

## **Battle Creek Unlimited: Historical Overview**

Established in 1972 under a contract with the city of Battle Creek to market and manage the conversion of former military property, Battle Creek Unlimited transformed the rolling, wooded tract of abandoned military property with vacant, decaying structures into a modern, thriving industrial park. The effort brought capital investment, jobs, tax base, assets and construction to a city reeling from the economic loss of military spending and manufacturing migration out of Michigan.

First conceived as an innovative national economic development model, BCU held the enviable resources of nearly 3,000 acres of developable land acquired by Battle Creek after the closure of Fort Custer, an available skilled workforce and abundant ambition to develop Fort Custer Industrial Park. BCU positioned Battle Creek among the first communities to make a marketing strategy of workforce development and customized training.

Through the foresight and diligence of local, state and national leaders, assets were put in place to encourage success:

- 1976 – Customs Port of Battle Creek designation
- 1978 – Foreign-Trade Zone 43 grant of authority
- 1980 – Public Act 450, positioning the Battle Creek Tax Increment Financing Authority as the first industrial TIFA in Michigan, ensuring a long-term revenue stream for development needs

The city approved BCU budgets, appointed BCU directors and maintained permanent seats on the BCU board. With the BCTIFA today funding BCU marketing, infrastructure and blight elimination efforts, the city controls its own economic development future with seats on the BCTIFA and BCU boards of directors.

Battle Creek, perhaps best known for its breakfast food industry, took on an international flavor, maintaining ties with local businesses while also committing to sincere, long-term relationships with overseas companies. With the largest concentration of Japan-based manufacturers for a community of its size, Battle Creek's Fort Custer Industrial Park today contains 80 companies, employing nearly 9,000 persons. The firms include investment not only from Japan, but also from Germany, Denmark, Canada and the U.S. Products range from automotive heating and cooling units to robotic mannequins, aluminum die casting to plastic recycling, laser technology R&D to dairy processing.

While mergers, acquisitions and spinoffs have transformed the industrial landscape over the years, Fort Custer Industrial Park emerged from abandoned military land to a world renowned modern industrial park. Highlights include:

- 1972 – Archway Cookies and Embossing Printers, Inc. relocate from landlocked, antiquated facilities downtown to Fort Custer Industrial Park
- 1975 – Keiper GmbH from Germany takes up residence
- 1977 – Hi-Lex arrives, the first Japanese company in Fort Custer Industrial Park

- 1978 – American Fibrin has 150 first-stage jobs on 16 acres in the industrial park
- 1978 – Keiper has 150 first-stage jobs on 20 acres
- 1978 – C.A. Picard opens with 30 employees
- 1978-79 – Protective Covenants are adopted for sites in Fort Custer Industrial Park
- 1979 – Lotte U.S.A. Inc. establishes wholly owned subsidiary with aim to develop American market and opens Battle Creek plant with 93 employees
- 1979 – Omega Castings in Fort Custer military natatorium with 7 jobs
- 1979 – a referendum passes for a \$3.8 million bond issue to improve storm sewers, water mains, and streets in Fort Custer Industrial Park
- 1980 – Nippondenso opens \$1 million distribution center in Fort Custer Industrial Park on a 30-acre site with future plans for manufacturing
- 1980 – groundbreaking for Kellogg \$10 million research and development facility in Fort Custer Industrial Park; an old ammunition dump on the site is found to contain live ordnance, which the Department of Defense agrees to remove
- 1981 – Musashi Seimitsu Industry signs option to purchase 16.7 acres with plans to build a 50,000 square-foot facility to open mid-1983
- 1982 – Frito-Lay purchases industrial park land with a plan to consolidate Paw Paw and Battle Creek operations into a new warehouse, packaging and distribution operation with 25 jobs
- 1982 – following the successful merger of Battle Creek and Battle Creek Township, BCU staff works with an ad hoc committee to develop an overall economic development plan for the new city; an important centerpiece of the plan is a pool of capital raised by businesses benefitting from the property tax equalization brought about by the merger
- 1982 - By 1982, BCU becomes directly involved in retention and development activities including street improvements, the need for additional fire hydrants, hiring and training assistance to Fort Custer companies, SBA loan applications, visa and passport information, notary services, the development of wage surveys, land transfer and title insurance, contacts for required permits for new product production – essentially providing a level of “after services” that would ensure retention and expansion of the existing company job base
- 1982-83 – Battle Creek in severe economic distress; Eaton plant is closed and Clark Equipment Company indicates it will transfer most industrial truck production to Kentucky and North Carolina

#### **Lotte praises community**

*(Detroit Free Press, June 7, 1981)*

Generally, foreign executives say they were attracted to geographical locations with easy access to the consumer markets and suppliers of the East and Midwest – the availability of skilled workers, and Battle Creek’s “people to people” approach to industrial development.

“In most other places we looked, we met only officials and could not get directly in contact with the community,” says Wataru Shirahata, vice-president and general manager of Lotte USA, a gum-manufacturing subsidiary of Lotte Co. Ltd., Japan’s largest confectionary company. “Our most serious concern was how we could get together with the community. This community was very kind to us (and we learned) we could make many friends here. This is very important to the Japanese.”

- 1982-83 – After a *Wall Street Journal* article observes that 22 forms must be signed in Michigan to open a new business, BCU aggregates the forms into a one-stop form for clients
- 1983 – for the first time, BCU enters into commercial development downtown, resulting from the “Battle Creek: 1990” initiative; staff is assigned to a 90-day stint in the Central Business District, later to determine if a full time position is necessary to fully attack the demise of the downtown
- 1983 – BCU begins development of a complete guide for the commercial entrepreneur
- 1983 – Miller Foundation pledges \$1 million into a revolving loan fund to encourage new downtown business; \$500,000 of the fund is dedicated to minority business development both in and outside the Central Business District
- 1984 – new this year are Stanley Electric-KBK, Anzaldia Sheet Metal, Modern Equipment Company, Lastek (Belgium)
- 1985 – Nippondenso completes construction of \$42 million air conditioner manufacturing plant, hiring an initial 400 workers; an Urban Development Action Grant was secured for \$6.25 million, along with a supplement of \$2.75 million in tax increment financing authority bonds for infrastructure improvements
- 1985 – Koyo Metals, a Japanese supplier of non-ferrous metals, has a branch office in the Customs Cargo Center
- 1985 – HotSet Corporation leases space in the Customs Cargo Center, employing 3 persons
- 1985 – Mednet Ketric, Toyoda America, Amtex also lease space in the Customs Cargo Center
- 1985 – Atlas Truck Rental sets up operations at W.K. Kellogg Airport
- 1986-87 – EDGE (Employees Designing Gainful Employment), established with Gannett Foundation funding of \$100,000 works to generate employment and training plans for local employers, place at least 30% of jobs with minorities, and provide training in self esteem, interview preparation, and statistical process quality control familiarity for all applicants
- 1986-87 – United Steel and Wire relocates to 170,000 square feet in Fort Custer Industrial Park, while an Economic Development Administration grant allows the city to take possession of the former facilities
- 1986-87 – Isringhausen and Keiper/Recaro are both convinced to remain in Battle Creek

#### **Retaining a century-old firm**

The Union Pump Company had its origins in Battle Creek, and began manufacturing in 1885. With facilities in Japan, Canada and the Netherlands, and offices in 29 countries outside the U.S., Union Pump Company found themselves landlocked on 7.5 acres in central downtown Battle Creek. The company began exploring alternatives for a larger parcel of land.

In order to facilitate a move for Union Pump into Fort Custer Industrial Park and retain a major employer, Battle Creek offered incentives:

- An agreement to purchase Union Pump Company's downtown property and outmoded buildings
- Necessary utilities at the new site
- Assistance obtaining a low-interest Industrial Revenue Bond to help finance the relocation
- A loan through the Community Development Block Grant program administered by the Department of Housing and Urban Development

For Union Pump Company and its 375 employees, remaining in Battle Creek allowed the company to retain the many years of experience of a fine work force. According to company president Peter Ordway, “We made the right move. We began our business in Battle Creek and built our new facility with the idea we would spend our next 100 years here, too.”

- 1987 – ASMO Company and Tokai Rika U.S.A. arrive from Japan; Smith Sign and Signal and Union Pump Company relocate from downtown to the industrial park
- 1987 – Hill-Brady and Clark Road improvements, and a major expansion of the industrial park free up 1,300 acres for development, financed in part by a \$7.2 million federal grant related to the massive Denso expansion
- 1987 – Battle Creek city commission assigns airport marketing responsibilities to BCU, and tasks BCU with achieving a mixed use of airport related functions and revenue development to reach a break even position
- 1988 – I I Stanley begins construction of a 250,000 square foot facility that will employ at least 300
- 1988 – Tokai Rika invests \$25 million to triple size of facility
- 1988 – land sales to Gala Food Processing, Anatech Ltd., Associated Construction, Toyota Tsusho America, and Koyo Corporation
- 1989 – land sales to Goodwill Industries, C.A. Picard, and Ken Drawant
- 1989-90 – BCU develops an organizational philosophy that strategic people are more beneficial than a strategic plan, economic development affects and is affected by everyone (numerous community volunteers, board members, entrepreneurs and government leaders interact favorable toward success), and BCU is responsible to area employers
- 1989-90 – new companies include Advantage Sintered Metal, New Moon Noodle; expansions include Collateral Management, Goodwill Industries, HotSet Corporation, Koyo and Toyota Tsusho
- 1990 - \$14.5 million invested in the Battle Creek Air National Guard Base for redesign to accommodate any aircraft
- 1990 – noise curfews at the Kalamazoo-Battle Creek International Airport become problematic
- 1990-91 – an adequate pool of qualified labor becomes a critical challenge, with CENT and EDGE projects combating skilled labor shortages
- 1990-91 – KCC establishes Regional Manufacturing Technology Center with public and private resources
- 1990-91 – land sales to AMT Freight, Bratcher & Associates, Collateral Management, Gallagher Industrial Laundry, and Waste Management of Michigan for a total of \$212,255
- 1991 – bcVentures, a small business incubation plan, employed technology and recruitment for a model still in use today
- 1991 – Entire Fort Custer Industrial Park becomes a Foreign-Trade Zone designation
- 1991-92 – new business include AMT Freight, Atesco, Kal-Aero, Polyform Corporation (WMU metal casting technology) and Varnum Riddering
- 1991-92 – Expansions include Anatech, Advanced Special Tools, Advantage Sintered Metals, EPI and ARM, I I Stanley, Lotte, Nippondenso Manufacturing, and JW Wood and Associates

### International Pilot Training Centre

Upon certification qualifying it to train European commercial pilots, the WMU School of Aviation Sciences in Battle Creek begins an outreach to international airlines for contract training.

With “ab initio” or “from the beginning” curriculum, international students first arrive from British Airways in 1997. The initial group of 16 British students arrive WK Kellogg Airport aboard the BA Concorde, culminating four years of BCU and WMU patiently and persistently wooing the airline.

According to Joe Dunlap, director of the WMU School of Aviation Sciences, British Airways was impressed by the level of local commitment to the pilot training program.

With an emphasis on flight simulator training, program quality, lower costs and an attractive university setting, WMU by 1998 contracts with Aer Lingus and Emirates Air in addition to British Airways. The WMU training fleet soon rises to 45 aircraft.

The Japan Aviation Academy earlier committed to sending students for aircraft maintenance training.

- 1992-93 – BCU increasingly involved in special projects with state and county government, as well as key efforts such as Great Lakes Free Net, Center for Workforce Excellence, Engineer Lake construction, completion of North Plat, map and chart graphics, traffic problems and road safety, forest maintenance, park lighting, physician recruitment, Great Lakes Fire Training Academy, the WMU School of Aviation Science, and the Robbins Building
- 1993 – the Battle Creek Federal Center slated for closure is retained, keeping 1,800 jobs in Battle Creek
- 1993-94 – companies attracted include Triple S Plastics and Redman’s Awards
- 1994 – at a cost of \$50,000, an airport use study is conducted
- 1995 – Battle Creek city finance director Merrill Stanley announces that Fort Custer companies paid \$1.4 million in property taxes to Battle Creek and \$5.7 million to all taxing units combined
- 1995 – tribal gaming; workforce development; consolidation of BCU, BCI, CCDC; the WMU School of Aviation Sciences; Great Lakes Fire Training Institute; a housing study and TIF “pipeline projects” become noteworthy
- 1995 – new business attraction includes Acrytech, LLC; Franklin Iron and Metal, Plastics Division; Marley Precision and Pyper Products Corporation
- 1996 – projects added to the 1995 list include relationship building with the Nottawaseppi Huron Band of Potawatomi, the *Barriers to Employment and Entrepreneurship* study, and Corporation for a Skilled Workforce
- 1996 – Archway Cookies, Inc. builds a \$1 million, 9,000 square-foot addition
- 1996 – I I Stanley Company adds 50 jobs, bringing employment to 700
- 1996-97 – WMU College of Aviation receives CAA certification, making it the only 4-year institution of higher learning capable of offering European air passenger pilot training curriculum
- 1996-97 – A consolidation of CCDC, Battle Creek Investment

Fund and BCU co-locate with the Visitor and Convention Bureau, the Battle Creek Area Chamber of Commerce and the Chamber Business Store in one location at the Riverwalk Centre

- 1996-97 – new business attractions include Advanced Metalworks, Kwang Jin Sang Gong, BDO Seidman, Bravo Packaging, Superior Coffee, BCHS Occupational Medical Clinic and Arcadia Brewing

- 1996-97 – expansions include Advantage Sintered Metals, EPI, Advanced Special Tools, Technical Auto Parts, I I Stanley Company, Denso Manufacturing, Systex, Post Division, and the Food Bank of South Central Michigan
- 1996-97 – the Federal Center consolidates cataloging functions and adds 300 new jobs
- 1997 – Technical Auto Parts Inc. nearly doubles the size of its facility and adds 100 jobs; new companies include Advanced Metalworks, Bradley Environmental Technology and ProjectsPlus, Inc.
- Korean company Kwang Jin America delays investment due to Asian economic crisis
- 1997-98 – BCTIFA continues land acquisition with 23 acres of strategically located parcels
- 1997-98 – Property sales in Fort Custer total 68.8 acres
- 1997-98 – outcomes of the *Barriers to Employment and Entrepreneurship* study include city-wide task forces to address barriers of transportation, workforce development, entrepreneurship and affordable child care
- 1998-99 – 18 expansions occur in Fort Custer; elsewhere in Battle Creek expansions include Kellogg R&D facility (\$70 million), Kellogg Cereal City USA (\$15 million), Post Division brownfield site redevelopment (\$22 million), Air National Guard Base (\$10 million in new facilities)
- 1998-99 – new businesses include Roesler Metal Finishing, WACO Classic Aircraft and Centennial Aviation, LS Precision Tool & Die, DLF Container Corporation
- 1999-2000 – Numerous infrastructure and airport funding projects by the BCTIFA include \$614,000 for airport projects
- 1999-2000 – Closure of Kellogg South Plant reduces DDA revenues by 40%, cutting \$125,000 from the BCU downtown development budget
- 2000 – Stewart Industries begins operations as an incubator in the Customs Cargo Center, under contracts with Toyota Tsusho and other Japan-based automotive suppliers in Battle Creek
- 2000-01 – a total of \$46.9 million in private investment projects are underway at nine existing, and two new, companies in Fort Custer Industrial Park
- 2001 – According to the Upjohn Institute for Employment Research, Battle Creek and Calhoun County enjoy the most promising job outlook of any West Michigan metro area
- 2001 – BCTIFA property sales include nearly 40 acres to Yorozu Automotive North America, Toyota Tsusho America, Geislinger Corporation, Pyper Products and Eagles Ridge Apartments
- 2001 – Battle Creek downtown boasts an OC-48 optical Ethernet fiber ring and an OC-12 sub-ring at WK Kellogg Airport, providing any level of bandwidth the customer requires; the public private partnership is touted as unique in the nation
- 2001-02 – existing Battle Creek companies add 222,500 square feet to expand or reinvest in facilities, at a total investment of \$41.6 million; Kraft Foods alone completed another \$8 million in plant and equipment investment, creating 183 new jobs
- 2001-02 – new manufacturing activities include Yorozu North America and Geislinger Corporation
- 2002 – Yorozu Automotive North America opens to 110 employees
- 2002-03 – BCTIFA continues land sales for industrial development (34 acres) and acquisitions (75 acres)

- 2002-03 – BCTIFA airport operations subsidies, air traffic control tower relocation, runway reconstruction and replacement, signs and snow removal equipment at WK Kellogg Airport amount to \$777,000
- 2002-03 – Johnson Controls designates Battle Creek for new vac-wrap operation, retaining 250 workers at the site and investing an estimated \$2.5 million in plant upgrades and equipment
- 2002-03 – Product Action, Prairie Farms, National Intelligent Traffic Systems, and Nu-Con Automation are new residents in Fort Custer Industrial Park
- 2003 – Musashi Auto Parts adds 9,000 square feet and 50 new jobs
- 2003-04 – Denso Manufacturing announces back-to-back expansions totaling 210,000 square feet of growth, investing more than \$107 million and adding 300 new jobs
- 2003-04 – the MEDC, Battle Creek and BCU offer a combined 5-year MEGA tax credit, two years of Agricultural Renaissance Zone benefits, a 12-year 50% tax abatement on capital improvements, a \$7 million development loan from Battle Creek Investment Fund as well as relocation assistance from BCU to help Kellogg relocate its Keebler Snacks Division of 106 people from Elmhurst, IL to Battle Creek
- 2004 – Kellogg adds 230 new jobs and invests \$21.3 million in its corporate HQ, R&D and Porter Street engineering and manufacturing facilities
- 2004 – Completed expansions include Denso, Stewart Industries, EPI Printers, Musashi Auto Parts, Advanced Special Tools, and Marley Precision
- 2004 – OC-48 Optical Ethernet fiber ring completed, connecting downtown, the RMTC in Fort Custer Industrial Park , and WK Kellogg Airport with two sub-rings
- 2004 – Prairie Farms completes \$11 million in private investment of the Kellogg R&D facility
- 2004-05 – BCTIFA subsidizes WK Kellogg Airport management and operations at \$473,086, and provides \$1.2 million for public ramp improvements adjacent to Duncan Aviation in support of a 120,000 square foot, \$19 million building expansion by Duncan, bringing 726 jobs to Battle Creek
- 2005 – Battle Creek successfully removes the 110<sup>th</sup> Fighter Wing at the Battle Creek Air National Guard Base from the BRAC closure list, retaining approximately 320 full-time military and civilian jobs; in support of the 110<sup>th</sup>, 3,000 residents gather at WK Kellogg Airport and display a massive “human flag” for the arrival of BRAC Commissioner Skinner

#### **50th anniversary in Battle Creek**

Governor Jennifer Granholm announces in 2005 that Duncan Aviation plans a celebration of its 50<sup>th</sup> year in business by unveiling an investment of \$19.5 million with 380 direct and 346 indirect jobs in Battle Creek.

Competing with the Duncan HQ in Lincoln, NB, Battle Creek landed the project through:

- MEDC Single Business Tax credit of more than \$2.2 million over six years
- BCTIFA offer to construct 142,000 square feet of ramp and road rerouting at a cost of \$1.3 million

Proving Michigan’s expertise is not limited to autos, the Duncan investment strengthens Battle Creek’s emerging aerospace sector.

After its subsequent \$23 million refurbishing center expansion, Duncan by 2007 adds \$15 million in new personal income to the Battle Creek economy.

### **Enduring commitments**

In 2011, Denso Manufacturing celebrates 25 years in Battle Creek; NexThermal (formerly Hot Set Corporation) commemorates its 25<sup>th</sup> anniversary; Geislinger Corporation celebrates its 10<sup>th</sup> anniversary.

### **Two years running**

For the second consecutive year, *Site Selection Magazine* recognizes Battle Creek. In 2012, Battle Creek ranked 2<sup>nd</sup> in the nation for communities of its size, and in 2013, 6<sup>th</sup> nationally for economic development, capital investment and the creation of jobs.

### **Two projects converge**

With Battle Creek's food production, nutritional research, food protection initiative and dining options depicted by *Crain's Detroit Business* in 2011, the publication notes the 87,000 square foot expansion at the Kellogg Institute of Food and Nutrition Research. Concurrently, Covance spends \$14 million to renovate a 30,000 square foot building across the street from the institute. Covance supports 40 laboratory researchers in nutritional chemistry and food safety for its cadre of Midwest customers, said to contribute to a "Silicon Valley of food."

- 2005-06 – BCTIFA provides funding of \$488,146 to WK Kellogg Airport for management and operations, sparing the city General Fund for other expenditures
- 2006-07 – BCTIFA funds \$546,191 in WK Kellogg Airport management and operations, plus \$198,000 local match to relocate a portion of South Airport Road and improve the new intersection at West Columbia, and \$128,000 in funding preliminary design and planning costs for a new parallel runway
- 2006-07 – new companies in Fort Custer Industrial Park include Aldez Group, Zemlick, and ADO
- 2007-08 – new companies in Fort Custer Industrial Park include AutoVan, core PHP, Michigan Aerospace Corporation and Technical Auto Parts
- 2007-08 – Duncan Aviation is the leading annual job creator, with 180 jobs added
- 2008-09 – the economy wreaked havoc with growth and expansion plans, putting pressure on manufacturers; Fort Custer Industrial Park companies cut hours and reduced temporary workforce staff trimming costs and minimizing full-time layoffs
- 2008-09 – United Solar Ovonic selects Battle Creek for its new construction project, but delays construction of a second building and hiring of workers
- 2009- Autovan LLC plans to manufacture accessible technology vans, Geislinger completes a \$3.5 million expansion and the Arts and Industry Council contracts for a 20'x60' mural on the Customs Cargo Center
- 2009 – W.K. Kellogg Institute for Nutritional Research opens a \$57 million expansion with space for nearly 300 researchers
- 2009-10 – the International Food Protection Training Institute receives a \$1 million federal grant and begins training hundreds of state and local food protection professionals; the IFPTI receives national attention due to its efforts with the BP oil spill in the Gulf of Mexico
- 2009-10 – an energetic downtown transformation promises to add streetscape vitality for 600 Kellogg personnel consolidated downtown
- 2010 – Musashi Auto Parts completes a \$2 million expansion, Roesler Metal Finishing announces 58 new jobs and the doubling of its facility
- 2010 – TODA America finalizes plans for a \$70 million facility and 65 new jobs
- 2010 – Covance lab will serve as a Food Testing Center of Excellence and bring more than 40 new food science jobs



- 2011 – Battle Creek Public Schools secures funding to relocate the Battle Creek Area Math and Science Center downtown
- 2011-12 – Investments in Fort Custer Industrial Park total \$42 million and 370 new jobs, including Advanced Special Tools, Behnke Logistics, EPI Printers, Geislinger Corporation, Hi-Lex America, I I Stanley Company, Musashi Auto Parts-Michigan, NexThermal, PCPC Inc. (Rock Tenn), and TRMI
- 2011-12 – 50 jobs and 60,014 square feet of occupied space are added Downtown
- 2012-13 – new companies include Janesville Acoustics, Cosma Castings Michigan, and Germany-based Bleistahl North America – totaling \$188 million in new investment and planned job creation approaching 900 over three years
- 2012-13 – Downtown, 40 new jobs were added and 5,700 square feet of space is filled; a new park is named “Wave Square;” the streetscape project receives recognition as Project of the Year-Quality of Life Category by the American Public Works Association Michigan Chapter; Covance and BCU receive Best New Partnership, Merger or Acquisition Award at the Nutraceutical Business and Technology Awards in Geneva, Switzerland
- 2013-14 – Over the past two years, projects announced or underway in Battle Creek represent over \$400 million in private investment and 2,300 new jobs
- 2014 – Staff testified to the National Commission on the Future Structure of the Air Force; the commission issues an unqualified opinion on the importance of the Air National Guard in the nation’s capabilities, notably citing the Battle Creek Cyber Range
- 2014 – International Food Protection Training Institute brings its fourth cohort to the Fellowship in Food Protection, building and administering the training infrastructure for the nation’s Integrated Food Safety System
- 2014 – Announcements to expand operations include Marley Precision, TODA America and NexThermal, and the creation of 50 new jobs
- 2014 – Downtown, a local entrepreneur acquires 32 West Michigan Avenue with plans to create a multi-tenant facility and a retired physician announces plans to open a book store

### **A downtown transformed**

Capitalizing on competencies in food science investment, technology and education innovations, BCU announced its vision to transform and revitalize the downtown in 2008:

- Aesthetic updates, gateway improvement on M-66, lighting enhancements and vibrant public festival, event and park spaces
- Relocate the Battle Creek Area Math and Science Center to downtown
- Fitness and recreation center
- Internship programs aligned with career opportunities
- Office tower for the relocation of 600 Kellogg employees from its Porter Street office complex
- Increased variety in dining and entertainment venues, residential sectors
- Improved safety

The \$85 million redevelopment plan focused on four transformative pillars:

- Infrastructure
- Private investment
- Education
- Food Protection

By 2013, results downtown accumulated:

- \$87 million in private investment; \$32 million in public/philanthropic investment
- 1000+ added jobs and \$63 million payroll
- 480,000 square feet of building space redeveloped or new
- 23 new businesses, 21 relocations and/or expansions

- 2014-15 – Downtown, attraction of six new businesses with \$8,250,000 of new investment and 48 new jobs
- 2014-15 – Announcements to expand operations included: DENSO, Marley Precision, NexThermal, Reconserve of Michigan, Shouldice Brothers, TODA America and TRMI. New company WKW Roof Rail Systems located in the Park. A total of \$174,185,432 of new capital investments and the creation of 659 new jobs
- 2014-15 - Joint facilities at Air National Guard Base and Fort Custer Army Base attracted attention from the Missile Defense Agency for a potential ballistic missile defense installation on the Army Guard Base
- 2015-16 - Announcements to expand operations included: ASMO Manufacturing, Western Michigan University College of Aviation and Kellogg Community College Regional Manufacturing Technology Center. A total of \$39,239,262 of new capital investments and the creation of 247 new jobs. Sakae Seiko International America, Inc., a new Japanese business started a sales office in the Customs Cargo Center
- 2015-16 - Battle Creek Air National Guard won Cyber Security with 70 new jobs
- 2015-16 - BCU shifts mission to focus solely on Fort Custer Industrial Park initiatives

Between economic slowdowns, downturns, and recessions; from the outmigration of U.S. jobs to the return of jobs to the U.S. as offshore productions loses its allure; and between Base Realignment and Closures intended to shutter the Federal Center and the Air National Guard Base, Battle Creek and BCU were recognized in *USA Today*, *Crain's Detroit Business International*, *West Michigan Commercial Quarterly*, *Nikkan Kogyo Shinbun (Japan)*, *The Washington Post*, *Detroit Free Press*, *The Wall Street Journal (1989, 1990)* *World Trade*, *Los Angeles and Orange County Business Journals*, *Time*, *The Japan Economic Journal*, *Site Selection Magazine*, and *The Journal of Commerce*. As the *Wall Street Journal* observed, "The Japanese didn't come to Battle Creek by accident. Wooing them took years of strenuous and expensive effort." Battle Creek, over the years, sent a steady stream of mayors, state senators and economic development practitioners to Japan to convince the Japanese they were welcome.

BCU successes inevitably led to greater responsibilities, whether designated by the city of Battle Creek or inherent to retention and attraction of local businesses. The heady stream of early investment in the 1970s gave way to the economic distress of the early 1980s. The 1990s injected creative means of addressing the myriad needs of a burgeoning modern industrial park, as well as other local, county, regional and state demands on a successful economic development entity. By the turn of the 21<sup>st</sup> century, BCU knew its game, and actively sought out entrepreneurial initiatives, new business sectors, and community development toward a better quality of life. Governance adopted a mission statement demanding a flexible and technological approach to development, confronting the challenges of globalization, information technology, and the mobility of capital.

Conventional economic development wisdom suggests that normal job erosion removes between 6-10% of employment base per year. Job losses may result from large employers losing market share, acquisitions, or relocations to locales perceived as more hospitable. Meanwhile the costs of providing high quality, cost effective municipal services continues to increase. Communities cannot afford *not* to take remedial action to compensate for job loss.

#### **BCU Guiding Principles**

Resilient organizations thoroughly understand competitive guiding principles. For BCU, the principles include:

- Sustainability – Investments by the private sector must have a reasonable expectation of return on investment.
- Market based development – Development activities aligned with the dynamics of the private marketplace are best positioned to stand the test of time.
- Connectivity – BCU work should always understand the interconnectedness between various parts of the city as well as the matrix in which local government operates.
- Diversity – Regions of the U.S. with the greatest diversity tend to be the same areas in which robust economic growth occurs. Diversity of thought, ethnicity, base of consumer needs and ability to provide services play an important beneficial role in economic growth.
- Honesty and ethical behavior – BCU should always do everything we can to be successful, never straying from honest and ethical behavior.

Furthermore, global trade, production and logistics are increasingly fragmented. The moving parts of value chains highlights the importance of local value. Battle Creek’s comparative advantage is increasingly recognized in its ability to maximize value for companies at the local level instead of relying on such traditional assets as the low cost of labor or an abundance of natural resources.

The future of BCU depends upon its ability to compete in the global environment. BCU must be introspective, identify strategic advantages and competitive competencies, than package those assets for niches within the worldwide economy.

As jobs, expertise and capital become more mobile and more indifferent to location, attention to such livability issues as training and educational attainment; accessible and affordable health care; green space, parks and access to social recreational opportunities; a robust telecommunications infrastructure supporting small business formation; and coordination amongst strategic competencies become increasingly essential.

With stunning early wins in manufacturing, BCU remains a competitive location today for manufacturing performance. BCU never abandoned its strategy of determined outreach and a collaborative approach, or proactively developing an asset base for economic growth and social resilience. While other Michigan locales may outperform their counterparts in other states, according to a 2015 statement by George Erickcek, Senior Analyst of the Upjohn Institute, “they can’t touch Battle Creek.”

