

Missouri
Partnership
2014
Annual Report



2014: a record year

In all of the Missouri Partnership's key performance indicators—number of recruitment wins, new jobs, new payroll and new capital investment announced—the Partnership's 2014 totals have surpassed any previous individual year since the organization was formed seven years ago.

A MESSAGE FROM THE CHAIRMAN

This past year was remarkable for economic development in Missouri, and the most successful year-to-date for the Missouri Partnership. We were pleased to be a part of 21 project announcements, bringing 3,740 new jobs and over \$486 million in capital investment to the state.

Recruitment projects were announced in the Kansas City and St. Louis metropolitan areas, as well as Bethany, Cape Girardeau, Moberly, St. Joseph and Warrensburg. Fargo Assembly of PA, Inc., GAF, Janesville Acoustics, Schutz, Select Plastics, Sungevity and Total Quality Logistics were but a few of the companies announcing plans to locate new facilities in the Show-Me state. Among them, six were the result of the Partnership's international marketing efforts.



As you know, the Missouri Partnership is also responsible for marketing the state as an optimal location for new business investment. That hard work paid off when Development Counsellors International (DCI) ranked the Partnership as "Best in Class" for state economic development organizations.

Missouri was also recognized for having the best state economic development organization for 2014, according to the American Economic Development Institute and Pollina Corporate Real Estate, Inc. 2014 also marked the 5th year in a row that Pollina named Missouri a Top 10 Pro-Business State. As one of the few Midwestern states to have earned these distinctions, we're reminded again of the tremendous potential Missouri offers businesses from around the globe.

While this year will go down in the books for yielding wonderful accolades and record-breaking results, it would not have been possible without the commitment and support of our exceptional partners and economic developers from around the state. These achievements represent a higher quality of life for all Missourians. Each new job and every dollar that goes into a community makes a difference in the lives of those who live and work in our great state.

Our goal at the Missouri Partnership is to maintain Missouri's status as a leader in the global marketplace and continue to attract quality companies and jobs to the state. Changes in leadership have taken place at the Partnership in the past few months as we have searched for a new CEO. Subash Alias has successfully been leading the organization in the interim, and we are excited that Steven Johnson will come on board as the new CEO effective April 6, 2015.

We are thankful for the support of our Board, the Hawthorn Foundation, the Missouri Department of Economic Development and our many partnering organizations. We greatly appreciate the opportunity to work on behalf of the state for continued economic growth and prosperity for all Missourians.

—Duane Simpson
Chairman of the Board of Directors

7

years in existence

85

successful business recruitment projects led or supported since inception

21

successful business recruitment projects led or supported in 2014

**ABOUT THE
MISSOURI
PARTNERSHIP
PAGE 4**

3,740

new jobs

\$203.5M

new annual payroll

\$486.5M

new capital investment

**BUSINESS
RECRUITMENT
ACHIEVEMENTS IN 2014
PAGE 6**

44

trade shows and conferences attended

27

local and regional groups participated in cooperative marketing events

15.3M

online ad campaign impressions

EVENTS, MARKETING
AND CAPACITY
BUILDING IN 2014
PAGE 8

\$557

cost-of-sales for new jobs

\$444

cost-of-sales for every \$43,438 (statewide average wage) in new payroll recruited

\$428

cost-of-sales for every \$100,000 in new capital investment recruited

FINANCIAL
REPORT
FOR 2014
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ABOUT THE MISSOURI PARTNERSHIP

The Missouri Partnership was formed as the principal business recruitment and marketing organization for the state of Missouri in 2007. Although economic development also includes fostering entrepreneurship and expansion of existing businesses, the Partnership's mission specifically focuses on attracting new industry to Missouri. The Partnership promotes Missouri's advantages over other states while also helping companies navigate business incentive negotiations, regulatory permitting issues and other factors important in the investment decision.

THE MISSOURI PARTNERSHIP IS:

Subash Alias

Interim CEO and Vice President of Business Recruitment

Clint O'Neal

Vice President of Business Recruitment

Deborah Price, Esq.

Vice President of Business Recruitment

Dennis Pruitt, CEcD

Vice President of International Business Recruitment

Janelle Higgins

Business Recruitment Manager

Cara Cannon Weber

Business Recruitment Manager

Marion During

Marketing Communications Manager

Amy Monahan

Creative Manager

Erin Pettit

Marketing Events Manager

Leah Hill

Research Librarian and Internet Marketing Manager

Kylee Garretson

Office Manager-Admin Support

Recruiting new industry to Missouri is important for many reasons. Chief among them is new job creation and capital investment, as well as tax base expansion in the community where a business locates. Attracting

new industry not only further diversifies the state's economic base, but it also provides new market opportunities for existing industry. For example, if Missouri recruited a new auto assembly plant, there would be additional opportunities for the state's existing auto parts manufacturers to supply the new assembly operation; this, in turn, could lead to further expansion and investment by those existing suppliers.

Perhaps more important, but less tangible, is the positive attention Missouri receives in the business world when globally recognized companies decide to locate in Missouri. Actual success raises the perception of success, which brings further recruitment opportunities for the state.

Economic development always relies upon the efforts of multiple partners at state, regional, and local levels. The Missouri Partnership is fortunate to collaborate with talented and dedicated partners, and is pleased to be one of many team players assisting in landing business investment projects in Missouri. As a public-private, non-profit corporation, the Missouri Department of Economic Development (DED) and the Hawthorn Foundation support the Partnership.

The Missouri Department of Economic Development develops and administers the wide array of financial incentive programs that make Missouri a financially competitive option for expansion-minded companies. The Missouri DED also assists in the expansion of businesses already located here, further strengthening the business climate that the Missouri Partnership aggressively markets to corporations both domestically and abroad.

The Hawthorn Foundation is a diverse group of Missouri leaders in business, education, healthcare, and labor dedicated to the development of a vibrant economy for the state of Missouri. The Hawthorn Foundation raises money from the private sector to provide financial support for special needs and projects related to economic development in Missouri, and provides a significant portion of the funding for the Missouri Partnership.



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Monsanto



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Mike Downing
Missouri Department of
Economic Development



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KCP&L



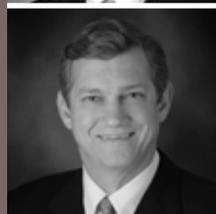
Dr. Hank Foley
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Springfield Area Chamber
of Commerce



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Missouri Employers Mutual



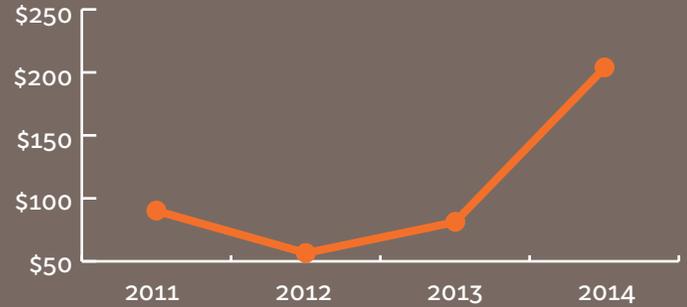
Mark Woodson
Associated Electric Cooperative

The Missouri Partnership is led by a Board of Directors from all across Missouri.

number of recruitment wins



new annual payroll (in millions)



number of new jobs



new capital investment (in millions)



<i>Companies recruited to Missouri in 2014</i>	<i>Location chosen</i>	<i>Jobs</i>	<i>Annual payroll</i>	<i>Capital investment</i>
Boeing	Berkeley	700	\$59,500,000	\$73,000,000
Challenge Mfg. Company	Kansas City	375	\$16,491,000	\$64,624,000
Fargo Assembly of PA, Inc.	Bethany	100	\$1,872,000	\$460,000
foodservicewarehouse.com	Kansas City	40	\$1,500,000	\$1,750,000
GAF	Moberly	125	\$5,834,375	\$150,000,000
Jason Inc. / Janesville Acoustics	Warrensburg	164	\$5,415,116	\$13,400,000
Jurox Inc.	Kansas City	13	\$1,204,996	\$855,000
KWS SAAT AG	Creve Coeur	68	\$5,580,012	\$13,760,000
Kaiima Bio Agritech Inc	St. Louis	6	\$732,000	\$310,000
LMV Automotive Systems (Magna International, Inc.)	Liberty	166	\$6,530,440	\$48,770,412
Leggett & Platt Commercial Vehicle Products	Kansas City	25	\$900,000	\$100,000
Martinrea Automotive Systems (USA), Inc.	Riverside	290	\$10,843,970	\$60,000,000
Mind Mixer	Kansas City	80	\$6,240,000	\$1,502,612
Orbital Engineering	St. Louis	35	\$2,408,000	\$452,110
Schütz	St. Joseph	50	\$1,650,000	\$23,132,114
Sedgwick LLP	Kansas City	125	\$8,500,000	\$4,649,631
Select Plastics	Cape Girardeau	28	\$994,560	\$5,850,000
Sungevity	Kansas City	595	\$36,322,370	\$13,999,903
Targeted Metrics	Kansas City	535	\$20,764,955	\$5,800,000
Total Quality Logistics	St. Louis	95	\$5,700,000	\$1,280,000
XPO Logistics	Kansas City	125	\$4,524,500	\$2,788,686

21

business recruitment projects won in 2014

\$203.5M

new annual payroll recruited in 2014

\$486.5M

new capital investment recruited in 2014

3,740

new jobs recruited in 2014

372

new projects and inquiries in 2014

number of new active projects or inquiries created each year (both led and supported)



BUSINESS RECRUITMENT 2014 was a momentous year for the state of Missouri in terms of economic development. It was also an exciting year for the Missouri Partnership as 2014 was the most successful year-to-date for the organization. Recruitment projects were not only announced in the Kansas City and St. Louis metropolitan areas, but also in some of the state’s micropolitans and more rural areas. Among the 21 project announcements this year, six were a result of the Partnership’s international marketing efforts.

Pictured below (05-21-2014): Missouri Governor Jay Nixon joins other officials for the ribbon cutting ceremony at Grupo Antolin’s 148,000 square-foot automotive manufacturing facility in Kansas City. An international automotive supplier, Grupo Antolin’s Kansas City facility houses high-tech manufacturing equipment that will produce customized headliners for Ford’s all new Missouri-made Transit van.



Pictured above (06-16-2014): Missouri Governor Jay Nixon joins other officials at the Donald Danforth Plant Science Center’s BioResearch and Development Growth Park to announce that KWS selected St. Louis to be the home of its new North American research facility. KWS, a leading global plant science company headquartered in Germany, has been breeding crops for temperate climates for more than 150 years.

EVENTS The Missouri Partnership represents the state at trade shows, conferences, events and other meetings around the U.S. and certain overseas markets. Strong relationships are vital for Missouri's consideration as a location for new investment opportunities. In the effort to market Missouri for business recruitment, this direct engagement with our target audience is crucial to success.

1. Chris Chung, Bill Riggins, Bruce Hackman and Ryan Mooney attended the International Association of Outsourcing Professionals (IAOP) conference in Orlando in February.
2. Clint O'Neal, Steve Halter, Tim Arbeiter and George Walley attended the Retail Industry Leaders Association (RILA) Conference in San Diego in February.
3. In April, the Missouri Partnership hosted a VIP dinner during the Industrial Asset Management Council Professional Forum in Pinehurst, North Carolina.
4. In September, the Partnership hosted a Mark Twain-themed reception during the Midwest U.S.-Japan Association Conference in Des Moines, Iowa in partnership with the Missouri Department of Economic Development.
5. In October, the Missouri Partnership, together with several community partners, hosted site consultants at Arrowhead Stadium in Kansas City to watch the Chiefs-Rams football game.
6. In May, the Missouri Partnership hosted a foreign direct investment brunch with a number of consular officials and trade representatives in Chicago. This annual event allows Missouri communities and the countries represented to exchange economic presentations and updates.
7. In November, the Missouri Partnership, together with several community partners, hosted the Chicago International Trade Commissioner's Association on a tour of various businesses and locations in the St. Louis region to learn about the available resources supporting foreign direct investment in Missouri.





MARKETING AND CAPACITY BUILDING

One important part of the Missouri Partnership's mission is to market the state's business advantages. Mass marketing has the power to raise Missouri's visibility in the business world, shape the perception of the state's business climate and reach out to a wide audience of decision-makers. Recognizing this importance, the Partnership includes paid advertisements, public relations, earned media, social media and an online presence among its mass marketing tools.

However, marketing the state goes beyond the Missouri Partnership's abilities alone. Every year the Partnership uses a cooperative marketing approach, teaming up with other economic development groups from around the state to share the costs associated with various marketing activities. Examples of the Partnership's cooperative marketing include: the Dallas VIP dinner (*featured at right*); the RILA Conference (*featured on page 8*); and the *IndustryWeek* supplement (*featured below*).

The Partnership also extends its capabilities to regional and local economic development organizations in order to help them market themselves and stay ready for new business opportunities. This includes the community competitiveness assessments, which allows participants to increase their exposure to—and receive valuable input from—site selection consultants.



Pictured above: In September the Partnership published its fourth annual *IndustryWeek* ad supplement in partnership with nine organizations from around the state: Ameren Missouri; Cape Girardeau Area MAGNET; the City of Hazelwood; Economic Development Center of St. Charles County; Joplin Regional Partnership; Moberly Area Economic Development Organization; Springfield Area Chamber of Commerce; St. Louis Regional Chamber; and Taney County Partnership. The 16-page piece—entitled “Missouri: a business field guide”—featured a variety of Missouri's manufacturing companies and received over 120,000 impressions when it was distributed by *IndustryWeek Magazine*.

44

trade shows and conferences attended

15.3M

online advertisement impressions

118

cooperative marketing spots offered

71,860

email newsletters sent

number of organizations participating in cooperative marketing by state region



DALLAS VIP DINNER In September the Missouri Partnership hosted a VIP dinner for some of the country's top site consultants at the world famous Abacus restaurant in the heart of the uptown district in Dallas, Texas.

The highlight of the evening included a chef demo by Abacus owner and 2008 Iron Chef America winner Kent Rathbun, a Kansas City native, during which he cooked a special risotto for all the guests. Another fun aspect of the event was a performance by Springfield-based comedian Jeff Houghton.

While the event was planned and hosted by the Missouri Partnership, it would not have been possible without

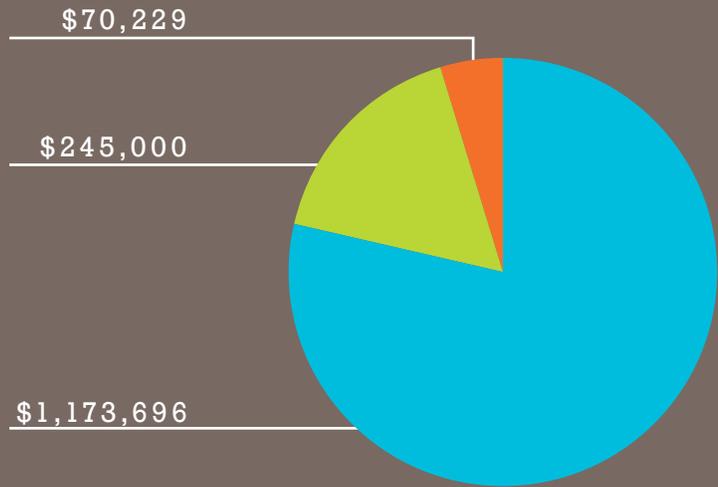
the support of our partners: Cyndra Lorey with the Rolla Regional Economic Commission, Jeff Seifried with the Springfield Area Chamber of Commerce, Kevin Welch with the Joplin Regional Partnership, and Lori Becklenberg with the St. Louis Regional Chamber.

The Dallas VIP dinner was the first event of its kind for the Missouri Partnership. In the past, most Partnership-hosted events—outside of a conference or forum—have been sports-related. The Dallas dinner was such a success that the Partnership already has plans underway for another dinner event in New York City for September of 2015.



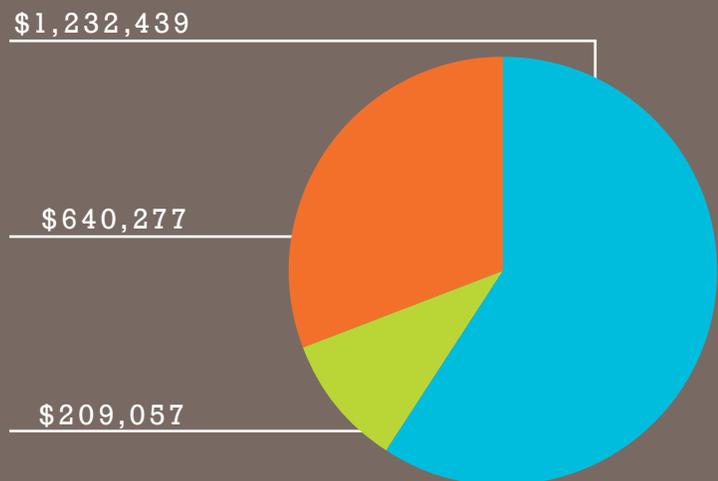
2014 Funding sources

- Promote Missouri public-sector funding
- Hawthorn Foundation private-sector funding
- Other



2014 Expenses

- Professional services
- Operating
- Direct marketing



“Cost-of-sales”
is determined
by total
expenses for
2014 compared
to results.

\$2.08M

expenditures in 2014

\$557

cost-of-sales for each new job recruited

\$444

cost-of-sales for every \$43,438 (*statewide average wage*) in new payroll recruited

\$428

cost-of-sales for every \$100,000 in new capital investment recruited

FINANCIALS The Missouri Partnership strives to provide a high return-on-investment by attracting jobs, payroll and capital investment to Missouri while using few resources.

In 2014, the Missouri Partnership received a total of \$1,488,925 in funding. The Partnership receives both public funding through the Missouri Department of Economic Development and private funding through the Hawthorn Foundation. This combination of public and private resources allows the Partnership to maintain consistency and financial stability over the long term.

Comparing expenditures with the recruitment results for each year determines a cost-of-sale for the Missouri Partnership’s activities. In 2014, the Partnership used \$2,081,773 of funding, which equates to \$557 for each new job, \$444 for every \$43,438 in new payroll (*\$43,438 was the statewide average wage in 2014*), and \$428 for every \$100,000 in new capital investment recruited to Missouri. It is important to note that these calculations are based on company commitments at time of project announcement, and actual results may exceed or fall below stated commitments.

The Missouri Partnership operates on a fiscal year (July 1–June 30). Reporting on a fiscal year basis will begin at the conclusion of FY 2015. Calendar Year 2014 finances are reflected using the cash method and do not include all funding accrued in CY 2014.



The Missouri Partnership focuses on recruiting new business to the state, and is a non-profit organization supported by the Missouri Department of Economic Development and the Hawthorn Foundation.

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