

News from Clinton Regional Development Corp.

Since 1953, the Clinton Regional Development Corporation has offered professional, client-driven, site selection services. Our goals are to enhance the regional business climate, attract new investment, expand existing industry, and encourage quality new jobs.

SBA HONORS PRESIDENT OF AIR CONTROL, INC.

The U.S. Small Business Administration (SBA) has named Mary Connell and Air Control, Inc. (ACI) in Clinton, Iowa, as its 2007 Family-Owned Small Business of the Year for Iowa and SBA's Region VII, which includes the states of Iowa, Kansas, Missouri, and Nebraska. Mary was nominated for this award by Jon R. Ryan, State Director, Iowa Small Business Development Centers.

The award is based on the following criteria: evidence of success as measured by sales and profits, increased employment opportunities for family members and non-family members for the nominee's business, demonstrated potential necessary for long-term business success and economic growth, and voluntary efforts to strengthen family-owned businesses within the community.

Mary learned the business from her father who started the company in 1956. With the help of an Iowa SBDC, Mary, just out of high school, wrote the company's first business plan and sought an SBA guaranteed loan to save the company following the loss of its biggest customer at that time. After taking the helm as CEO in the early 1980's, she has moved it well beyond its \$1 million yearly sales. Today the company grosses more than \$8 million in sales and has expanded its product line into tank fabrication for the ethanol and bio-diesel industries.

Beyond these achievements, Mary has pumped new life into Air Control, which now employs 50. The company provides a wide range of products and services in steel fabricating, design, installation, and servicing. The company also provides residential and industrial installation and service in heating, ventilating and air conditioning, and it builds and services industrial dust-collection systems.

Mary co-owns ACI with her brother and brother-in-law. Besides enjoying marathons, Mary actively participates in her church, and the board of directors of a myriad of community organizations, and the national advisory board for Carrier Corporation and TSI. In addition to having won numerous awards personally, including the Iowa Small Business Development Center's Inaugural Neal Smith Entrepreneur of the Year Award, she is a featured speaker on entrepreneurship in northeast Iowa and is always ready to inspire others.

Congratulations to Mary and her team!

BUYER-SUPPLIER CONNECTION PROGRAM

Clinton Regional Development Corporation is partnering with Prosperity Eastern Iowa, a regional economic development initiative serving Cedar, Clinton, Delaware, Dubuque, Jackson, and Jones Counties, to sponsor an exciting new campaign, "Buyer-Supplier Connection -- Realizing Our Prosperity," that aims to shift out-of-region spending back into the region, creating opportunities for local companies and positively impacting the revenue, growth, and wealth in the region.

Each year, nearly \$8.7 billion is spent on goods and services from out-of-region suppliers. Of that, over \$6.5 billion goes to non-regional companies for which there is already an existing industry of that kind in the region. The Buyer-Supplier Connection will challenge companies in the region to shift at least 5% of their existing out-of-area spending into regional economy. This initiative will have a trickle effect on the regional economy increasing revenues and creating jobs.

"This is an exciting new endeavor that has the promise to increase prosperity for our region by connecting regional companies and shifting millions of dollars being spent outside the region back into the region, thus creating jobs and entrepreneurial opportunities for un-met needs in the region," said Kelley Deutmeyer, Executive Director of East Central Intergovernmental Association (ECIA), the managing entity of the Prosperity Eastern Iowa initiative. "With just a 5% shift in their spending habits, over \$326 million could be put directly back into our regional economy." As these dollars are shifted back into the region, they 'multiply' and could result in an overall effect of nearly \$458 million, resulting in over 3,500 additional jobs.

CRDC President and CEO Steven Ames states, "This is a great example of how working together regionally in partnership benefits each of our communities locally." For further information about this project, contact Business Retention Manager, Kent Royster, 563-242-4536, or kroyster@clintondevelopment.com.

EICCD ASSISTS REGIONAL TRAINING NEEDS

Seven Clinton Regional companies participated in this year's 260E (Training Funds Agreements). The Clinton companies that took part will receive \$1,970,000 and are expected to create 320 "Quality Jobs." To qualify for the Iowa New Jobs Training Program, an employer must create new jobs within the state of Iowa, specifically in manufacturing, processing, or assembly industries.

The college district uses a formula to determine the amount of each company's funding allotment, based on the number of jobs created and their average wages. The funds cover 100% of direct training costs related to the new job creation, and reimburse companies for up to 50% of their trainees' salaries and benefits while they are learning on the job. The company also qualifies for credits against its Iowa corporate income tax for every new job created.

Stampede Products' (Camanche) Financial Controller, Patty Case, said this is the fourth time her company has used the program to expand the business. This time the company, a manufacturer of after-market truck accessories, plans to create 30 new jobs over the next two years. "We are definitely experiencing incredible growth, but unfortunately, we have problems finding people on the production level," Case said, adding that about 85 people currently work for the company. She said the college district's training program was essential to Stampede's growth over the past ten years. "The training has been incredible," said Case; "I definitely would recommend it."

Regional Companies Receiving Training Benefits:

- Air Control, Inc. (Clinton) - 28 jobs, \$150,000 in funding
- Big River Packaging (Clinton) - 13 jobs, \$80,000 in funding
- CenterLeaf Partners LLC/Ashford University (Clinton) - 170 jobs, \$1.03 Million in funding
- Custom-Pak, Inc. (Clinton) - 27 jobs, \$105,000 in funding
- Kalot Industries/Stampede Products (Camanche) - 30 jobs, \$130,000 in funding
- MSI Fabrication (Camanche) - 42 jobs, \$365,000 in funding
- Nestle Purina PetCare (Clinton) - 10 jobs, \$110,000 in funding

Source: Eastern Iowa Community College District

For more information about training and other fund availability, contact Kent Royster, CRDC Business Growth & Retention Manager. 563-242-4536, or kroyster@clintondevelopment.com.

SAN DIEGO CONSULTANTS FORUM

During the week of June 3rd, Steven Ames will be attending a three-day intensive Consultants Forum hosted by *Area Development Magazine*, to be held at the US Grant Hotel, San Diego. Mr. Ames will be participating in an interactive program of "Super Sessions" to include twelve major site-location consulting firms, plus a special panel of corporate real estate executives who will take you inside the corporate decision-making process.

During the event, Mr. Ames will have the chance to do sales presentations on our Regional advantages to a number of professional site selection consultants that work with companies exploring expansion, relocation, and/or investment opportunities. There will be seminars, as well, on best practices in economic development, how to land the deal, and the latest deciding factors in the site selection process.

Mr. Ames states, "This is a great way to meet a large number of site selectors in one location. Our mission is to develop professional relationships with these site selectors, so they think of our Region and understand our economic advantages when they work with their clients."

CRDC ATTENDS THE 2007 SMART CONFERENCE

The entire CRDC Staff (Steve Ames, Karen Mooney, Ed O'Neill, Mary B. Paul, and Kent Royster) plus two CRDC Board Members (Tom Determann and LaMetta Wynn) attended the 22nd Annual SMART Economic Development Conference held at the Polk County Convention Complex in Des Moines, Iowa, on May 3, 2007. This annual conference is hosted by the Iowa Department of Economic Development (IDED). It is a fantastic, one-day event offering valuable information and resources for those interested in economic development, business/industry retention and expansion, and community members engaged in area betterment.

CRDC Staff and Board Members attended several of the many workshops on bio-renewable energy initiatives, innovative solutions to workforce shortages, dispelling TIF myths, and more. Thirteen exhibitor booths were open during the entire conference where visitors could gather more information about resources available to their community. Conference highlights included welcome speaker Lt. Governor Patty Judge; three national, bio-fuel industry leaders from Iowa State University; big-box retailer expert Margie Johnson; and the featured luncheon speaker Rusty Wallace, NASCAR legend and Iowa Speedway designer. CRDC also had the honor to be there when our very own Mary Connell, President of Air Control, Inc. in Clinton, Iowa, received the "Iowa and Region SBA Family-Owned Small Business Champion of the Year" award.

The 2007 SMART Conference was informative, exciting, and well worth the long drive. The food was great, and the information resources, priceless. If you have never been to a SMART Conference, you may be missing out on an experience that could make a positive difference in your business and community. CRDC attends every year. Please think about joining us in 2008!

REGIONAL FOREIGN TRADE ZONE

Resource Development Specialist Ed O'Neill is working on implementing a foreign Trade Zone (FTZ) in our Region. Historically, this tool was thought to be used primarily in only large coastal cities in the United States; however, this is no longer the case. Today, the establishment of this tool is requisite to being competitive in a global economy. There are a number of firms in the Region that bring raw materials in from abroad and ship finished product to destinations all over the world.

Use of an FTZ provides important benefits such as increased cash flow and the reduction of international transaction costs. It allows businesses to operate with maximum flexibility by reducing, eliminating, or deferring U.S. Custom Tariffs. This reduces the cash output to producers at pre-production stages, thus allowing more resources to be used for other business-related expenses.

We have received several requests to establish an FTZ Regionally in order to reduce the cost of bringing in foreign feed stock for bio-fuels, raw materials and parts for production, and also to reduce the cost of shipping finished goods back overseas. Initially, we plan to extend FTZ #133 from the Quad Cities to our Region. Then we will establish a stand-alone FTZ for the Region through the U.S. Department of Commerce. For more details on FTZ and how this tool can benefit your company, contact Resource Development Specialist Ed O'Neill, 563-242- 4536, or oneill@clintondevelopment.com.

SUMMER INTERN

Travis Johnson has come on board this summer as an intern. Travis is a life-long resident of Clinton and has always had an interest in economic development and urban planning. He has just completed his freshman year at Iowa State University where he plans to pursue a degree in Community and Regional Planning. His mission with us is to gain experience in this field, so he can add value to his classes in the fall.

During the past two weeks, we have had Travis involved in a number of projects that impact the Region. Travis says that he is "looking forward to working with CRDC staff and gaining knowledge about what we do here." He is very excited to be here and looks forward to providing assistance to help facilitate Regional growth. For those who traveled to Washington, D.C., earlier in May on our Illinois-Iowa Regional Mayors Summit, they might have seen Travis as part of our entourage. Travis is the son of Eric Johnson, President of J.T. Cullen in Fulton and Co-Chair of the Highway 30 Coalition. We are fortunate to have Travis with us this summer.

ANNUAL D.C. MAYORS SUMMIT

CRDC Staff Steven Ames and Ed O'Neill took part in the annual Illinois-Iowa, Regional Mayors Summit to Washington, D.C., earlier this month. Over forty people from the Greater Clinton Region traveled to D.C. this year to bring the development issues we face to our legislators. Everything from education to transportation was discussed.

CRDC was responsible for bringing our need for rail assistance, especially for renewable fuels, to the attention of our senators and representatives on both sides of the river. The City of Clinton discussed its Regional Sewer Project and other projects including the 19th Avenue North Extension. Representatives from Camanche discussed the Washington Boulevard Project. CRDC also met specifically with Senator Richard Durbin to bring to his attention the many exciting things occurring on the Illinois side of our Region. Many thanks to the Clinton Area Chamber of Commerce for coordinating the trip.

CURRENT PROJECT STATISTICS

Project Load:

- 15 - Active Projects

Source of Lead:

- 1 - IDED
- 2 - Direct
- 12 - Regional Projects / Projects within CRDC Bi-State Region

Lead by Target Industry:

- 2 - Services
- 10 - Manufacturing
- 3 - Value-Added Agriculture

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A "Scorecard" tracking our monthly sales- marketing activities is available to investors on our Web Site @ www.clintondevelopment.com. If investors would like more details about our current project mix, please contact Steven Ames, President & CEO, at sames@clintondevelopment.com.