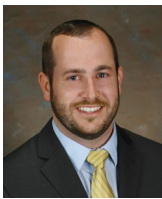


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From the President's Desk

By Joe Sobieralski
President & CEO



Despite the recent heat and humidity, the days are starting to get shorter, meaning that summer will end soon. The BCU team has been very busy over the past few months with projects big and small. One thing we are especially excited about is our new strategic plan which was adopted by the BCU Board of Directors in early August. This plan is the next step in BCU's evolution and we are eager to get to work realizing our new goals.

Another major project is the construction of BCU's new office. We are converting more than 5,000 square feet of loading dock space in the Customs Cargo Center into a modern, state-of-the-art office. In addition, the entire building will get a facelift, with new windows, new landscaping, a fresh coat of paint, and a resurfaced parking lot. This new facility will give BCU a fitting place to welcome guests to the Fort Custer Industrial Park and put Battle Creek in the right light. We expect construction to be complete in late September.

Work also continues on several downtown projects. In June, BCU committed \$1.2 million to the Kellogg Foundation's new Small Business Loan Fund. The fund, which is administered by Northern Initiatives, has already begun making loans. New Holland Brewing is in the final stages of planning on 64 W. Michigan Avenue and the Restore (269) team is moving ahead on the Record Box project at 15 Carlyle Street. In addition, work continues on the renovations to Heritage Tower as well as the McCamly Plaza Hotel.

There are many other projects in the pipeline that BCU is working on and we anticipate an even busier autumn.

BCU Adopts New Strategic Plan

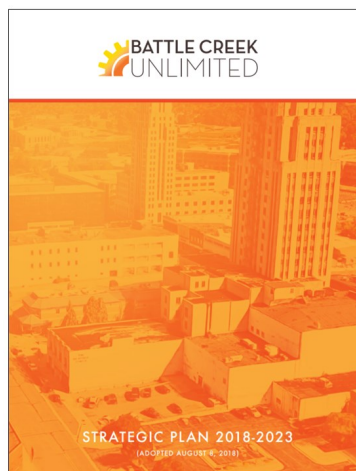
In August, BCU released a new strategic plan which will move the organization forward through 2023. The plan lays out how BCU will prioritize its human & capital resources and outlines specific metrics by which success will be measured, including new jobs creation, capital investments, company attraction and land improvements. By July 2023, BCU's goal is to generate \$250 million in new capital investment in Battle Creek and create 750 new jobs paying an average of \$17 per hour.

The strategic plan was developed with input from BCU staff and board members, as well as members of the Battle Creek business community. The plan addresses industries with deep roots in Battle Creek while also including new sectors which leverage the region's strengths. The new plan identifies five key growth industries:

- Automotive/OEM Supply Chain
- Aviation/Defense
- Food/Beverage
- Logistics/Services
- Energy Storage

The document discusses Battle Creek's strategic advantages, including its location, cost of living, existing company base and history of successfully attracting investment. BCU calls special attention to the role the military and the federal government play in Battle Creek. As a part of the strategic plan, BCU acknowledges the importance of workforce development and community development. The plan also emphasizes BCU's commitment to partner with the City of Battle Creek, the Battle Creek Area Chamber of Commerce, the public schools, and other community organizations.

BCU President & CEO Joe Sobieralski said, "Since 1972, BCU has had unparalleled success attracting companies and creating jobs in Battle Creek. Today, the Fort Custer Industrial Park is the largest facility of its kind in Michigan and is home to more than 80 companies employing over 13,000 people. Our new strategic plan will continue this tradition of growth while expanding BCU's focus to include next generation technologies like drones and batteries. We also recognize the need for greater engagement on issues like housing, education, workforce, and placemaking – all of which are pillars of comprehensive economic development. BCU will deploy its resources to make Battle Creek a vibrant community."



John Gallagher, Chair of the BCU's Board of Directors said, "The BCU board is very pleased with the BCU strategic plan. It offers a unique blend of our winning strategy along with practical knowledge of the Battle Creek Unlimited success story. The board is also very proud of the entire BCU staff for their team effort in putting this plan together. Clearly, this will be an outstanding tool for the growth of Battle Creek."

The strategic plan is available on BCU's website at <https://bit.ly/2PHZx4v>.

Workforce & Retention Update

By Shabaka Gibson
Vice President, Retention and Workforce Development



Marshall Plan for Talent

The Marshall Plan for Talent is a revolutionary partnership between educators, employers, and other stakeholders to transform Michigan's talent pipeline and redesign the ways we invest, develop and attract talent. Under this plan, nearly \$59 million is available in innovation grants. Funds

will be awarded based on the level of innovation, the strength of the partnerships, and how well the grant application embraces the philosophies of competency-based learning for high-demand, high-wage careers.

Participation in a Talent Consortium is a requirement to apply for a majority of the funds. Talent Consortia that bring together business and education are the foundation of the Marshall Plan for Talent. A Talent Consortium must include a minimum of one K-12 district or intermediate school district (ISD) and at least two employers or organizations representing employers. It may also include community colleges, universities, and private training providers that grant degrees or certifications. There are multiple organizations currently working on developing consortia for the Battle Creek area. We will keep you up to date on their progress as they move forward. For more information, including details on the Talent Consortia and FAQs, visit <https://bit.ly/2kLYCBZ>

Ford NGL

Battle Creek Public Schools (BCPS) is progressing its efforts to become a Ford Next Generation Learning (NGL) district. Ford NGL is a collaborative community-connected approach to achieve the following outcomes: (1) increased community prosperity shared by all; (2) a strengthened talent pipeline; (3) young people prepared for college, careers, lifelong learning, and leadership; (4) educational equity and justice for all; and (5) the capacity to contribute and go further.

Ford NGL's model identifies current and projected talent needs in the local economy by working with existing businesses. Schools using the model then use sector academies and career pathways as a basis for delivering focused and relevant quality education to each student. As a result, a graduating senior leaves high school with industry certifications that are immediately useful in the existing area economy or college credits to give the student a boost in to their collegiate career.

This collaborative effort will involve participation and buy-in from multiple stakeholders. As the school system enacts the program, there will be requests for input from the business community. Your industry perspectives will be needed to make the program work. There will be no financial requests of any company. The program is successful when companies provide minimal time, and more importantly, expertise. Further information will follow as BCPS continues its implementation. For more information on Ford NGL, visit <https://www.fordngl.com/about>

Attracting and Retaining Diverse Talent

Are you looking to attract diverse talent for your business? Are you struggling to retain talent once you find it? Then look no further!

BCVision invites you to attend a free workshop on attracting and retaining diverse talent. This 3-part workshop will be held at the Battle Creek Country Club on September 19, October 3, and October 24. Each workshop will be held from 7:30-9:00 AM and will include breakfast. Please RSVP by September 6 by clicking the following link: <http://bit.ly/2C5TRi7>

Lean Six Sigma Breakfast Series

Ever wonder how Lean Six Sigma tools can be deployed to improve efficiencies and reduce waste? Need help aligning organizational resources to business strategy to achieve desired results? The Workforce Solutions team at Kellogg Community College is hosting series of free workshops on Lean Six Sigma. Monthly events are held on Thursdays from 7:30-9:00 AM. For details, call 269-565-2828 or email WorkforceSolutions@kellogg.edu.

Manufacturing Day 2018

Manufacturing Day is fast approaching! For 2018, the companies in the Fort Custer Industrial Park, along with BCU, will host two events: one for adults & parents and another for students.

The adult event will be held on Wednesday, October 3. This event is for parents, teachers, counselors, and other adults who can influence students' career choices. The event will be held from 5:00-8:30 PM at Rosler Metal Finishing (1551 Denso Road), with tours of Rosler and Geislinger Corporation available after the program. The student event will be held during the day on Thursday, October 11. The event will be hosted by Rosler and DENSO. Interested students and parents should contact their schools' career counselor for more information.

An email was sent to local manufacturers inviting them to participate. If you have not RSVP'd yet and would like to participate, please complete the survey here: <https://bit.ly/2wolcqA>. Additionally, if your company plans to participate, please go to www.MfgDay.com and identify yourself as a participant in our area.

First Fort Custer Mixer a Success!



BCU President Joe Sobieralski chats with guests at the Fort Custer Industrial Park mixer on Wednesday, August 15. The event provided companies an opportunity to meet and get to know their neighbors. Special thanks to TMP for hosting and organizing the event.

Company Spotlight: Hi-Lex America

Forty years and growing! That is the message which Hi-Lex America, Inc. shared with BCU during a recent conversation. In June, Hi-Lex celebrated 40 years in the Fort Custer Industrial Park. In fact, Hi-Lex was the first Japanese company to locate in Battle Creek, Michigan. The company started with 20 associates and grew quickly, doubling their business in the last ten years.

Hi-Lex makes mechanical control cables for the automotive, recreational, medical, and industrial sectors. The automotive industry is the largest segment of their business, comprising 60% of their sales. Major automotive clients include FCA, Ford, Honda, and Toyota. Other customers include Polaris, Club Car, Yamaha, Harley Davidson, Stryker Medical, Case, and Allegion Door Systems.

The company, which was originally called TSK of America, chose Battle Creek because of its proximity to Detroit, the North American auto market, and the skilled workforce available here. Building in the Fort Custer Industrial Park gave them access to BCU's support and resources. According to Hi-Lex, BCU has helped expand their plant six times, assisted with a tax abatement, and assisted with training opportunities and grants. BCU continues to work closely with Hi-Lex to remove barriers for growth and to quickly resolve issues as they arise.

Hi-Lex's parent company has six engineering centers and 35 manufacturing plants worldwide and employs over 12,000

associates. In Battle Creek, the company has approximately 330 employees, with some people there since the opening 40 years ago. When asked about future growth, Vice President of Operations David Hemmerlein said, "We have many new products in the pipeline. We recently launched Manual Park Release (MPR) cables for Ford and FCA. Beginning in 2020, we will be building for the Ford F-150 pickup. This year we launched the MPR cable for the Ram truck and soon will be launching the MPR cables for Ford SUV platform. With the electrification of the automobile we are branching out into actuators and we launched a new fuel door actuator for Honda."

Congratulations to Hi-Lex America, Inc. on their 40 years in the Fort Custer Industrial Park! We look forward to seeing you for another 40 years.



On Saturday, June 23, Hi-Lex hosted a BBQ to mark their 40th Anniversary in Battle Creek. From left: Toshio Fujimoto, Executive Director, Hi-Lex America; Ken Masumoto, BCU's Japan Consultant; Jennifer Barve, Program Manager, Hi-Lex America; Aki Kusamura, COO, Hi-Lex America.

Foreign-Trade Zone #43 Update

By Adam Reid
Manager, Special Projects & BC CAL
KAL Inland Port Development
Corporation



Even the casual observer, it seems, cannot miss the constantly changing foreign-trade rhetoric in today's news. The Trump Administration and its overseas counterparts continue to threaten and impose new tariffs on a variety of products. While these headlines are national (and global), it is important to recognize and consider immediate effects these measures have in Southwest Michigan.

The current trade war – which began in January, gained momentum in March and has continued throughout summer – has become increasingly difficult to follow. China has been the primary focus. It may be subject to another round of 25% tariffs on an additional \$200 billion in goods by September.

Understandably, the uncertainty has local companies vigilant – and feeling squeezed. There has been renewed inquiry regarding the region's Foreign-Trade Zone (FTZ) #43, which helps firms defer, reduce and eliminate tariffs. However, language enacted thus far explicitly states FTZs are not a measure to avoid these new duties.

The FTZ program is intended for companies aiming for long-term, sustainable business solutions. It was not designed as a loophole for circumventing the whims of an administration's policies. Nevertheless, this has firms revisiting their global sourcing procedures, realizing they can still mitigate costs elsewhere by implementing the FTZ program. BCU can help your company determine if there is value in utilizing the FTZ. To learn more about FTZ #43, and to see if your company might qualify, contact Adam Reid at reid@bcunlimited.org.

Hettinger Recognized by Japanese Government



On Friday, June 29, former BCU President & CEO Jim Hettinger received the Order of the Rising Sun with Gold and Silver Rays from the Government of Japan. Mitsuhiro Wada, the Consul General of Japan in Detroit, hosted a presentation ceremony at his home in Bloomfield Hills. Mr. Hettinger was recognized for his efforts to bring Japanese companies to Battle Creek. The order is awarded to those who have made distinguished achievements in international relations, promotion of Japanese culture, advancements in their field, development in welfare or preservation of the environment. Congratulations to Jim and his family for this prestigious award.

Program on Missile Defense & Supply Chain: September 27

On Thursday, September 27, BCU will host a detailed briefing on the scope of the Ground-based Midcourse Defense (GMD) system project, what the project means to Michigan, and how Michigan companies can participate. The event is being organized with the Michigan Aerospace Manufacturers Association (MAMA).

The Fort Custer Training Center is the leading candidate for the construction of the intercontinental missile defense system. Officials estimate the project will have a \$3.2 billion positive impact on Michigan's economy, including hundreds of new direct jobs and over a thousand new indirect jobs.

The program is \$99 and \$49 for MAMA Members. Registration will start at 8:30 AM; Program 9:00 AM. Following the lunch, registered participants will be able to participate in a tour of the Fort Custer Ground-based Midcourse Defense missile field site. To register, visit <https://bit.ly/2PhqpaE>.

Welcome New Board Members

BCU recently welcomed new members to its Board of Directors: Kris Charles, Senior Vice President of Global Corporate Affairs, Kellogg Company; Stacey Hamlin, CEO, CTS Telecom; Kasey Harwick, Vice President of Manufacturing, Duncan Aviation; Andris Staltmanis, President, Denso Manufacturing Michigan, Inc.; and Erick Stewart, President, Stewart Industries. The BCU Board said goodbye to Al Bobrofsky, Kara Beer, and Andy Richards.

Around the same time, the Battle Creek Tax Increment Finance Authority (BCTIFA) also added new member to its Board: Tim Davis, Co-Owner, Territorial Brewing Company; Mark E. Kreter, Attorney, Kreis Enderle; James McKernan, COO, Bronson Battle Creek Hospital; and Shannon Visger, CFO, Rosler Metal Finishing. Longtime BCTIFA members Al Bobrofsky, Nelson Karre and Betty Tuggle retired.

BCU thanks the members of both boards, past and present, for their dedicated service.



Al Bobrofsky (center left) and Andy Richards (center right) pose with BCU President Joe Sobieralski (left) and BCU Board Chair John Gallagher after their final Board of Directors meeting.

Contact BCU

Battle Creek Unlimited (BCU) is focused on investment generation and job creation in Battle Creek, Michigan. BCU works closely with community partners to attract new companies to the Battle Creek region while also supporting the growth of existing companies. BCU was established in 1972 to develop the Fort Custer Industrial Park (FCIP), the largest industrial park in Michigan. Today the FCIP is home to over 80 companies, including 25 international organizations, which collectively employ more than 13,000 people. FCIP covers more than 3,000 acres, with over 1,000 acres available for development, and offers convenient access to rail, air cargo, interstate and international trade highways, as well as an international port of entry and a Foreign-Trade Zone.

Follow BCU online:



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Email comments, questions or suggestions to BCUNewsletter@bcuunlimited.org

BCU Out and About



BCU organized a beer garden with New Holland Brewing at the Cruise the Gut event on Saturday, August 11. During this annual event, classic cars cruise downtown Battle Creek in the evening. More than 600 people stopped by the beer garden, which was located on the future site of New Holland's Battle Creek location.



The BCU team won the 8th Annual CIR Kickball Classic on Sunday, August 5 at Bailey Park. The event was organized by Community Inclusive Recreation.