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February Newsletter

Notes:

- *The 2005 Governor's Excellence in Exporting Award (the E-Award) is now available on-line at www.odod.state.oh.us/itd/E Awards.htm*

Deadline to apply is March 11, 2005

- *For a copy of Ashland ED's Annual Report, please go to www.AshlandED.com or call 419-289-3200*



Manufacturing Success in Ashland County

Custom Hoists, Inc.

Custom Hoists, Inc., a division of Standex International and a leading U.S. supplier of hydraulic cylinders has reported record sales for the Fiscal Year ending June 30, 2004. Custom Hoists is also experiencing record sales in fiscal year 2005 and has recently celebrated a record for monthly sales in January.

Custom Hoists serves the domestic dump truck and construction equipment markets with high quality engineered products. Additionally, Custom Hoists is achieving market penetration in Europe and China. This market expansion was facilitated with the development of new product lines that address unique design specifications and customer expectations where cylinder sizes and structures differ from the U.S. markets. Because of this sustained growth, the employment level increased by 25 during the year, bringing the employment level to 161 at the Hayesville facility.

Congratulations to the employees at Custom Hoists for their record-setting success.

Reineke Company

Reineke Company, Inc. has several businesses. The Ashland facility is operating in the former Bosch building.

According to the ATG, Reineke Company has secured a contract with Timken Co. which will increase their products sales from six line items to 23. This contract is also expected to create 15 to 20 new jobs in Ashland. Ashland Economic Development would like to congratulate Reineke Company on their recent and continued success.

Economic Forecast Breakfast Held

Ashland Economic Development held its 2nd Annual Groundhog Day Economic Forecast Breakfast on Wednesday February 2nd at BookMasters, Inc.'s distribution facility on US 250 East. The Keynote Speaker was Timothy L. Swanson, CFA and Chief Investment Officer for National City's Wealth Management Group. Mr. Swanson is responsible for providing investment guidance to benefit the portfolios of clients of the Private Client Group, NatCity Investments, and Sterling. Wealth Management has \$27 billion in assets under management. Ashland Economic Development Director Martin Irvine also presented a brief update on recent and upcoming investments in the community, events and projects that his department will be spearheading.

This annual event, as was held by several economic development organizations throughout Ohio, was intended to celebrate recent economic successes in the community, update the guests on current and future projects, and most importantly, provide a prognostication for the national and local economies.

Mr. Swanson's presentation highlighted the case for strong business investment, citing the fact that interest rates are still low, credit conditions are steadily easing, and inventories are still lean. He also discussed the fact that corporate cash is relatively high by charting liquid assets as a share of all value added in the non-financial sectors as over 22%. Another factor to make the case for increased business investment in 2005 was the fact that there was relative confidence in the business world as shown by a recent survey conducted by the National Federation for Independent Business.

This year's event was sponsored by National City Bank and hosted by BookMasters, Inc. Approximately 130 guests attended this year's event. Following breakfast and presentations, guests were invited by BookMasters' President Ray Sevin on a tour of the expanded facility that will employ additional individuals at this location.

The following is a list of goals and objectives AED will focus on in 2005:

Ashland Business Park: Several prospects, along with efforts to recruit additional companies, could result in over 200 individuals working in the new park by 2007.

Brownfield Cleanup: Ashland County's 2005 designation as an Ohio Priority Investment Area allows us to apply for Clean Ohio Funds. We hope to utilize these funds to assist developers' efforts to cleanup potentially contaminated sites that are strategically located next to existing infrastructure.

Ashland Corridor Development: We will be assisting several City Divisions and the Chamber of Commerce as they try to improve the aesthetics and business success of corridors leading into the city as well as the Downtown Business District Corridor.

Assist Existing Industry: An important goal for 2005 is to strengthen Ashland Economic Development's reputation as problem-solvers, facilitators, and partners in businesses' efforts to achieve success in our county.

Entrepreneurial Development: The creation of the "Entrepreneurial Support Team," a partnership effort with Ashland University, the Ashland Area Chamber of Commerce, and the Small Business Development Center, has assisted several start-up businesses and will continue to do so in 2005.

County-Wide Efforts: Ashland Economic Development is a City Division with a mandate to pursue county-wide economic interests. This partnership will reach a new level in 2005 as Irvine has recently been named Director of the Mohican Area Growth Foundation. Continuing to develop and create jobs in the Loudonville Industrial Park will benefit our county's citizenry.

Many thanks to National City for their sponsorship and to BookMasters for hosting the event.

Business Climate Survey

The Institute for Human Investment and Economic Growth conducted a 3rd quarter business climate survey for calendar year 2004. The Institute sent the survey to 198 businesses in Ashland County and made observations based on the 48 responses they received. Of the 48 respondents, 40% represented manufacturing.

The Institute states that the responses were divided fairly evenly among companies with local, regional, and national primary markets. Twenty-six of the companies had one to twenty-five employees, thirteen reported twenty-six to one hundred employees, and the remaining eight companies employed over one-hundred employees each.

Positive signs that the Ashland economy is headed for economic recovery include that the survey found that forty-four percent of the Ashland companies that responded expect to increase employment levels over the next six months. Another noteworthy response is that fifty-eight percent of respondents plan to introduce new products and services over the next six months.

For a copy of the survey or a detailed report from the questions asked in the survey, please contact Dr. Jeff Russell at jrussell@ashland.edu. This survey will be repeated every three months to track changes in Ashland's business climate.

Clean Ohio Program

State's "Clean Ohio Program" Offers Assistance for Local Communities to Reuse Land and Protect Vital Natural Assets

Approved by voters statewide in 2000, and recently renewed, the Clean Ohio Fund establishes funding opportunities to preserve green space, establish recreational trails, preserve farmland and cleanup blighted and contaminated properties. The latter program, commonly known as "brownfields assessment and remediation" is gaining popularity around the State. One specific funding stream, the "Clean Ohio Assistance Fund (COAF)," is only eligible to Priority Investment Areas (PIA) like Ashland County, which will retain this label throughout 2005.



By partnering with political jurisdictions, investors in brownfields in a PIA can obtain up to \$300,000 to do a Phase II assessment on a potentially contaminated property, and may also receive up to \$750,000 for any mandated cleanup. If you are considering a

purchase of property where you perceive contamination, **please contact Ashland Economic Development** to discuss a Clean Ohio application.

Ashland Economic Development is encouraged by recent discussions with developers contemplating projects with potential for COAF funds. AED would also encourage local political leaders to contact us to brainstorm applications for the other Clean Ohio programs, many of which are driven by government applicants. Please review all Clean Ohio programs at www.clean.ohio.gov



The Sandusky Hollow Nature Preserve (above left) and Jamison Creek Project (above right) have both utilized Clean Ohio Funding.

Mohican Area Growth Foundation

The Mohican Convention and Visitors Bureau has contracted with Lakefront Bus Tours out of Cleveland to arrange bus tours of the Mohican area in the 2005-06 Winter. The tours, according to the Loudonville Times will include an overnight stay at the cabins at

the Mohican Adventures campground, dinner and entertainment at Landoll's Castle, a history lesson staged at the Mohican School in the Out of Doors, tours of the Pine Run Grist Mill and Mohican State Park, and a stop at the Possum Run Greenhouse. These are some of the greatest historic, natural settings in Ohio. Congratulations to the CVB for exposing our county to northeast Ohio.

Tourism and entertainment is a very important component in economic development, especially in the Mohican area. The Mohican State Park and outdoor activities such as horse back riding, canoeing, and hiking bring many visitors to the area. Events such as the bi-annual Flexible rally, the antique car show, the Great American Indian Pow-wow, and the Loudonville Street Fair are just a few examples of other in-season events that help to attract visitors to the area. The additional tourism in the off-season is a notable success for the area.

Ashland Economic Development recognizes the potential for job and tax base growth that can come from tourism. The February 22, Loudonville Times article on the Motorcoach tours displays how businesses like the Extraordinary Shoppe thrive when tourists are in town. The many cottage industries selling unique items in these types of stores also has direct benefits for the area.

In addition to meeting with Mohican area manufacturers, interim Director Martin Irvine and his staff are beginning to consult with retailers that have a strong stake in the tourism economy.