

# FULL STRIDE INITIATIVE

Commerce  
Lexington

ECONOMIC DEVELOPMENT

Investor Update

July 1 – Sept 30, 2019

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## New team members join Economic Development Division

Commerce Lexington Inc.'s Economic Development Division recently filled two positions on its team—project manager and administrative and marketing positions.

**Cheryl Klever** has been named as project manager for Commerce Lexington Inc.'s Economic Development Division. For the past seven years, she has worked in the nonprofit sector to develop relations, connect community, and manage various projects aimed towards enhancing economic opportunity within Central Kentucky. Since 2016, Cheryl has participated in Commerce Lexington's Leadership visits to gain better knowledge and understanding of how Lexington thrives. She is a graduate of the University of Kentucky with a bachelor's degree in Communications. She enjoys frequent travel with her husband and two children, near and far. Her all-time favorite vacation destination is her mother's homeland country of Belize in Central America.

**Katie Vandegrift** has been added to Commerce Lexington Inc.'s economic development team as an administrative and marketing assistant. Katie came to Central Kentucky nine years ago and knew instantly it would be her forever home. She graduated from Midway University and has worked in administrative roles in the equine and banking industries. She has served on multiple boards, including the Woodford County Economic Development Authority and Midway Renaissance, Inc. Katie lives in Midway with her husband, son, two dogs and two cats and enjoys volunteering for the community in her off time.



Cheryl Klever, Project Manager



Katie Vandegrift, Administrative and Marketing Assistant

## By the Numbers

In 2019, Commerce Lexington Inc.'s Economic Development Division provided assistance to:

**69** NEW PROSPECTS INTERESTED IN FINDING A NEW LOCATION OR EXPANDING OPERATIONS

**34** COMPANIES WITH POTENTIAL EXPANSIONS IN LEXINGTON

**128** EXISTING BUSINESS VISITS

**23** CLIENT VISITS

## Faneuil to create 450 jobs with customer service call center in Lexington

Gov. Matt Bevin announced Faneuil Inc., a national customer service outsourcing company, plans to establish a new call center in Lexington, creating 450 full-time jobs over the next two-and-a-half years.

Company leaders plan to lease a building in the Coldstream Research Campus. They aim to steadily increase recruiting to employ approximately 200 people this year, potentially growing to 450 by the close of 2021.

"Commerce Lexington Inc. is excited to welcome Faneuil to our community as a new corporate citizen," said Bob Quick, President and CEO of Commerce Lexington Inc. "Lexington's strong business and professional services industry and low cost of doing business were key components to Faneuil's decision to locate in our city. We look forward to building our relationship with Faneuil as they establish operations in Lexington."



Faneuil to locate to the Coldstream Research Campus at 1500 Aristides Blvd.

# COMPANY ANNOUNCEMENTS

## Anixter to add 100-plus jobs at Lexington sales office

In mid-August, Governor Matt Bevin and Mayor Linda Gorton announced that Anixter Inc., a global distributor of technology, electronic, network, and security products, plans to invest \$4.23 million and grow by 103 full-time jobs as it relocates within Lexington.

Anixter's current 12-employee sales office on Majestic Drive in Lexington will relocate to the newly constructed 38,500-square-foot Turner Development Business Center on Lexington's Fortune Drive. Anixter will occupy 21,000 square feet.

"Anixter's decision to expand in Lexington is a testament to our educated workforce and cost of doing business," Bob Quick, President & CEO of Commerce Lexington Inc. said. "We appreciate the continued commitment and investment that Anixter has made in Lexington. Congratulations on your expansion."



43 Webasto employees graduate from BCTC's Enhanced Operator training program.

## BCTC partners with Webasto on expansion

In 2018, Webasto Roof Systems announced an expansion of their facility in Lexington announcing over 180 new hires in Lexington. Our team has continued to provide assistance to them ensuring their success in Lexington. In this quarter, we attended a graduation ceremony at BCTC as 43 Webasto employees graduated from their customized training program. Commerce Lexington Inc. helped Webasto identify resources available to them early in the project, which yielded a workforce grant for over 80 employees to go through their Enhanced Operator training program. Their second cohort of employees are currently in the training program.

# EVENTS, CONFERENCES, AND NETWORKING

## Commerce Lexington Inc. hosts Kentucky Cabinet for Economic Development for FAM Tour

In mid-August, Commerce Lexington Inc. hosted our partners from the Kentucky Cabinet for Economic Development (CED) for a Familiarization (FAM) Tour of Lexington. We showcased our partners at the University of Kentucky College of Engineering then toured a few operations of economic development clients, like Tiffany and Co. and Tempur Sealy. We ended the day at James E. Pepper in the Distillery District for a reception with Cabinet leadership and Mayor Linda Gorton.



Attendees visit the James E. Pepper Distillery for a reception with Mayor Gorton.

# EVENTS, CONFERENCES, AND NETWORKING

## Econ. Dev. attends TrustBelt Conference

In August, our team attended the TrustBelt conference in Louisville. TrustBelt is the only event of its kind focused exclusively on the redevelopment of the former U.S. Rust Belt. This conference brings together corporations, site selection consultants, and economic development agencies. It gives our team the opportunity for professional development and networking with consultants and decision makers.

Peter Zeihan addresses delegates at the fifth annual TrustBelt Corporates & Consultants Forum in Louisville, Kentucky. Photo credit: Bobby Pereira



HERE'S OUR PROOF:

Lexington was recently ranked **#11 on Top Untapped City for Startups** by fundera.

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## SBIR Forum

In September, our team attended the Kentucky Innovation SBIR Forum in Lexington to encourage the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. These programs support scientific excellence and technological innovation through the investment of federal grants. This one-day conference covered various topics to companies that have received or aspire to receive SBIR/STTR funding. It gives our team the opportunity to network with these companies and to learn best practices to better serve our clients.



Attendees learn best practices on SBIR/STTR funding.

### Fast Fact:

In 2018, six companies from the Lexington metro received NIH support through the SBIR/STTR grant program.



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CATALYST FOR GROWTH

# EVENTS, CONFERENCES, AND NETWORKING



## SPARK's M&A in the Bluegrass

In late September, SPARK, a co-managed initiative of Commerce Lexington Inc. and UK's Office of Technology and Commercialization, hosted Mergers and Acquisitions (M&A) in the Bluegrass at LBX's new Customer Experience Center with over 75 attendees. The two-part event featured a panel of founders and executives experienced in M&A, including Paul Engel, founder of VeBridge; Mike Tetterton, founder of Creative Lodging Solutions; and Eldon Griggs, Vice President of M&A at Galls. The second part of the event was a fireside chat with Dr. Lee Todd, 11th President of UK and founder of DataBeam Corporation and Projectron Inc, and Davis Marksbury, co-founder of Exstream Software.

Attendees join Dr. Lee Todd and Davis Marksbury in front of a Link-Belt Excavator at the LBX Customer Experience Center.

## U.S. Embassy delegation from Asia visits Lexington

In mid-September, Commerce Lexington Inc. hosted a delegation of commercial officers from different U.S. Embassies in Asia along with U.S. Department of Commerce officials to discuss and to strengthen our ties with Taiwan, India, and Indonesia through exports and foreign direct investment. We are excited to continue to build on this partnership with our federal officials.



Federal trade representatives from Taiwan, India, and Indonesia with Commerce Lexington Inc.

# BUSINESS AND EDUCATION NETWORK



## BEN Partnership implements Talent Pipeline System (TPM)

Employers throughout our region — and across Kentucky — are looking for an effective approach to close the skills gap and fill vacancies essential to growth and competitiveness. Kentucky’s Talent Pipeline offers that new approach through the development of employer-led and demand-driven talent supply chains. In partnership with the Kentucky Chamber Workforce Center, the State of Kentucky, and the U.S. Chamber, the Business & Education Network is helping implement a Talent Pipeline System (TPM) that aligns education and training programs with the workforce demands of business.

The Kentucky Society for Human Resources Management (SHRM) Council reports that 81% of Kentucky businesses say that they are ready to grow in the next three to five years, but 84% of them cannot find workers with the skills they need today.

The talent pipeline work will focus on creating specific strategies to meet the needs of different industry and regional sectors. By July 2020, more than 25 employer groups, representing regions as well as business and industry sectors, will be convened to build talent pipelines for 75 high-demand positions.

In the Bluegrass region, the construction collaborative came together to identify the most pressing needs of their industry. They looked at the lessons learned in supply chain management and applied them to the talent pipeline. Instead of using labor market information, which can be too broad and general, they utilized demand planning, which is more narrowly focused to meet their needs.

They identified that Commercial Electricians were in the highest demand with 273 needed by October 2020. Of those 273, they project that 210 of them will be new positions while 63 will replace those retiring. These numbers represent jobs ranging from entry level to senior level.

As the collaborative was analyzing talent flows, they determined that 48% of their best talent was coming out of high school and nearly 50% of candidates were coming from five counties: Anderson, Carrol, Fayette, Franklin, and Madison.



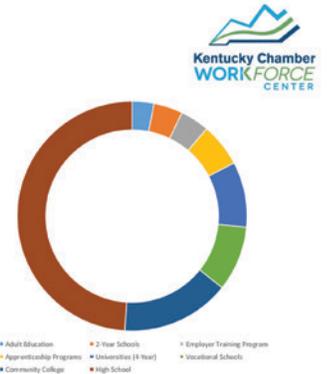
### Demand Projections: 9/18-10/20

- 273 Commercial Electricians Total**
  - 210 new positions (77%)
  - 63 replacement (23%)
- 74 Helpers Needed (27%)**
  - 60 new positions (81%)
  - 14 replacement (19%)
- 82 Apprentices Needed (30%)**
  - 68 new positions (83%)
  - 14 replacement (17%)
- 117 Journeymen Needed (43%)**
  - 82 new positions (70%)
  - 35 replacement (30%)



### Education and Training Sources

- For profit: 4%
- Adult Education: 3%
- Apprenticeship Programs: 6%
- Community College: 15%
- Employer Training Program: 4%
- High School: 48%
- Universities (4-year): 9%
- Vocational Schools: 9%

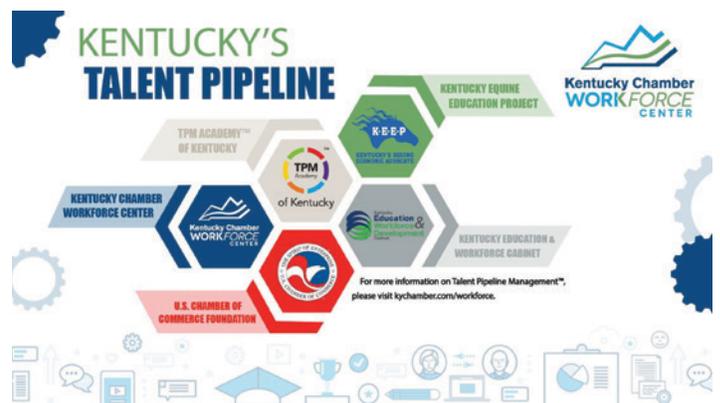


Next steps for the collaborative will be to focus on building stronger pipelines by creating a road map, or template, that can be replicated with other high schools in these communities.

Local employers also plan to take a more active role in developing the pipeline by committing to the development of marketing materials focused on branding their industry, working on school counselor education programs, and interaction and recruitment at all grade levels — with a focus on middle and high schools.

This is just one example of how the TPM system is working in our region. Collaboratives are being created in Manufacturing, Healthcare, Technology/Business Services, Logistics, and Equine, which are all working to focus on the quantitative needs of their industries.

By being a part of the TPM initiative, collaboratives can be responsive to the changing needs of their talent supply chain and start closing the skills gap.



For more information, to get involved, or stay connected, contact:

**Betsy Dexter** at 859-226-1604 or [bdexter@commercelexington.com](mailto:bdexter@commercelexington.com)  
**Sara Tracy**, Talent Pipeline Project Manager - Southeast at 502-848-8781 or [stracy@kychamber.com](mailto:stracy@kychamber.com)

# COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

## 2020 Strategy with Fayette Co. Public Schools

In the third quarter, Commerce Lexington Inc. met with Fayette County Public Schools to discuss a strategy to share information with minority and women-owned businesses about upcoming construction projects in 2020. There are several school renovations planned in 2020 with the largest being Bates Creek High School, now a full re-build. On February 11, a group of business owners, prime contractors, and school officials will meet at Commerce Lexington to further discuss each school project and anticipated timelines. The meeting has been named “Building Intentional Partnerships.”

## Kentucky’s SBDC’s Advisory Council’s Priorities

The Kentucky Small Business Development Centers’ (KSBDC) Advisory Council finalized its priorities during the quarter. Some of the highlights are:

- Advocacy - support and promote the KSBDC program with funding partners, federal, and state legislators, and the Governor’s office.
- Funding - assist with the identification of potential funding sources, participate in grant proposal development as appropriate, and sponsor KSBDC programs, events, and publications as appropriate.
- Strategic direction - provide insight and feedback regarding KSBDC existing products and services that affect delivery of services to the Kentucky business community, provide review and feedback on KSBDC Strategic Plan, and serve on committee related to specific areas of focus.

It is important for Commerce Lexington Inc. to be on this advisory council to help guide the processes and keep the focus on Bluegrass Business Development Partnership (BBDP) priorities of serving the small business community in Lexington and Central Kentucky.

Staff also made presentations in partnership with the SBDC staff for prospective entrepreneurs in Winchester Downtown Business Community and the University of Kentucky Alumni Association of Central Kentucky Job Club. The total attendees at these events was 74.

### HERE’S OUR PROOF

27	MEETINGS WITH MINORITY BUSINESSES
22	WOMEN-OWNED BUSINESSES ASSISTED
17	EXISTING BUSINESS CALLS
\$428,000	IN PROCUREMENT DURING THE QUARTER
\$100,000	IN ACCESS LOANS

## Commerce Lexington Inc. presents at ACCE

The Association of Chamber of Commerce Executives (ACCE) held its annual conference in California in July. Tyrone Tyra, our Senior Vice President for Community and Minority Business Development, was a featured speaker for a session on Commerce Lexington’s Minority Business Accelerator (MBA) and the importance of building partnerships. The session gave Commerce Lexington the opportunity to celebrate the entities involved with the MBA and the nearly \$9 million in revenue they have earned.



Chamber executives learn best practices at ACCE’s annual meeting. Tyrone Tyra had the opportunity to present at the annual conference. Photo credit: ACCE

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# COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

## Minority Business Expo

The 17th Lexington Minority Business Expo was held in August with over 500 attendees. The morning featured speaker was Ericka Mauldin, an accomplished American television producer, author, and owner of Edit Talent Group and Chicks That Pitch. Ericka received a Bachelor of Fine Arts in Electronic Media from the University of Cincinnati and an MBA from Xavier University.

The Keynote speaker was Tony Delk, former NBA player and collegiate coach. He retired in 2008 after playing ten years for different organizations. He also played a year in Greece for the Euro League before joining collegiate coaching and recruiting programs. He attained many accomplishments over his 20-year basketball career, including the NCAA National Men's Division 1 Championship with the University of Kentucky in 1996.



Minority Business Expo featured speaker, Ericka Mauldin.



Keynote speaker, former Wildcat, accomplished NBA player and sports analyst, Tony Delk .



Credit: Mayor Gorton's Office – City of Lexington

HERE'S OUR PROOF:

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

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## Fall Opportunity Exchange

The Fall Opportunity Exchange presented by Republic Bank was held in late September. Nearly 60 attendees listed to local business owner Wallace Barber talk about starting a business and being successful in his hometown. Wallace is a graduate of the University of Kentucky and owns Wallace Barber State Farm.



Wallace Barber addresses Opportunity Exchange crowd.



Attendees network and hear from Mr. Barber.