

t's not easy winning big investment projects, especially in a recovering economy where states are desperate for jobs and competing fiercely with incentive packages, tax breaks, and work force development programs. Successful economic development leaders must make every effort to understand the drivers behind a company's expansion or relocation, match their assets to the company's needs, and make quick decisions. Only then can they survive the often-strenuous due-diligence process and close deals on high-value investment projects that lead to long-term economic growth, job creation, labor stability, and trustworthy relationships — and even the possibility of national or international recognition as a place to do business.

With that in mind, *Area Development*'s annual Gold and Silver Shovel Awards recognize individual states for their achievements. This year, three states that were top achievers — Indiana, Michigan, and South Carolina — are being awarded Gold Shovels in recognition of projects undertaken in 2010 creating a significant number of high value-added new jobs as well as investment. Silver Shovels are being awarded to nine runner-up states in three population categories. The Silver Shovel Award recipients are Texas, North Carolina, and Georgia in the greater than 9 million

population category; Alabama, Tennessee, Kentucky, and Louisiana in the 4 to 9 million population group; and the fewer than 4 million population category is represented by Mississippi and Kansas.

# GOLD SHOVEL AWARDS Indiana

After winning Silver Shovels in 2008–2010, Indiana received its first Gold Shovel Award this year — a reflection of its business-friendly environment and talented work force. Key Indiana clusters include transportation, distribution and logistics, sustainable energy, IT, and advanced manufacturing.

Automotive continues to be a growing industry in the state, including "green" car manufacturing, such as Think North America's \$43.5 million plant in Elkhart that will produce electric cars. The biggest news is Chrysler Group expanding its transmission manufacturing facilities in Kokomo; this \$1.15 billion investment will enable production of advanced front-wheel drive automatic transmission for future vehicles and employ 400 workers.

"Kokomo has been the center of our power-train strategy for years and this additional investment reaffirms that position," says Chrysler Group CEO Sergio Marchionne. "We're committed to this community and its work force and appreciate the support of the City of Kokomo."

#### **Michigan**

Michigan also received its first Gold Shovel Award after winning Silver Shovels in 2006–2007 and 2009–2010. The state continues to build on its global reputation for excellence in automotive manufacturing and R&D. Every major vehicle-related manufacturer and supplier has a research presence here — in fact, Michigan is fourth in the nation in research intensity (ratio of expenditures to gross state product).

Michigan is also fastbecoming a major player in batteries for hybrid vehicles. Dow Kokam is building a \$342 million plant in Midland to manufacture advanced lithium-ion batteries. TSC Michigan is spending \$31.1 million to construct a facility in Northville that will produce lithium-ion electrolytes for the battery industry; approximately 300 new jobs will be created over five years at the facility. A third company — LG Chem Limited — plans to open its first North American lithium-ion battery plant in Holland, Michigan. The \$303 million facility will generate 300 jobs. LG Chem selected Holland for its infrastructure, work force, and a quality of life that would be attractive to transferring executives.

#### **South Carolina**

Like Indiana and Michigan, this is also South

# **GOLD** Shovel Winners



## ★ INDIANA (pop. 6.4 million)

Company	City/County	N/E	# Jobs	Inv. Amt.	Industry
1. Chrysler Group LLC	Kokomo	Е	400	\$1.15 billion	Automotive
2. Abound Solar Manufacturing, LLC	Tipton	N	850	\$524.6 million	Renewable Energy
3. Dow Agro Sciences, LLC	Indianapolis	E	577	\$343.9 million	R&D
Progress Rail Manufacturing Corp.	Muncie	N	650	\$50 million	Locomotive Engines
5. Exact Target, Inc.	Indianapolis	E	500	\$71.7 million	Information Technology
6. Think North America	Elkhart	N	415	\$43.5 million	Green Automotive
7. EnerDel, Inc.	Indianapolis	E	1,401	\$314 million	Lithium-Ion Batteries
8. Arcadia Resources, Inc.	Indianapolis	E	934	\$3.9 million	Medical Services
9. Genesco Inc.	Indianapolis	E	571	\$22.1 million	Sporting Goods
10. Ascension Health Shared Services, LLC	Indianapolis	N	500	\$10.9 million	Back Office Operations

## MICHIGAN (pop. 9.8 million)

Company	City/County	N/E	# Jobs	Inv. Amt.	Industry
1. Johnson Controls -SAFT	Holland	N	1,096	\$220 million	Advanced Batteries/ Lithium-lon
2. Dow Kokam	Midland	N	480	\$342 million	Advanced Batteries/ Lithium-lon
3. LG Chem/Compact Power	Holland	Е	300	\$303 million	Advanced Batteries/ Lithium-lon
4. TSC Michigan	Northville	N	279	\$31.1 million	Lithium-Ion Battery Electrolytes
5. Dow Powerhouse Solar Shingles	Midland	N	1,275	\$240 million	Solar Shingles
6. Ford Motor Co.	Van Buren, Sterling Heights, Livonia, Dearborn	Е	1,200	\$850 million	Hybrid Cars
7. Whirlpool Corp.	Benton Harbor/ St. Joseph	Е	NA	\$86.8 million	Headquarters
8. Four Winns	Cadillac	E	2,320	\$63 million	Fiberglass Boats
9. BioDri	Blissfield	N	337	\$39.5 million	Alternative Energy
10. Diplomat Specialty Pharmacy	Flint	E	139	\$12 million	Call Center/ Distribution

## ★ SOUTH CAROLINA (pop. 4.6 million)

Company	City/County	N/E	# Jobs	Inv. Amt.	Industry
1. Proterra	Greenville	N	1,300	\$68 million	Alternative Fuels/ Automotoive
2. Dixie Narco	Barnwell	E	1,000	\$20 million	Machinery
3. Johnson Controls	Florence	N	250	\$100 million	Recycling
4. First Quality Enterprises	Anderson	N	1,000	\$1 billion	Paper Products
5. ZF Group NAO	Laurens	N	900	\$350 million	Automotive
6. Caterpillar	Newberry	Е	500	\$15 million	Transportation Eqpt.
7. CT&T Co., Ltd.	Spartanburg	N	370	\$21 million	Automotive
8. Robert Bosch LLC	Dorchester	Ε	305	\$125 million	Automotive
9. South Carolina Tissue, LLC	Barnwell	N	200	\$140 million	Paper Products
10. Boeing Fabrication Interiors	Charleston	N	150	\$100 million	Aerospace

<sup>\*</sup>Represents a project(s) supported by a state/local sponsor