

# PURE *M*ICHIGAN<sup>®</sup>

Michigan Economic Development Corporation

MICHIGAN'S ECONOMIC COMEBACK

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SEPTEMBER 2015



# MICHIGAN

more **business-friendly**  
than ever



Competitive tax structure

Growing economy



Fiscal Stability and Regulatory Reinvention



Resources for business

World-class talent



# Reduction in business taxes

## NEW CORPORATE INCOME TAX

MICHIGAN ROSE FROM **49<sup>TH</sup> TO 10<sup>TH</sup>** IN THE UNITED STATES <sup>1</sup> 

ELIMINATED PERSONAL PROPERTY TAX - SAVING BUSINESSES ANNUALLY **\$500M** <sup>2</sup> 

REDUCED UNEMPLOYMENT INSURANCE - SAVING BUSINESSES ANNUALLY **\$143M** <sup>3</sup> 

<sup>1</sup> Tax Foundation

<sup>2</sup> Detroit Regional Chamber, Aug. 2014.

<sup>3</sup> Michigan Department of Treasury, June 2012

# Regulatory Reinvention

ELIMINATED **1,950** OUTDATED, UNNECESSARY, AND BURDENSOME REGULATIONS<sup>1</sup>

- 609 RULES FROM MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
- 289 RULES FROM MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
- 93 RULES FROM MICHIGAN DEPARTMENT OF NATURAL RESOURCES

IMPROVED CUSTOMER SERVICE THROUGHOUT DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS<sup>1</sup>

- IMPROVED CUSTOMER RESPONSE TIMELINESS BY CUTTING PROCESSING TIMES BY 77%
- 62% OF LICENSING FORMS ELIMINATED

<sup>1</sup> Michigan Department of Licensing and Regulatory Affairs

# Michigan's Economic Comeback

**#2** MOST IMPROVED ECONOMIC HEALTH <sup>1</sup>



**#5** MOST PRIVATE JOB CREATION <sup>2</sup>



UNEMPLOYMENT CUT IN HALF  
SINCE JAN. 2010, ADDED NEARLY

**420,000** JOBS SINCE 2010 <sup>2</sup>



**41<sup>ST</sup> TO 6<sup>TH</sup>** IN ENTREPRENEURIAL CLIMATE <sup>3</sup>



GLOBAL COMPANIES ANNOUNCED

**\$7.4B**

IN INVESTMENT AND OVER 33,000 NEW JOBS FROM  
2010 <sup>4</sup>

**\$12B**

INVESTED IN COMMERCIAL, INDUSTRIAL & RESIDENTIAL PROPERTIES IN DETROIT, SINCE 2006 <sup>5</sup>

<sup>1</sup> Bloomberg Business

<sup>2</sup> Bureau of Labor Statistics

<sup>3</sup> MiQuest, May 2014

<sup>4</sup> FDImarkets.com

<sup>5</sup> Detroit Regional Chamber

## Worker's Compensation Improvements

# \$260M

IN PREMIUM SAVINGS TO MICHIGAN BUSINESSES<sup>3</sup>



- Worker's compensation rates have dropped 28%
- Pure premium has decreased 23% from 2011–2014 while national average went up 11%
- Cost per claim best in the region and one of the lowest in the nation

## Michigan: The 24th right-to-work state

INCREASED INTEREST AMONG SITE SELECTORS

RTW STATES MORE RESILIENT IN THE FACE OF ECONOMIC DISTRESS<sup>1</sup>

CONTRIBUTED TO STATE'S INCLUSION IN THE INAUGURAL TOP 10 "CHAMPIONS OF INNOVATION"  
BASED ON 2014 PRO-INNOVATION POLICIES AND MILESTONES<sup>2</sup>

<sup>1</sup> MacArthur Foundation Source: MacArthur Foundation

<sup>2</sup> Consumers Electronic Association

<sup>3</sup> Michigan Department of Technology, Management and Budget

# Fiscally responsible government

**#2** MOST IMPROVED CREDIT RATINGS IN NATION<sup>1</sup>



STATE GOVERNMENT FINANCES ARE NOW ON SOUND FOOTING; **\$1.5B** STRUCTURAL DEFICIT ELIMINATED<sup>2</sup>

REFORMS REDUCED HEALTH CARE AND PENSION LIABILITIES BY **\$20B**<sup>2</sup>



FROM 2010-2016, THE STATE'S RAINY DAY FUND GREW FROM **\$2M** TO **\$611M**<sup>2</sup>

MICHIGAN RANKED **#1** IN STATE BUDGET PROCESS QUALITY<sup>3</sup>



<sup>1</sup> Bloomberg Terminal Data and Analysis

<sup>2</sup> Michigan Department of Technology, Management and Budget

<sup>3</sup> Federal Funds Information for States, State Budget Process Quality Index, May 2015, Volume 33, Issue 10

# Leader in Research, Design and Development

**#1**

IN AUTOMOTIVE R&D;

**75%**

OF ALL AUTO R&D <sup>1</sup>



**#1**

IN R&D PROFESSIONALS;

**87,000**

TOTAL STATEWIDE <sup>2</sup>



**\$2.1 BILLION** IN R&D EXPENDITURES COLLECTIVELY AT MICHIGAN STATE UNIVERSITY, UNIVERSITY OF MICHIGAN, WAYNE STATE UNIVERSITY IN 2013; UP 51% SINCE 2007 <sup>3</sup>



HIGHER VOLUME AND CONCENTRATION OF INDUSTRIAL DESIGNERS, NEARLY THAN ANY OTHER STATE <sup>4</sup>

**5,000**



<sup>1</sup> Center for Automotive Research

<sup>2</sup> U.S. Bureau of Economic Analysis, January 2015

<sup>3</sup> Anderson Economic Group- 8th Annual Economic Impact & Benchmark Report

<sup>4</sup> Michigan Design Council



# Leader in Skilled Trades

AMONG **TOP TEN** THE STATES IN THE SKILLED-TRADE WORKFORCE<sup>1</sup>

INNOVATIVE INDUSTRY-DRIVEN APPROACH TO APPRENTICESHIPS AND EDUCATION



FUNDING TO SUPPORT TRAINING FOR IN-DEMAND JOBS



**#1** IN FIRST ROBOTICS TEAMS



LARGEST INVESTMENT IN COUNTRY  
IN 2015:

**\$50M**

FOR COMMUNITY COLLEGE  
SKILLED TRADES EQUIPMENT



<sup>1</sup> Bureau of Labor Statistics, 2014

# Superior supply chain assets

## STRONG SUPPLY CHAIN CAPABILITIES

WITHIN **500 MILES** OF ALMOST HALF OF THE U.S. AND CANADIAN MARKETS



DETROIT METRO IS ONE OF THE LARGEST U.S. AIR HUBS TO ASIA

FOUR CLASS I RAILS EFFICIENTLY CONNECTING MICHIGAN TO THE NORTH AMERICAN RAIL NETWORK

ACCESS TO **15** MAJOR INTERNATIONAL SHIPPING PORTS VIA RAIL AND GREAT LAKES PORTS

NEW INTERNATIONAL BRIDGE CROSSING BETWEEN DETROIT AND WINDSOR, CANADA

CONNECTING BUSINESSES AND SUPPLY CHAIN WITH INNOVATIVE PROCUREMENT PROGRAMS

MICHIGAN CROSSINGS HANDLED **33.7%** OF US/CANADIAN TRADE IN 2014<sup>1</sup>

<sup>1</sup> US Department of Transportation, Bureau of Transportation Statistics

# Leader in Automotive, Aerospace, and Advanced Manufacturing

HOME TO **23** ASSEMBLY PLANTS <sup>1</sup>



HOME TO **63** OF THE TOP **100** NORTH AMERICAN AUTO SUPPLIERS <sup>2</sup>



**#1** IN NEW MANUFACTURING JOBS SINCE 2009; **132,000** TOTAL STATEWIDE <sup>3</sup>

**#1** IN ELECTRICAL, MECHANICAL & INDUSTRIAL ENGINEERS; **75,000** TOTAL STATEWIDE <sup>4</sup>

**#2** MOST ATTRACTIVE STATE FOR AEROSPACE MANUFACTURING AND R&D FACILITIES BASED ON OPERATING COSTS, TAXES, INDUSTRY SIZE, TALENT, AND EDUCATION ATTAINMENT <sup>5</sup>



<sup>1</sup> AutoNews.com

<sup>2</sup> Center for Automotive Research

<sup>3</sup> CAR; current employment statistics, BLS, July 2015

<sup>4</sup> Bureau of Labor Statistics, 2014

<sup>5</sup> 2015 Aerospace Manufacturing Attractiveness Rankings - PricewaterhouseCoopers

# Michigan Means Success

FOR TWO CONSECUTIVE YEARS, MICHIGAN RANKS AMONG THE TOP 5 STATES FOR MAJOR NEW CORPORATE FACILITIES AND EXPANSIONS.<sup>1</sup>



## **BREMBO NORTH AMERICA INC.**

- Investing \$78.4 million while creating 254 jobs in Calhoun County's Albion Township.
- Plans to construct an industrial facility to produce brake rotor castings.
- Direct result of international investment missions Gov. Snyder has taken since 2011.



## **Clemens Food Group**

- Clemens Food Group to construct new pork processing operation in Coldwater Township.
- Expected to generate \$255.7 million in private investment while creating 810 jobs.
- Chose Michigan based on state and community support, site feasibility and labor force preparedness.

<sup>1</sup> Site Selection magazine, March 2014

# Michigan Economic Development Corporation & Regional Partners

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Michigan offers businesses useful incentives, programs, and services to help you prosper and grow. Equally important is the staff and network of partners and service providers dedicated to your success.

## **BUSINESS DEVELOPMENT PROGRAM**

- A family of funding programs that provide a spectrum of financing options for establishing and growing your business in Michigan

## **COMMUNITY REVITALIZATION PROGRAM**

- Grant and loan programs, both traditional and new, dedicated to redeveloping downtowns and historic locations.

## **BUSINESS-TO-BUSINESS PROCUREMENT**

- Premier business-to-business connection network for supply chain partners and service providers

## **LOCAL SUPPORT AND COLLABORATION AMONG REGIONS**

- Michigan's network of regional economic development partners work together to support and drive growth, development and business attraction on your behalf.

