

Quarterly Report 3rd QUARTER, 2011

The SCEDC issues quarterly reports to stakeholders of the organization. All content correlates directly to goals, core services, and responsibilities outlined in the SCEDC's 2010-2014 Strategic Plan. Questions or comments about this report can be directed to Patrick Drinan, Executive Director of the SCEDC, at Drinan@SheboyganCountyEDC.com or (920) 452-2350.

MAJOR ANNOUNCEMENTS REGARDING CAPITAL INVESTMENTS

MORGAN AIRCRAFT TAKING FLIGHT

Morgan Aircraft has received a financial commitment from the Wisconsin Economic Development Corporation (WEDC) in the form of a CDBG-ED loan of \$1 million dollars towards development of a new vertical take-off and landing aircraft. The WEDC loan was made possible through support of Sheboygan County assisted by the SCEDC. According to Brian Morgan, President at Morgan Aircraft LLC, "This financial support will show our growing investor interests that Wisconsin and Sheboygan County are serious about supporting businesses."

JOBS RETAINED AT DFA IN PLYMOUTH

Dairy Farmers of America recently announced a \$13.4 million capital investment at its Plymouth facility. The project will enable more efficient operations, and will help the company retain 357 employees. The SCEDC took the lead role in coordinating the effort to retain DFA in Plymouth.

FREIGHT RAIL LINE ON TRACK

Sheboygan County, with support from the SCEDC, Wisconsin & Southern Railroad, City of Plymouth, City of Sheboygan Falls, and six local businesses, applied for a \$1 million grant from the Wisconsin Department of Transportation to fulfill the local financial match required to move the rail reconstruction project forward. The grant award is expected to be announced in November 2011. If the application is successful, reconstruction of the freight rail line between Plymouth and Sheboygan Falls would begin in 2012.

Several companies have indicated plans to make use of the rail service. Freight shipped by rail is becoming a necessity for many manufacturers and agri-businesses due to increasing costs of transportation and logistics. In the past year, half of all inquiries to the SCEDC from manufacturers seeking to locate in northeastern Wisconsin have indicated that rail access is desired.

PROGRESS ON STRATEGIC GOALS (2010-2014)

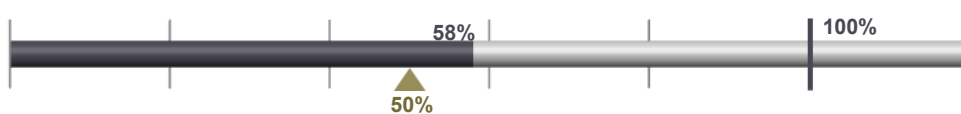
CREATE AND RETAIN 3,500 JOBS



SECURE \$100 MILLION IN CAPITAL INVESTMENT



UTILIZE 95% OF THE SHEBOYGAN COUNTY REVOLVING LOAN FUND (RLF)



▲ Designates 2010 year-end total ■ Designates present total

NOTES:

- Mayline Group announced the company will be retaining 128 employees and adding 25 jobs at its Sheboygan facility.
- The opening of Festival Foods created a reported 237 jobs.
- The Sheboygan County RLF program approved a \$200,000 loan to Morgan Aircraft LLC.
- More than \$600,000 remains in the RLF for area businesses to borrow.
- The SCEDC is currently working with companies that could create or retain an additional 500 jobs and induce \$36 million in capital investment if successful.

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BUSINESS ASSISTANCE

The SCEDC was instrumental in assisting with the retention of Dairy Farmers of America, and securing financial support for Morgan Aircraft. These stories are on the front page.

SCEDC was directly involved in partnerships with other municipalities and organizations assisting companies with expansion or retention projects, including Mayline Group and Festival Foods in Sheboygan, and Viking Packaging in Oostburg.

BUSINESS ATTRACTION & RECRUITMENT

A revised version of the "Promise of Sheboygan County" branding video was released. The new video includes winter scenes. Watch and embed the video on your website at: www.YouTube.com/SheboyganCountyEDC.

The SCEDC has listed several municipally-owned properties on Xceligent, the database used by Milwaukee region commercial and industrial brokers. The SCEDC is NOT able to list privately-held properties on Xceligent.

The City of Sheboygan has been selected as a finalist community by an international company seeking to relocate their headquarters to the Midwest. The company's site selection process included over 20 communities in multiple states. The SCEDC compiled the "...most professional and best proposal submitted, and turned heads at the company," according to the site selector. Final site selection is likely to take place before the end of the year.

ENTREPRENEURIAL DEVELOPMENT

SCEDC continues to support and promote the Lakeshore Entrepreneurs & Inventors Network, and the Fall 2011 Series, to "Pitch, Protect and Promote" Your New Business Concept.

FINANCING TOOLS

The SCEDC has created a user-friendly guide to various financial programs and incentives available for business support and expansion.

The SCEDC is exploring creation of a locally-controlled micro-loan program, to support early-stage companies and entrepreneurs. The program is still in the early stages of development, but will be modeled after other existing programs in the region.

WORKFORCE

Young Professionals have worked with the SCEDC to create a series of surveys to help identify issues related to talent attraction and retention. Surveys directed at Employees, Area Employers, and Sheboygan County Housing are scheduled to be released in 4th Quarter.

The University of Wisconsin-Sheboygan is establishing a Mechanical and Electrical Engineering Program. The SCEDC provided the University with contacts at area companies that indicated difficulties in acquiring individuals with engineering skills.

COMMUNITY INITIATIVES

The Plymouth to Sheboygan Falls Freight Rail Reconstruction project is referenced on the front page.

The Village of Waldo contacted the SCEDC about the potential development of a small business park on municipally-owned property. SCEDC staff will work closely with Village officials to create opportunities to support commercial and industrial development.

COORDINATION AND COMMUNICATION

The SCEDC offers the most comprehensive online database of local commercial or industrial sites and buildings listed for sale or lease. Visit the database at www.SheboyganCountyEDC.com/real-estate.

The SCEDC is one of five economic development organizations engaged in a pilot program to create a customer relationship management (CRM) tool with the newly created Wisconsin Economic Development Corporation. This collaborative effort holds the promise of better servicing businesses in Sheboygan County.

INVESTORS

The SCEDC welcomes and thanks the following new investors this quarter: A Great Event (Associate Sponsor), Festival Foods (Gold Sponsor), First Bank Financial Centre (Bronze Sponsor), and University of Wisconsin-Sheboygan (Associate Sponsor).

A complete list of investors are on the SCEDC website.

ABOUT THE SCEDC

MISSION STATEMENT - The mission of the Sheboygan County Economic Development Corporation, a countywide private/public partnership, is to lead diversified economic development efforts to improve the economic well-being and long-term prosperity of the businesses, residents, and communities of Sheboygan County.

VISION STATEMENT - The Sheboygan County Economic Development Corporation will be the premier private/public partnership leading collaborative retention, expansion, and attraction efforts for business and employment development in Sheboygan County.

