

FULL STRIDE INITIATIVE

Commerce Lexington
ECONOMIC DEVELOPMENT

Investor Update
January 1 – March 31, 2019

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Local officials break ground on new Lexington Clinic building. Photo credit: Brett Construction Company

Lexington Clinic Groundbreaking

In early February, Lexington Clinic broke ground on its new South Broadway building, which will be located on the current South Broadway campus and will replace the current Lexington Clinic flagship. The new building is set to open by the fall of 2020. The current building will remain open and functional until the new building is operational. Congratulations to Lexington Clinic on this exciting project.

By the Numbers

In 2019, Commerce Lexington Inc.'s Economic Development Division responded to calls from the following:

21 NEW PROSPECTS
INTERESTED IN FINDING
A NEW LOCATION OR
EXPANDING OPERATIONS

4 COMPANIES WITH
POTENTIAL EXPANSIONS
IN LEXINGTON

45 EXISTING
BUSINESS VISITS

7 CLIENT VISITS

Tech29 Grand Opening

In late February, Commerce Lexington Inc. joined Tech29 executives in celebrating the grand opening of their new downtown offices in The Square. Tech29 is a blockchain company delivering enterprise grade software for some of the largest companies, venture capital firms, and startups globally. The company was founded in 2017 and has grown to over 15 employees. They anticipate adding another 10 jobs over the next year. Congratulations, on their new location.

Commerce Lexington President and CEO Bob Quick joined the Tech29 team in celebrating their grand opening.



COMPANY ANNOUNCEMENTS

CLARK Material Handling Company announces third expansion

In early March, CLARK Material Handling Company announced its expansion of the Lexington headquarters and manufacturing operation, investing over \$4.6 million and creating 40 new positions. At the press conference, attendees heard from Dennis Lawrence, President and CEO of CLARK Material Handling Company; Mayor Linda Gorton of the City of Lexington; Secretary Terry Gill of the Kentucky Cabinet for Economic Development; and Bob Quick, President and CEO of Commerce Lexington Inc.

This expansion is the third in four years at CLARK's North American corporate headquarters in Lexington. Company leaders expect the investment to triple production at the campus. In conjunction with this expansion, CLARK will begin re-shoring the production of its mainstay internal combustion products, the "S-Series", to Lexington. Volume production is expected to begin this summer.

Dignitaries join CLARK Material Handling Company on a tour of their manufacturing operations and global headquarters.

photo credit: Clark Material Handling Company



Wells Bullard and Peter Lugo of Bullard join Mayor Linda Gorton and Bob Quick in cutting the ribbon to the new Bullard Center.

Bullard Center opens in Lexington

In late February, Bullard, a global leader in manufacturing personal protective equipment, opened a research and development facility in Lexington, where marketing and product development teams will collaborate to develop the next generation of Bullard products and services to protect customers. The new center will include Bullard's new product development, marketing and global shared resources departments. Mayor Linda Gorton and Commerce Lexington Inc. President and CEO Bob Quick joined Bullard company officials, Wells Bullard, CEO, and Peter Lugo, President & COO, in the ceremonial grand opening of the Bullard Center.

"We are proud to welcome Bullard, an innovative and well-established business, to Lexington," said Bob Quick, President & CEO of Commerce Lexington Inc. "With the opening of the new Bullard Center, this global leader in safety will have access to Lexington's educated workforce and dynamic quality of life. We're happy you chose Lexington."

HERE'S OUR PROOF:

Lexington was recently ranked
#36 Top 100 Best Places to Live
by Livability.

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COMPANY ANNOUNCEMENTS



Toyota Motor Manufacturing Kentucky President Susan Elkington joined Gov. Matt Bevin to announce a major investment and the addition of two hybrid versions of the RAV4 and Lexus ES.

Toyota to add production of hybrid versions of RAV4 and Lexus ES in Georgetown

In mid-March, Gov. Matt Bevin joined Toyota Motor Manufacturing Kentucky Inc. executives and local officials to announce a \$238 million investment to add production of two models at the Georgetown plant; the Lexus ES Hybrid and RAV4 Hybrid.

TMMK leaders plan to begin Lexus ES Hybrid production in May with capacity of 12,000 units. In fall 2015 the plant became the first US facility to produce a Lexus vehicle when TMMK assembled its initial ES 350. The Hybrid version is currently made in Japan. RAV4 Hybrid assembly is expected to ramp up in January 2020 with a capacity of approximately 100,000 units per year.

The investment is part of Toyota's effort to boost production at its facilities throughout the US. Including the new production lines at TMMK, Toyota plans to invest nearly \$750 million across five production facilities. Congratulations to Toyota on this exciting announcement.

EVENTS AND NEW RANKING

SPARK hosts Women in Entrepreneurship event

On March 8th, SPARK, in collaboration with the UK Von Allmen Center for Entrepreneurship and Lexington's Bluegrass Angels investor group, hosted an open coffee focusing on women investors and entrepreneurs at West Sixth Brewing. We had 68 attendees at this event. Our lead speaker, Marianne Hudson, is the Executive Director of the American Capital Association (ACA). ACA is the North America professional association for active accredited investors. She led the conversation and panel of Lexington-based female angel investors. Our panelists included JoEllen Hayden, Jennifer Dossett, and Cynthia Vines of the Bluegrass Angels. Our event coincided with International Women's Day.

Learn more about upcoming events by visiting sparklex.org.



SPARK attendees hear from panelists on their experiences as women investors and entrepreneurs.

EVENTS AND NEW RANKING



Leadership Lexington – Economic Development Day

Our economic development team participated in Leadership Lexington's Economic Development Day in March. Our team organized a panel of new and existing companies to discuss why they chose Lexington or decided to expand here. The panel discussed the advantages and opportunities of being in Lexington. Our team then held our Economic Development simulation exercise that put the attendees in a company or community role to experience site selection firsthand. The interactive simulation engaged the class in the process that a company and community go through when choosing a location. The class enjoyed the activity and learned about what we do daily.

Leadership Lexington hears from a panel of new and expanding businesses in Central Kentucky.

Lexington Ranked as a Top Metro for New and Expanded Facilities in 2018

Commerce Lexington's economic development team works every day to attract new businesses to the region and to help existing businesses expand. Whether it is a small business adding a handful of jobs or a large enterprise expanding its operation, the economic development team works to meet companies' needs, solve their problems, and assist clients in creating quality jobs. In March, Lexington was recognized as the #9 Metro for New and Expanding Facilities with Population from 200,000 to 1 Million by Site Selection Magazine. Additionally, Site Selection Magazine also ranked Kentucky as the #2 Top State by Projects Per Capita.



HERE'S OUR PROOF:

Lexington was recently ranked
#8 Best City to Live in America
by Money.

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BUSINESS AND EDUCATION NETWORK



BEN Branding

The Business and Education Network (BEN) recently released an updated brand identity, which includes a new logo and website. We believe the new look better represents our mission which is to create, attract, and sustain a globally skilled workforce to meet the needs of the region's existing and target industries. BEN's goal is to achieve this by working with the education community, local workforce partners, community-based organizations, and area businesses.



As a reminder, the Business and Education Network is an initiative-based organization. Once an opportunity is identified, we engage our resources to work with community partners and develop a plan addressing that need.

We are also a place to bring people together. Because of the place we have in the community, we are able to convene groups of stakeholders outside of the scope of our initiatives, bringing change agents around a table to work toward furthering our mission of creating and sustaining a globally skilled workforce.

Our access to resources, including business leaders and decision makers, data and projections, and community connections, allows us to facilitate collaboration in unique ways. BEN seeks efficient ways to empower those looking to expand opportunity and create prosperity in our educational system, while fulfilling the long-term needs of our community's growing workforce.

For more information and to view our new promotional video, please visit our website at benlexington.com.

Global Cities Education Network

Betsy Dexter, BEN's Executive Director, and Andi Johnson, Chief Policy Officer and Director of Regional Engagement at Commerce Lexington Inc., joined Fayette County Public School representatives and leaders from around the world for a symposium of the Global Cities Education Network (GCEN). GCEN is an initiative of the Center for Global Education at the Asia Society, an international learning community that includes Lexington, Houston, Denver, Seattle, Toronto, Hangzhou, Shanghai, Singapore, Melbourne, Hong Kong, and Hiroshima.

This year's symposium was held in Melbourne, Australia and focused on future-ready students, future-ready leaders, and future-ready systems. The three-day learning experience involved school site visits, collaborative exchanges, and presentations from experts, with a focus on issues identified by the cities and facilitated by those on the cutting edge of practice and policy.

The 2019 Symposium showcased the efforts of Victoria and GCEN member communities on how they have transformed their systems to prepare learners in and for a complex world.



Lexington representatives Andi Johnson, Kim Lyon, Betsy Dexter, Carl Hayden, and Manny Caulk at the 2019 GCEN symposium in Melbourne.



FCPS Superintendent Manny Caulk participates on a panel with international leaders at the 2019 GCEN symposium in Melbourne.

BUSINESS AND EDUCATION NETWORK



BEN Officers & Board Members

2019 also brought newly elected officers and board members:

Officers

Daryl W. Smith

2019 Chair

Economic Development Project Manager
LG&E & KU Energy

Eric Sauvage

Immediate Past Chair
President & CEO
LBX Company, LLC

Mary Ann Vimont

Secretary
Associate Professor, Director of Development
University of Kentucky College of Education

Mark Manuel

Chair-Elect
Vice President
Bluegrass Community & Technical College

Tucker Ballinger

Treasurer
President & CEO
Forcht Bank

Board Members

Ilka Balk

Engineering Career Development Director
University of Kentucky College of Engineering

Elisa Bruce

President
EEB Consulting

Elodie Dickinson

Workforce Development Manager
Office of the Mayor, City of Lexington

Gina Greathouse

Executive Vice President, Economic Development
Commerce Lexington Inc.

Todd Johnson

Executive Vice President
Building Industry Association of Central Kentucky

Kim Lyon

Strategic Partnership Manager
Fayette County Public Schools

Drura Parrish

Executive Vice President of Platform
Xometry

Robert L. Quick, CCE

President & CEO
Commerce Lexington Inc.

Ed Quinn III

President & CEO
R.J. Corman Railroad Group

Gwen Riley

President
GreenBox

Ying Juan Rogers

Project Manager
Belcan Engineering

Randall Stevens

CEO
ArchVision

Lynette Walker, RN, MHA, PhD, CHHR

VP, Human Resources
Baptist Health Lexington

COMMUNITY AND MINORITY BUSINESS DEVELOPMENT



Access Loan

The Community & Minority Business Development (CMBD) division is proud to announce that loans of \$335,500 have been reported in the first quarter of 2019. These two loans support 11 jobs in our community. We also received a report from our microloan partner, Park Community Credit Union, that they have closed an additional four microloans for over \$26,000. Two of the previous loans have been paid off in full. The microloan program is a unique new component of our Access Loan Program, which promises the loan client a full reimbursement of their interest if the loan is paid as agreed. Most of the loans are for single pieces of equipment or working capital for small businesses. With a total of over \$78,000 in the past year, we have truly filled a need for very small businesses to continue their activities.

Fayette County Public Schools Partnership

Fayette County Public Schools (FCPS) Office of Economic Development and Supplier Diversity in partnership with our CMBD division put together a program designed to promote partnerships between prime and subcontractors, as well as introduce the FCPS Facility Design and Construction staff, discuss upcoming FCPS projects, and give an update on district goals. The event also included representatives from Messer Construction, Louisville Sewer Department, LG&E-KU, and the FCPS School Board. The listed opportunities at the event totaled well over \$800 million. This is an event we plan to hold each year in the first quarter for diverse suppliers and the primes they need to seek out for partnerships.



Bob Quick, Commerce Lexington Inc. President & CEO, offered the welcome at the FCPS Partnership event.



Attendees at the FCPS Partnership event.

HERE'S OUR PROOF:

Lexington was recently ranked
#6 Cities with the Lowest Startup Costs
by SmartAsset.

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COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

LFUCG Construction Business Connection Event

Commerce Lexington Inc. also participated in the LFUCG Construction Business Connection event on February 13th. We offered materials on the Access Loan Program, which offered a contract lending tool. Attendees got advanced notice on upcoming projects for the following divisions: Water Quality, Town Branch Commons, General Services, Grants & Special Programs, Engineering, Traffic Engineering, Parks & Recreation, and the Fire Department.



Sherita Miller, LFUCG Minority Business Enterprise Liaison, along with other LFUCG staff, discussed some of the available opportunities.

Kentucky American Water Supplier Diversity Forum

Kentucky American Water (KAW) President Nick Rowe held a Supplier Diversity Forum on February 7th. The event allowed Commerce Lexington Inc. and other minority business advocates in Lexington the opportunity to get updated on KAW's supplier diversity system priorities and to meet the employees of KAW that support their efforts.



Lawrence Wooten, Manager KAW Corporate Supplier Diversity Supply Chain, offered remarks.

HERE'S OUR PROOF

29 MEETINGS WITH MINORITY BUSINESSES

12 WOMEN-OWNED BUSINESSES ASSISTED

22 EXISTING BUSINESS CALLS

\$71,000 IN PROCUREMENT DURING THE QUARTER

\$361,500 IN ACCESS LOANS

Spring Opportunity Exchange

On March 5th, the Community and Minority Business Development (CMBD) division held its Spring Opportunity Exchange presented by Republic Bank. The downtown Lexington event attracted a great crowd, as well as a great speaker, Albert Smitherman, President/CEO of Jostin Construction. Mr. Smitherman has over 30 years of experience in the construction business and spoke about supplier development and diversity, as well as his experience working with companies like Messer Construction.



Speaker Albert Smitherman speaks to the crowd at the Spring Opportunity Exchange.