central Kentucky. We look forward to continuing to build on our economic development relationships with the state and these consultants.



As a part of the UK tour, the consultants met with Coach Calipari.



Eric Hartman of UK kicks off pitch competition at GNO.

## Geeks Night Out

As a part of SPARK, our team hosted Geeks Night Out (GNO) in late October at HopCat. This is a networking event geared toward the innovators, forward thinkers, and entrepreneurs in Central Kentucky. We also held an open mic pitch competition at GNO allowing entrepreneurs the chance to practice their elevator pitches and win prizes. Over 74 geeks attended the event.

## Global Entrepreneurship Week

The Bluegrass Business Development Partnership (BBDP) hosted and organized many great events in the month of November during the seventh annual Lexington Global Entrepreneurship Week (GEW). The BBDP hosted over 15 events during the week, including multiple workshops, various panels, and Startup Weekend. GEW is a great opportunity to showcase Lexington's entrepreneurial community as well as connect them to the numerous resources available in the community.

HERE'S OUR PROOF:

Lexington is ranked  
**#8 Best City to Live in  
America** by Money

# BUSINESS AND EDUCATION NETWORK



## Career exploration event brings together 50 community partners to support three Academy schools

Excitement filled the Lexington Convention Center when 1,300 freshmen from three Fayette County public schools explored dozens of interactive exhibits at The Academies of Lexington's career exploration event. Sponsored by Lexmark, the event invited ninth graders from Bryan Station, Frederick Douglass, and Bates Creek high schools to engage in hands-on learning activities in Lexington's most in-demand industries.

At every turn, students were invited to roll up their sleeves and discover career paths in engineering, manufacturing, and skilled trades; medical and health sciences; information technology; and professional and public services. A hot pink Link-Belt excavator, a real LexTran bus, and Amteck's electrical components learning center were just a few of dozens of engaging displays.



Students practice on simulators from RJ Corman Railroad Group.

“With approximately 50 local businesses and organizations represented, the event plays an important role in shaping the future of Lexington’s workforce,” said Jade Miles, community relations and student program manager at Lexmark. “Lexington is a great place to work and live, and we want people to stay here. There are so many jobs in STEM and other fields that are waiting to be filled. Through this partnership, we can help build our future workforce and ensure a stronger talent pipeline for Lexington.”

Lexmark’s new partnership with The Academies of Lexington will bring a wealth of opportunities to Academy students, and the career exploration event is just the beginning.

“One of the things we are thrilled about is the opportunity to give back to Fayette County Public Schools (FCPS). For our focus on education, particularly STEM, The Academies of Lexington is a great fit. By being able to give \$150,000, we are able to focus on career exploration.” added



Manny Caulk, Fayette County Public Schools and Sheri Depp, Lexmark

Sheri Depp, Lexmark’s director of global talent management, diversity, community, and corporate business partners.

Gigi Wells, a freshman at the Academies of Frederick Douglass High School, said that speaking with a Lexington police officer helped her realize her interest in the field. “This really motivated me more. I wasn’t sure what Academy I wanted to explore, but this helped me decide on Professional Services.”



Students learn from professionals in the Information Technology section of the 2018 Career Exploration Event.

*continued on next page*

# BUSINESS AND EDUCATION NETWORK



Tates Creek High School freshman Jacob Clemons said he hopes to enter the Academy of Design and Engineering to follow in the footsteps of his brother—a nuclear engineer. “I got to control robot arms in the IT section today, and that was cool. This really gives me an idea of what I might want to do in the future.”

With the future of industry in Lexington being hinged upon the availability of a highly-skilled workforce, exposure to career paths early on is more critical than ever. “We have a huge labor shortage in construction,” said Todd Johnson, executive vice president of Building Institute of Central Kentucky. “We hope to expose young people to an opportunity that we think they don’t hear a lot about in school, and that is the construction trades. There’s no better time than right now to get into construction as a young person, especially in Kentucky.”

Claudia Carroll, talent acquisition market manager at KentuckyOne Health, echoed the importance of introducing high schoolers to career paths of interest. “Working in Healthcare, we are all about serving others and improving the community. One way we can improve the community is to provide for generations of healthcare providers to come by building our future workforce.”

*FCPS Superintendent Manny Caulk added, “It’s important that our students see that learning takes place well beyond the classroom. To be able to see those who are currently in the field—whether it’s medical, information technology, or engineering—they are seeing practitioners, those who work in the career they aspire to do. They see the latest technology and the latest research, and it raises their expectation for what’s possible for the future.”*

The Academies of Lexington are small learning communities within Fayette County public high schools that allow students to connect what they are learning in the classroom with real-world applications. If you or your business would like to get involved, please contact:

**Natalie Shepard**

*Partnership Manager, The Business and Education Network*

859.226.1629

[nshpard@commercelexington.com](mailto:nshpard@commercelexington.com)



9th Grade students participate in hands-on activities with UK College of Pharmacy representatives

HERE’S OUR PROOF:

Lexington is ranked  
**#24 Best Cities for Young Professionals**  
by Thrillist

# COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

## Kentucky Chamber of Commerce Legislative Preview

As a member of the Kentucky Chamber's Small Business Policy Council, Tyrone Tyra attended the Kentucky Chamber of Commerce Legislative Preview on December 3rd. Kentucky's top public officials discussed their plans, priorities, and predictions for next year's legislative session. It was a full day of sessions which included topics on criminal justice reform and the opioid epidemic, infrastructure investment, and education to name a few.



Lawmakers highlight topics they expect to tackle in the 2019 session.

## Minority Business Accelerator

The Minority Business Accelerator (MBA) clients and advocates met in December for a listening session. The MBA clients spoke about new offerings and successes in their businesses, and companies like Messer Construction and the University of Kentucky spoke about upcoming procurement and project opportunities in 2019. The clients also were able to meet one-on-one with procurement representative from KCTCS, LFUCG, and Fayette County Public Schools. MBA members also celebrated over \$242,000 in new contracts with Fayette County Public Schools and Maclellan Industries.



Representative George Brown helping the group understand the University of Kentucky Procurement System.

## Toyota Opportunity Exchange

The Annual Toyota Opportunity Exchange was held in Novi, Michigan in November. CMBD attended to represent minority businesses affiliated with Commerce Lexington Inc. There were over 2,000 attendees with sessions that focused on supplier resources. The event always features a tradeshow that allows attendees the opportunity to speak directly with suppliers. There are four Kentucky companies that we make sure we re-introduce ourselves to each year.



Scene from a session at the 2018 Toyota Opportunity Exchange in Novi, Michigan.

## Small Business Administration Annual Lender's Conference

The Small Business Administration (SBA) 6th District held its annual Lender's Conference in Lexington on November 8–9. The event featured several lending workshops and an awards luncheon that celebrated over \$156 million in 7(a) loans through 57 lenders; over \$12.4 million in 504 loans through five lenders; and \$1.6 million in microlans from four lenders. It was a great showing for banks that operate in Central Kentucky that took advantage of the SBA guarantees. Many of the loans in the Access Loan Program close because of the various SBA guarantee programs.

There were also awards given out to small businesses that defied odds to grow. They featured the local business Families Hope, LLC, an adult mental health service.



Owners of Families Hope, LLC – one of the 2018 Small Business Administration award recipients.

# COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

## International Economic Development Council Annual Conference

CMBD attended the International Economic Development Council's annual conference in Atlanta, GA. The theme was Inclusive Economic Development. The tract we chose was creating jobs, businesses, and affordable housing in underserved areas. There was a lot of attention paid to best practices and small area development.

## Advocate for Small Business

In October we attended an event and presentation hosted at the James E. Pepper Distillery honoring Mayor Jim Gray as an Advocate for Small Businesses. The award was presented by members of the US Conference of Mayors. Mayor Gray was chosen for his support of small business through the economic development Jobs Fund that awards low interest loans and grants to emerging technology companies and job creators. Several of the businesses in attendance cited Commerce Lexington Economic Development staff for their work and technical assistance.



From left to right- Councilmember Susan Lamb; Michael Baer; Gwen Riley; Salvadore Sanchez; Amir Peay; Mayor Jim Gray; Jeff Beam.

## HERE'S OUR PROOF

**19** MEETINGS WITH MINORITY BUSINESSES

**08** WOMEN-OWNED BUSINESSES ASSISTED

**11** EXISTING BUSINESS CALLS

**\$242,000** IN PROCUREMENT DURING THE QUARTER

**\$90,000** IN ACCESS LOANS

Commerce  
Lexington  
ECONOMIC DEVELOPMENT

## KCTCS Supplier Diversity Fair

The Annual KCTCS Supplier Diversity Fair was held October 9th at Jefferson Community & Technical College in Louisville. Diverse businesses were given the opportunity to meet directly with and exhibit to procurement professionals from throughout the KCTCS System. The one-day event had over 170 attendees. Commerce Lexington staff was responsible for getting 13 clients to attend.

## HERE'S OUR PROOF:

Lexington is ranked **#8 City with the Lowest Startup Costs** by SmartAsset