

Rockforward2! Connect. Act. Thrive.

momentum

2014 Annual Report • Year Two

Rockford
ILLINOIS USA

ROCKFORD AREA ECONOMIC DEVELOPMENT COUNCIL

2014 Project Wins

And the numbers are in ...

2,500+

New and Retained Jobs

\$320 million

Invested in the Rockford Region

2.5 million

Square Feet of New or Renovated Space



Dear Investors and Stakeholders:

Progress isn't always easy to see.

Sometimes the only time you realize how far you've come over 1 year, or 5, or 10, is when you're forced to stop and reflect upon the magnitude and impact of your efforts.

Sometimes, others point it out. They see it with a fresh set of eyes. People visiting or moving back to the Rockford Region after years away comment on much has changed, so much so that they get lost sometimes.

When we look back at 2014, we see not only a tremendous year but also positive trends since 2010. The future holds even more to celebrate. You can boil it down to one word: **momentum**. Hence, the theme of our annual report.

This momentum has added up to a \$1 billion investment in our community over the next few years.

None of this would be possible without the collaboration and support of our **Investors, Government Leaders, Board Leadership, Solution Teams/Committees** and **Community** at large. They allow the RAEDC to offer assistance and resources for clients in business attraction and business retention & expansion to create an environment for primary job growth.

The collective, broad nature of our work makes it difficult to point to one single win or success at any given time. We are tasked to benefit the greater good; taking credit just doesn't fit with our mission. Our job is to funnel leads, connect businesses to the people and resources they need, and support projects from start to finish.

Throughout this report, we applaud significant achievements of 2014. They include:

- Two major projects broke ground at Chicago Rockford International Airport: AAR Corp.'s MRO facility and the Rock Valley College aviation maintenance training facility to feed the aerospace workforce pipeline.
- Komax Systems, a Rockford manufacturer of automated assembly systems, stayed in Winnebago County after considering a move north to Wisconsin. We retained a company that will add 30 new jobs and \$3 million in investment.
- The Rockford School District earned national recognition – designated a Ford Next Generation Learning Community – for its innovative high school redesign, supported by the RAEDC Leadership Council's Emerging Opportunities Fund over three years.
- The RAEDC marketed the value and capabilities of the Rockford Region to the world – attending three high-profile trade shows, hosting foreign delegations, and traveling abroad to initiate and foster key partnerships.
- We encouraged local companies to “Go Global” by holding a conference in Rockford.
- And we promoted our rich logistics, airport and I-39 corridor development opportunities to hundreds of decision-makers in the Chicago area and Midwest at two events.

We are committed to persistence and continuity in our work, so we are delighted that Sagar Patel, our 2015-16 Chairman, is energized to leverage many positive changes and seize new opportunities ahead as we craft our next strategic plan.

Joel Sjostrom

2013-14 Chairman of the Board

Michael Nicholas

President



What We Do

The Rockford Area Economic Development Council (RAEDC) is a nonprofit organization that works with private and public partners to improve the economic strength of the Rockford Region by helping employers retain and create quality jobs.

What does that mean?

We market the Rockford Region throughout the Midwest and the nation as well as worldwide, influencing companies to locate or expand here.

Our work includes trade shows, business development with site selectors and other business decision-makers, and targeted story/ad placement in trade publications.

We provide and connect companies to resources for workforce development, available buildings, supply chain partners, incentives, imports/exports, operational efficiencies and more.

Did you know that we have surveyed almost 1,000 companies in the past decade to stay in touch with the needs of our local businesses?

We promote growth and collaboration within targeted industries. Examples include aerospace, health care, metals manufacturing, logistics and food processing.

This could mean supply chain matchmaking, responding to data requests or pitching viable locations for new businesses.

The results of our work can sometimes be difficult to show.

1. We often work behind the scenes due to the confidential nature of business projects.
2. Big deals take time: The average time from start to completion on the more than 20 announced project wins in 2014 was 665 days, with several projects requiring more than three years.
3. Economic development is complicated. It takes a variety of tools and partners. And it is not one single thing; it can involve other initiatives like community development, retail development and downtown development.

The RAEDC's energetic staff of professionals works closely with more than 200 investors, government officials, business leaders and community partners to boost the Rockford Region's cutting-edge competitiveness.

It is our job to engage everyone in the daily work of economic development. We strive to be transparent through our website, new monthly President's Newsletters and other communications so that the community can better understand what we do – and see the positive momentum benefitting us all. It's an exciting time to be here!

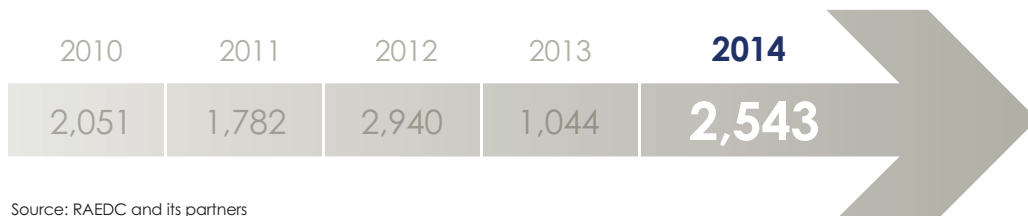
Be part of the momentum. Follow us at www.rockfordil.com and on Facebook, Twitter (@rockfordareaEDC) and LinkedIn.



5 Years of Momentum

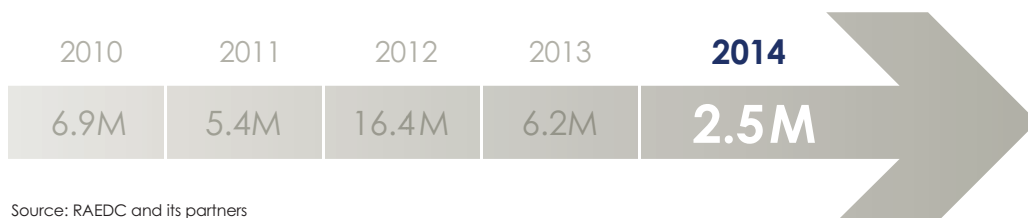
Progress cannot be measured in one year alone. Economic indicators of success have been on positive trend lines since 2010. See the collective impact of the past five years:

New and Retained Jobs from Regional Project Wins



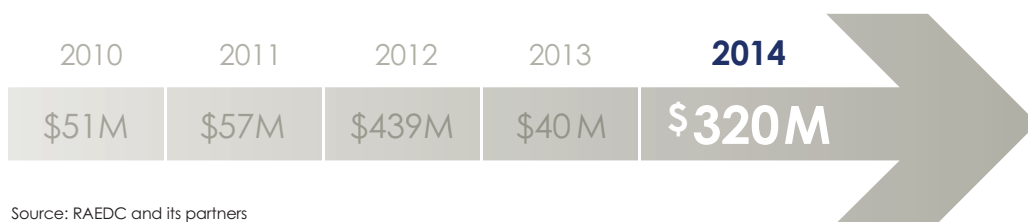
Source: RAEDC and its partners

New and Renovated Space, in Square Feet



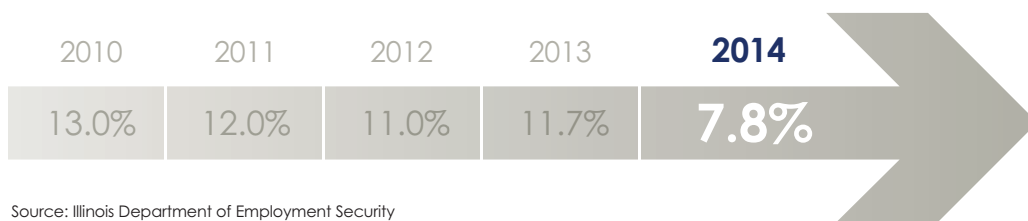
Source: RAEDC and its partners

New Investment from Companies Locating New or Expanded Businesses in the Region



Source: RAEDC and its partners

Rockford MSA Year-End Unemployment Rate



Source: Illinois Department of Employment Security



AAR Corp.



2014 Project Success:

AAR Corp. is building a 24/7 jet maintenance, repair and overhaul (MRO) operation at Chicago Rockford International Airport.

NUMBER OF JOBS: **500**

DOLLARS INVESTED: **\$40 MILLION**

SQUARE FEET: **200,000**

TIMELINE: Announced in August 2014; groundbreaking in October 2014;

OPENING EXPECTED IN 2016.

Why did you choose the Rockford Region to locate your hangar facility?

We believe the Chicago Rockford International Airport has the correct assets (runways, air traffic control, and educational opportunities) along with strong leadership. AAR is the largest operator of MRO facilities in the United States, and we are proud to add our seventh facility close to our global HQ, with a focus on maintaining next generation aircraft.

How was your collaboration with the RAEDC and other partners instrumental in this project?

Realizing the RAEDC has over 200 investors, which include the largest employers in the Rockford Region, we were excited about those connections. Also, the RAEDC and other partners were highly instrumental in activating the audience for the Rock Valley College aviation open house, just a few months back.

What resources or benefits were important during the process?

Overall, we found the RAEDC to be super supportive in helping us understand demographic and regional data, so a go/no-go decision could be made. In addition, the RAEDC has access to business, political and community leaders, which helped deliver the velocity and economic incentives necessary to push everything across the finish line.

What excites you most about the future of this project and/or your company?

The trend of further widebody maintenance activity here in North America is positive, and the Rockford hangar will give us additional airframe facility supply, which helped AAR make this future-focused investment. We are extremely excited about powerful activity at Rock Valley College, and their Aviation Maintenance Technology curriculum, along with their new facility that is currently being built.

What excites you most about the future of the Rockford Region?

The region has a progressive and aggressive approach, especially Mr. Mike Dunn over at the Airport. Transform Rockford is exciting, as they know that the Rockford Region is free to be a top 25 community. The Region is a preeminent aerospace cluster with terrific employers like Woodward, Inc., so it is incumbent upon us all to offer our services and expertise to the world.

What aspect makes this project special that should not be overlooked?

The Rockford Region must see themselves as the ultimate economic development site in the entire Midwest. We all here in the State of Illinois must have optimism and faith in the future. And the future is coming fast.

"The Region is a preeminent aerospace cluster... so it is incumbent upon us all to offer our services and expertise to the world."

Greg "G-Man" Dellinger

Director of Government Relations, AAR Corp.



Other project successes in 2014

✦ Excel Gear expanding in Roscoe

Excel Gear is investing \$1.5 million to create 10 new jobs. Excel Gear brings more than 50 years of machine tool experience to the design, manufacturing and quality analysis of its gear, gearbox, fluid bearing, spindle, CNC gimbal head, nutator and special equipment production.

✦ FedEx expanding in Rockford Region

FedEx announced in June 2014 that it is moving its ground operations to Rock 39 Industrial Park in Cherry Valley, investing \$20 million in a new facility to expand operations and improve efficiency and creating 50 new jobs.

All World Machinery Supply

2014 Project Success:

All World Machinery Supply, a machine tool parts supply company which also designs, services, builds and supplies hydraulic, pneumatic and motion-control parts, is moving near Willowbrook and Rockton roads near Interstate 90 in Roscoe. Soon to be expanding into rebuilding refurbishing machinery and new specialty machine and control designs.

NUMBER OF JOBS: **58 NEW JOBS**

DOLLARS INVESTED: **\$3.8 MILLION**

SQUARE FEET: **38,000**, with potential to expand to **100,000** – in four separate phases.

TIMELINE: Announced in June 2014; groundbreaking in August 2014;
OPENING EXPECTED IN JUNE 2015.

Why did you choose the Rockford Region to locate your business?

We chose the Rockford Region because it is a very diverse area with a lot of growth potential. We see many great opportunities in this region including manpower, skill sets, manufacturing base and location. All of these are great benefits for us as a business and the companies we partner with.

How was your collaboration with the RAEDC and other partners instrumental in this project?

RAEDC was very influential in showing us what opportunities the Rockford Region had to offer us. Carrie Zethmayr of the RAEDC was particularly helpful in providing assistance to get us the information we needed to present to the ownership of All World, for an understanding of the benefits of this region.

What resources or benefits were important during the process?

Regional data on workforce and what types of industries are in the region. This information was helpful in helping guide us in our decision.

What excites you most about the future of this project and/or your company?

Our new location will allow us the space we need to grow our business. The high visibility next to I-90 and Rockton Road offers great exposure for us.

What excites you most about the future of the Rockford Region?

Growth and working with local colleges like Rock Valley College to develop training opportunities, which will help us and the region.

What aspect makes this project special that should not be overlooked?

We are a manufacturing support company. We feel our presence in the region will encourage other industries to see the Rockford Region as a great investment for new business in the future.

“We see many great opportunities in this region including manpower, skill sets, manufacturing base and location.”

David Koepp

President and CEO



✦ Komax Systems expanding in Loves Park

Komax Systems, a Rockford manufacturer of automated assembly systems, is moving into The Business Park at Spring Creek Lakes in Loves Park under construction along Interstate 90. The company president, who considered moving north to Wisconsin but felt loyalty to Winnebago County, says he plans to hire 25 engineers and technicians by the end of next year at the new Spring Creek Development site. The development reflects 30 new jobs and a \$3 million investment.

✦ Mechanical Inc. expanding in Rockford

Mechanical Inc. announced in the first quarter of 2014 that it is investing \$3 million in a 40,000-square-foot facility on Falcon Drive in Rockford, which will create five new jobs.



Reclaiming First



2014 Project Success:

Reclaiming First is a community-wide comprehensive economic development plan to enhance and enlarge the sports facilities in the Rockford Region and reclaim the region's dominance in sports tourism. The plan will retain, regain and grow sports tourism in an increasingly competitive market vying for sports tourism dollars, and provide world-class amateur sports tournament facilities for Rockford area residents.

NUMBER OF JOBS: **210**

DOLLARS INVESTED: **\$54 MILLION**

TIMELINE: Construction began in August 2014; **ALL FACILITIES ARE EXPECTED TO OPEN IN 2016.**

Why did you choose to expand your operation and footprint in the Rockford Region?

As the District's Sportscore complexes gained popularity, other communities recognized the success and began to compete for these tourism dollars. The competition caused us to fall behind in the marketplace. The economic consequences provided the foundation of the case for retaining, regaining and reclaiming our position as the leader in sports venues.

How was your collaboration with the RAEDC and other partners instrumental in this project?

As a result of the regional support from organizations such as RAEDC, citizens and elected officials, this ambitious project has evolved considerably since its conception in 2010. The now \$54 million capital project includes a downtown riverfront indoor sports facility and expansion of the existing indoor/outdoor sports center near Interstate 90. An unprecedented level of intergovernmental, regional collaboration and community coordination is credited for turning this initiative into a tangible project, which kicked off construction August 1, 2014.

What resources or benefits were important during the process?

A joint effort of regional municipalities, along with state legislative members, passed legislation authorizing local implementation of a 2 percent hotel/motel tax to help fund the sports complexes expansion and institute the Winnebago County Regional Tourism Facility Board (WCRTFB) to govern the tax funds. WCRTFB member entities include the County of Winnebago, cities of Loves Park, Rockford, and South Beloit, villages of Cherry Valley, Machesney Park, Rockton, and Roscoe, Rockford Area Convention & Visitors Bureau, and Rockford Park District.

Financial pledges have also been made from WCRTFB members' operational budgets, including \$7 million from Winnebago County, \$10 million from the City of Rockford, \$10 million in state of Illinois grants, \$9 million from Rockford Park District, \$3.38 million from Loves Park, \$50,000 from Machesney Park, and \$10,000 from Cherry Valley. WCRTFB members are also providing in-kind support to the project, such as the Rockford Area Convention & Visitors Bureau marketing to attract major tournaments and conventions, Winnebago County administering collection of the hotel tax, and the City of Rockford managing design, construction and funding for the downtown facility project.

What excites you most about the future of this project and/or your company?

Reclaiming First will be a catalyst for unprecedented tourism growth, creating positive economic impact. Plus, Park District and Winnebago County residents will have even more world-class recreational facilities to enjoy within their own community.

What excites you most about the future of the Rockford Region?

I look forward to seeing the results of our community transformation. I want us to have a positive self-image as a region, a focus on long-term, sustainable strategies for economic growth and development, and a highly collaborative approach to serving citizens.

What aspect makes this project special that should not be overlooked?

In the course of governance, community leaders are often forced to vie against one another as they contend for limited resources. Not only will Reclaiming First infuse the regional economy, it is a platform in which intergovernmental cooperation has reached new heights, and is continuing to grow. Reclaiming First is a legacy project – not because of the structures built, or the monies raised. The true legacy of this project is the unification of a region working closely together in dedicated service to its citizens.

"Reclaiming First will be a catalyst for unprecedented tourism growth, creating positive economic impact."

Tim Dimke

Executive Director,
Rockford Park District

Other project successes in 2014

✦ Meijer locating in Rockford and Machesney Park

Meijer is investing \$40 million to build 192,000-square-foot grocery stores along Illinois 173 in Machesney Park and Perryville Road in Rockford; the two locations are expected to open in 2015 and employ 500 people total.

✦ Practice Velocity expanding in Machesney Park

Medical software business Practice Velocity, which employs 220 people, opened its \$8 million, 63,000-square-foot office in the former Kohl's space of Machesney Park Mall in November 2014. Practice Velocity serves more than 2,000 physicians in more than 1,000 urgent care centers across the nation.

✦ The Connection expanding in Loves Park

The Connection call center expected in September 2014 to hire 250 more employees to fill various customer service-related roles at its Harlem Road location in Loves Park.

Packaging Coordinators, Inc.

2014 Project Success:

In March 2014, PCI, a global leader in pharmaceutical development and packaging, converted underutilized space to accommodate growth in packaging services, providing a 35,000-square-foot expansion to its main Assembly Drive location.

In October, PCI celebrated the opening of a 93,000-square-foot, state-of-the-art storage and distribution site at Logistics Parkway for supporting clinical trials.

Why did you choose the Rockford Region to locate your business?

With the backdrop of a rich 40+ year history of local growth and expansion of Anderson Packaging/AndersonBrecon, PCI continues to operate and significantly invest in our Rockford center of excellence, now totaling nine facilities, over 1 million square feet of space and approximately 1,500 employees. The strength and vitality of our Rockford business fuel our global growth and expansion, and the opening of our new global storage and distribution facility for investigational medicines underscores the exciting direction of the company. Our Rockford sites feature leading technologies, a well-trained workforce, and a convenient proximity to O'Hare airport for domestic and international clients to come to visit Rockford.

How was your collaboration with the RAEDC and other partners instrumental in this project?

As we have continued to invest and expand in Rockford, the RAEDC has played a pivotal role in bringing local partners together to help enable our growth. Our new construction was a great example of how the RAEDC brought the city, county and local businesses together to help bring new jobs and growth to the Rockford Region. We are further excited by the capital improvements being made in the business industrial park hub around the Rockford airport, which are critical to our business.

RAEDC's focus on workforce development is something we wholeheartedly endorse. The technical aspects of our business and those of many Rockford companies require a skilled and expert workforce, and growing this capacity locally is critical to our success and continued growth in Rockford.

What resources or benefits were important during the process?

As we approach capital expansions and new construction investment, we always look to partner with the RAEDC for its unique ability to find opportunities to bring parties together for successful outcomes. On several occasions the RAEDC has helped us work with the city to identify TIF funding, invest in our Rockford sites and add high quality jobs locally.

What excites you most about the future of this project and/or your company?

PCI is a company founded on providing leading outsourced services for pharmaceutical packaging. We provide services to a majority of the world's leading drug companies. In recent years we have significantly invested in expanding the scope of our services, providing a more robust offering to leading drug companies with natural adjacencies to packaging. In Rockford that has included services supporting global investigational studies and our new facility on Logistics Parkway, appropriately named as it is dedicated to the specialized logistics required for effectively providing clinical trial materials to investigational sites around the world. In August, we added two companies which will prove to be a pivotal moment for the company, now adding the ability to manufacture drug products and provide a true turnkey service to our clients.

What excites you most about the future of the Rockford Region?

The Transform Rockford initiative and increased focus on quality of life in the Rockford region are pivotal to our ability to grow and attract key talent to Rockford. We are very excited about the momentum, energy and community collaboration with these programs.

What aspect makes this project special that should not be overlooked?

Rockford has so many things to be proud of, both as a great place to live and work. We look forward to continuing to support activities that raise the profile and reputation of Rockford locally and nationally.

"RAEDC has played a pivotal role in bringing local partners together to help enable our growth."

Medrick Rainbow

Vice President and General Manager, PCI



Other project successes in 2014

★ ServiCom expanding in Rockford Region

ServiCom, which already operates a location in Machesney Park, is transforming the former K's Merchandise space near State and Mulford in Rockford to open a 25,000-square-foot call center that will employ 710 people to provide technical support for a large cable and telecommunications company.

★ Slidematic Precision Components expanding in Rockford

Slidematic announced in May 2014 that it will spend \$4 million to expand its operation in southeast Rockford by 144,000 square feet and create 30 new jobs. The fastener company has tripled its workforce in 10 years.



Emerging Opportunities Fund

When Rockforward! was launched in 2008, the Emerging Opportunities Fund was created and is managed by our Leadership Council. The RAEDC Leadership Council consists of public and private organizations that invest at least \$10,000 (cash) each year. The Leadership Council has the opportunity to invest up to \$175,000 each year in forward-thinking initiatives to propel positive economic change for the region's future.

2014 Recipient

The Design & Production Makerspace Lab and Partner Network www.makerkfd.com

The Rockford Maker Network (RMN) is a partnership of organizations, educational institutions and individuals leading the development and programming of maker spaces and supporting collaboration among network partners throughout the Rockford area in order to drive a prosperous community through hands-on, lifelong opportunities for learning innovation, design, manufacturing and entrepreneurship.

2014 Award

The Rockford Area Economic Development Council along with Alignment Rockford and the Rockford Education Association were recognized as significant supporters of the Rockford Public Schools District 205 (RPS 205) when Ford Motor Company Fund designated RPS 205 as a Ford Next Generation Learning Community on October 21, 2014 — one of only 17 communities in the nation. This designation is an acknowledgement of RPS 205's commitment to align community resources and support the growth of College & Career Academies of Rockford, reinforcing their vision that every high school student will graduate college and career ready. RPS 205's next goal will be a designation as a Ford Next Generation Model Community, allowing RPS 205 to host visits from other communities and assist in their advancement into career academy-based education. This is about changing the conversation and acknowledging our schools as innovators of education on a national level.



As an investor and partner of the RAEDC, YOU have played a role in this exciting designation. The RAEDC, its investors and partners have granted \$410,000 over three years to Alignment Rockford to support the design and pilot tactical solutions in areas of greatest strategic need for Rockford Public Schools: the growth of College & Career Academies of Rockford.

Education and workforce initiatives are pivotal to the economic success of our region.

The History

2008	\$50,000	Rockford Charter School Initiative
2008	\$75,000	Rockford Area Career Clearinghouse
2008	\$50,000	Freedom Field – Solar Thermal Heating and Thermal Heating and Cooling
2009	\$75,000	Rock River Development Partnership
2009	\$90,400	Freedom Field – Solar Thermal Heating and Thermal Heating and Cooling
2010	\$60,000	Alignment Rockford
2010	\$115,000	Federal Government Affairs Advocate
2011	\$175,000	Embry-Riddle Aeronautical University Attraction
2012	\$175,000	Alignment Rockford: High School Redesign
2013	\$175,000	Alignment Rockford: Advancing Teaching & Learning – Building Business Partnerships
2014	\$75,000	Design & Production Makerspace Lab & Partner Network
Total:		\$1,115,400
		EOF Invested to date in the Rockford Region

EIGERlab

EIGERlab serves as a key asset for our region by assisting new and early-stage companies to achieve growth and increase profits. The state-of-the-art mixed-use incubator serves the region with leading-edge business and engineering support services. It is a regional economic engine that targets profit, wealth and job creation for our community.

ACCELERATOR – In a single location, EIGERlab offers focused programming and coaching in four key categories: strategy, sales, innovation and business transitions. Its programming focuses on short-term, results-driven actions that lead to revenue growth and increased bottom-line profits.

CENTER FOR PRODUCT DEVELOPMENT – The C4PD serves the region with leading-edge business and engineering support services. Manufacturing, art, engineering, urban design... you name it, and C4PD can be of assistance. Its functional additive manufacturing or 3-D printing capabilities encompass the technology primarily to transform your thoughts into computer models and then convert those models to physical objects.

INCUBATOR SERVICES – Lease space at reasonable rates. Participate in peer-group roundtables. Utilize engineering services and art-to-part rapid prototyping services. Meet with dedicated mentors and advisors. Receive assistance in planning and executing global market expansions. Receive business development services targeted at new and existing growth businesses.

TECHWORKS – This employer-driven advanced manufacturing training program takes direction from its 40-member Advisory Board to develop and deliver customized CNC and assembly curriculum. TechWorks training meets the needs of the regional manufacturing base and has an impressive track record of connecting employers with National Institute for Metalworking Skills (NIMS) credentialed students.

The close of 2014 marked exciting new beginnings thanks to strategic partnership changes for these programs.

Rockford Area Strategic Initiatives, a nonprofit organization established in 2008 by the RAEDC to manage vital initiatives, is partnering with two educational institutions that will elevate these programs to the next level.

Northern Illinois University is now leading EIGERlab in line with its regional leadership mission of entrepreneurship and innovation. Rock Valley College has taken over management of TechWorks to align and boost manufacturing training programs so critical to the Rockford Region.



First-grader Raegan Reynolds turned to Eigerlab and its 3-D printer to receive a custom-made prosthetic: "My new hand is awesome!"



Tracie Burrell, winner of the 2014 Fast Pitch entrepreneurship competition, started selling sockTABS, a sock pairing device and solution to an everyday laundry problem, the "sock monster."



RAEDC Solution Teams & Committees

Rockforward! President's Circle

The Rockforward! President's Circle meets to discuss and take action on economic development priorities and Strategies. RAEDC Investors contributing \$25,000 or more per year become members of the President's Circle, which met four times in 2014.



CHAIRMAN

Joel Sjostrom

Sjostrom & Sons, Inc.
RAEDC Board Chairman

Rockforward! Leadership Council

The competition between regions for economic opportunities is fierce. Emerging opportunities require a quick and decisive response. Leadership Council consists of top-tier public and private-sector investors to respond to opportunities at a macro level, placing an Emerging Opportunities Fund annually at their disposal for investment in mutually-agreed-upon, forward-thinking initiatives to leverage positive change for economic development of the region. RAEDC Investors contributing \$10,000 or more per year become members of the Rockforward! Leadership Council.



CHAIRMAN

Steve Ward

Illinois Bank & Trust

Business Attraction Solutions Team

The primary work of the Business Attraction Solutions Team is to increase the amount and quality of available commercial and industrial buildings; market development opportunities; define key aspects of a Community Sustainability plan; increase the amount of business park space; and maintain an up-to-date database of Rockford MSA Business Parks, developing parks and targeted properties.



CHAIRMAN

Mick Gronewold

Fehr Graham

Business & Community Relations Solutions Team

The role of the Business & Community Relations Solutions Team is to actively promote the RAEDC to both current and prospective investors. The BCR team oversees outbound marketing of Rockforward! strategies and economic development messages to employers, community leaders and citizens. BCR is also the liaison between investors and the Rockford Chamber of Commerce Governmental Affairs Council.



CHAIRWOMAN

Linda Gerber

Rock River Valley Blood Center

Business Retention & Expansion Solutions Team

The role of the Business Retention & Expansion Solutions Team is to learn opportunities for improvement from existing employers, strengthen the workforce pipeline, and increase awareness and participation in continuous improvement programs. Additionally, the BRE team is working to develop and foster a supportive entrepreneurial environment.



CHAIRMAN

John Saunders

Larson & Darby Group

Education Committee

The RAEDC formed an Education Committee in 2008 comprised of education leaders and private sector executives with the role to connect Rockford Area businesses with our educational system.



CHAIRMAN

Brad Long

Northwestern Illinois Building & Construction Trades Council

Audit Committee

The RAEDC Audit Committee consists of the Treasurer and at least three members from the Board of Directors and three members at large. The committee reviews and assesses financial principals and reporting, risks and controls, and external and internal auditors.



CHAIRMAN

Daniel Ross

Williams-Manny, Inc.

Nominating Committee

An annual slate of candidates for the Board of Directors is prepared and recommended by the Nominating Committee. The Nominating Committee consists of three Directors and three Investors at Large.



CHAIRMAN

Dr. W. Stephen Minore

Rockford Anesthesiologists Associated, LLC

For more information about RAEDC Solutions Teams and committees, contact Jimmi Kuborn, RAEDC Director of Investor Relations, at 815.987.8118 or jkuborn@rockfordil.com.

Rockford Area Aerospace Network (RAAN)



Jeff Kaney, RAAN Chairman

The Rockford Area Aerospace Network (RAAN) is a consortium of companies implementing a strategic plan to increase the competitiveness of the Rockford Region for expansion and attraction of aerospace companies.

The Rockford Region is the largest center of aerospace production employment in Illinois and sixth in the United States. We have five tier-one companies in Winnebago County alone and 90+ more supporting suppliers in the region, with 250+ in the wider two-state cluster.

Major subsectors include electric power generation systems, power management, actuation systems, metal component fabrication, aircraft interior manufacturing, and maintenance repair and overhaul (MRO).

RAAN's investors focus on six initiatives, outlined by private-sector leadership to address the industry's greatest needs:

- **Enhancing the global brand** of Rockford as "Mid-America's best international aerospace community."
- **Fostering innovation** through industry and cross-industry synergies.
- **Encouraging supplier development** through growing awareness of requirements and continuous improvement.
- **Expanding business development opportunities** through B2B matchmaking and sales missions.
- **Increasing the focus on workforce development** that feeds the pipeline at all levels and disciplines for industry growth.
- **Growing the size and diversity of our cluster** by attracting new companies to establish operations in the Rockford Region.

Activities that support those initiatives include:

- National/international trade show participation.
- Supplier symposiums and networking opportunities.
- Educational and vocational partnerships and initiatives.
- Marketing efforts.
- Training and information-sharing.

The RAAN chairman is Jeff Kaney, CEO of Kaney Group.

To learn more about RAAN and how to get involved, contact Jimi Kuborn, 815.987.8118 or jkuborn@rockfordil.com.



The Rockford Region is...

Asserting its global brand

TARGETED MARKETING & RECRUITMENT

- ✧ **Three major trade shows** promoted the Rockford Region aerospace cluster and facilitated capital investment and new supplier connections.
 - 3 companies, previously in a Rockford Area Aerospace Network (RAAN) booth, upgraded to their own booths at **MRO Americas 2014 in Phoenix**. 12 RAAN companies total represented the Rockford Region.
 - Rockford Region dominated the State of Illinois booth with 7 of 10 company spots representing RAAN at **Farnborough International Airshow in the United Kingdom**: Generated 4 new leads for capital investment.
 - 8 regional aerospace companies attended **National Business Aerospace Association (NBAA) Convention** in Orlando.
- ✧ 400,000+ Impressions – **RAAN** recognized on national level for strong, growing aerospace sector by 10+ industry magazines, including Aviation Professional and Aerospace Manufacturing and Design publications, read by domestic and international influencers.
- ✧ 7th Annual **Go Global Conference** broke records: 234 attendees, 130 companies, 7 states and 8 countries were represented. Featured speaker Russ Dennis with Leading Edge Hydraulics exemplified a local gazelle's global growth.
- ✧ The **Global Partnership Agreement** between the city of Lidköping, Sweden, and the municipalities of Winnebago County was extended through 2016 and expanded to 15 municipalities of Skaraborg County.
- ✧ 100 Chicago-area site selectors, real estate professionals and banking executives engaged with the Rockford Region at **I-39 Logistics Corridor Association** event in October.
- ✧ Dick Durbin, Illinois' senior U.S. senator, promoted the aerospace cluster in a highly visible ad by **RAEDC media partners**, in conjunction with the Business & Community Relations Solutions Team.

Hitting on all cylinders

THRIVING BUSINESS CLIMATE

- ✧ U.S. Congressman Adam Kinzinger boosted Rockford Region in conjunction with RAEDC by hosting 2 **Supplier Symposiums** for aerospace matchmaking.
 - **Boeing**: 25 companies met with the largest aerospace manufacturer's supply chain specialists to discuss opportunities for growth.
 - **Lockheed Martin**: 38 companies explored opportunities with the global security and aerospace company.
- ✧ 40% increase in activated users in **Foreign Trade Zone #176** year over year, generating millions of dollars in profit enhancement for regional companies.
- ✧ More than 40 companies received technical export assistance through the **International Trade Center (ITC)**. ITC facilitated approval of 19 Illinois' State Trade and Export Promotion (ISTEP) Grant applications, providing up to \$112,000 of reimbursed expenses to small and medium-sized companies in 2014.
- ✧ Completed 75 **Voice of the Customer** interviews representing over 12,000 employees in the region. The VOC is a critical business retention and expansion tool because 70% of our job and investment growth occurs with existing businesses. The 2013 Voice of the Customer Summary won the 1st place Mid-America Economic Development Council's Business Retention and Expansion award.
- ✧ **EIGERlab** assisted 274 companies through 3D Product Development Center, Business Accelerator and Center for Business Development – and assisted one special girl, Raegan Reynolds, who received a prosthetic hand. Northern Illinois University started to manage the innovation and entrepreneurship center in cooperation with the RAEDC, which will yield continued growth and greater exposure.
- ✧ EIGERlab's 8th annual **FastPitch** entrepreneurship competition drew a record 225 guests and 35 participants. Winner Tracie Burress' sockTABS, pairing devices to fight "the sock monster," are sold by 8 regional vendors.

Equipped to win

QUALITY CONNECTED INFRASTRUCTURE

- ✖ Advanced the **Qualified Sites Program** to drive regional readiness for future development and enhance our competitive edge.
- ✖ The Rockford Region's highway, rail, airport and broadband assets were touted in May to more than 120 participants at the **7th Annual Tri-State Alliance Summit**, "Transporting People, Commerce and Information for Regional Prosperity."
- ✖ **Chicago Rockford International Airport** completed runway improvements, and the city rebuilt Falcon Road to improve accessibility. The road project was funded in part by a U.S. Economic Development Administration grant secured in partnership with the Rockford Region Economic Development District.
- ✖ Increased regional collaboration: The Rockford Region Economic Development District, in partnership with the RAEDC and Northern Illinois University, received a \$50,000 national grant to update the region's **Comprehensive Economic Development Strategy** and incorporate McHenry County for the first time. The existing CEDS has assisted the region with getting the Airport Drive construction grant and the aerospace accelerator grant, among others.
- ✖ 49 entities received grant identification and application assistance from **Rockford Region Economic Development District**, which saw increased grant application, management and contract activity year-over-year. Executive Director Dana Northcott earned a rigorous Grant Professional Certification, the first in the region and ninth in Illinois.
- ✖ The Rockford Metropolitan Agency for Planning's Transportation Improvement Program covered **\$327 million in transportation infrastructure projects** for 2014.

Partnering to strengthen the workforce pipeline

21ST CENTURY TALENT

- ✖ 12 **TechWorks** classes prepared 87 students for high-demand CNC and assembly jobs. Rock Valley College began managing the fast-track manufacturing training program in December to strengthen it and take it to the next level, in continued cooperation with the RAEDC.
- ✖ 38 manufacturers engaged 575+ high school and middle school students from 14 schools in viable career paths at the annual **Manufacturing Day** in October.
- ✖ Workforce partners announced the attainment of 1,400 **GEDs**, exceeding their goal by 40%.
- ✖ Over 120 students have been accepted into **JiET-A**, the Joint Institute for Engineering and Technology – Aerospace, an innovative partnership among aerospace companies and higher education institutions, since program inception. JiET-A also won a national award from the University Economic Development Association.
- ✖ Rockford became a "**Code for America Brigade City**" via the **EIGERlab IT Roundtable**, connecting our IT professionals with peers from 34 other cities. The group's activities include app development and "hack nights."

Investing in our future

EMERGING OPPORTUNITIES FUND

- ✖ Rockford Public Schools - District 205 was named a **Ford Next Generation Learning Community**, one of just 17 in the nation, as a result of its successful high school redesign, which began with the rollout of the academy model in 2010. The RAEDC, through the Leadership Council's Emerging Opportunity Fund, earned a Ford Next Generation Learning support award for financial assistance of this initiative.
- ✖ The RAEDC Leadership Council's **2014 Emerging Opportunities Fund** was awarded to **The Design & Production Makerspace Lab**. The project pulls together community partners to create a public design, engineering and light production makerspace lab and network supporting students of all ages, entrepreneurs and enthusiasts. Robotics equipment was purchased (Rockford Public Library is holding the title), and May was designated "Maker Month." The website www.makerkfd.com was launched to generate interest.



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Associated, LLC

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Tim Myers, WIFR-TV

Michael Paterson, Mid-West Family Broadcasting

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Properties

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Tom Sink, IBEW / NECA

Senator Dave Syverson

Josh Trust, Rockford Register Star

Dave Whitmore, IronWorkers Local Union 498

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Mayor Jerry Bolin, Village of Machesney Park

Mike Dunn, Greater Rockford Airport Authority

Einar Forsman, Rockford Chamber of Commerce

Steve Graceffa, Rock River Water Reclamation

John Groh, Rockford Area Conv. & Visitors Bureau

Dr. Alex Stagnaro-Green, U of I College of Medicine

Mayor Darryl Lindberg, City of Loves Park

Paul Logli, United Way of Rock River Valley

Mike Mastroianni, Rock Valley College

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Stacy Bernardi, Winnebago County Regional Planning

Todd Cagnoni, City of Rockford

Jarid Funderburg, Growth Dimensions of Belvidere/
Boone County

John Phelps, Rockford Local Development Corp.

Jeff Polsean, State of Illinois

David Young, Northwest Illinois Development Alliance

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County Board Member Gary Jury

County Board Member Kay Mullins

CITY OF ROCKFORD LIAISON

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Teri Johnson, Investor Relations Manager

Jimmi Kuborn, Director of Investor Relations

Alyson Lunte, Administrative Coordinator

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Michael Nicholas, President

Joshua Patterson, Business Attraction Coordinator

Mark Podemski, Vice President for Development

Carrie Zethmayr, Executive Director, Trade and
Investment

Rockford Area Economic Development Council Investors

AS OF DECEMBER 31, 2014

PRESIDENT'S CIRCLE INVESTORS (\$25,000+)

Alpine Bank
Building Trades/Project First Rate
City of Loves Park
City of Rockford
Comcast Business
ComEd
Fehr Graham
First Midwest Group, Inc.
Greater Rockford Airport Authority
IBEW / NECA
JP Morgan Chase
Larson & Darby Group
Mid-West Family Broadcasting
Northern Illinois Building Contractors Association
OSF Saint Anthony Medical Center
Rockford Area REALTORS
Rockford Health System
Rockford Public Schools
Rockford Register Star
SwedishAmerican Health System
Townsquare Media, LLC
UTC Aerospace Systems
Village of Machesney Park
WIFR-TV
Winnebago County
Woodward, Inc.
WQRF TV / WTVO TV
WREX

LEADERSHIP COUNCIL INVESTORS (\$10,000+)

Associated Bank
BMO Harris Bank
Eclipse, Inc.
First Northern Credit Union
GE Aviation
Illinois Bank & Trust
McGladrey LLP
Northern Illinois University
Packaging Coordinators, Inc.
Rock River Water Reclamation District
Rockford Area Convention & Visitors Bureau
Rockford Bank & Trust
Rockford Chamber of Commerce
Rockford Park District
Sjostrom & Sons, Inc.
SPX Hydraulic Technologies
Thermo Fisher Scientific
Williams-Manny Insurance Group

ROCKFORWARD! PREMIER INVESTORS (\$5,000+)

AT&T
Blackhawk Bank
Giovanni's Restaurant & Convention Center
J.L. Clark - A CLARCOR Company
Nicor Gas
PNC Bank
Rock River Valley Blood Center

Rockford Anesthesiologists Associated, LLC
Rockford Orthopedic Associates
Rockford Toolcraft, Inc.
Stillman Bank
Village of Rockton

ROCKFORWARD! INVESTORS (\$2,000+)

Accuride Wheel End Solutions
Advanced Heat Treating, Inc.
AeroInnovate at UW-Oshkosh
Alpha Controls & Services LLC
American Precision Assemblers, Inc.
American Standard Circuits, Inc.
Arc Design Resources, Inc.
B/E Aerospace, Inc.
Baker Tilly Virchow Krause, LLP
Ballard Properties
Barrick, Switzer, Long, Balsley & Van Evera
Bergstrom Inc.
Burwood Group, Inc.
C.H. Robinson Worldwide, Inc.
Castle Bank
Chartwell Agency
Chastain & Associates LLC
Chem Processing, Inc.
CherryVale Mall / CBL & Associates Properties
City of South Beloit
CliftonLarsonAllen LLP
Clinkenbeard & Associates Inc.
Community Foundation of Northern Illinois
Concentric Rockford Inc.
Cord Construction Company
Crawford, Murphy & Tilly, Inc.
Crimson Pointe Assistant Living
Crusader Community Health
Danfoss Power Electronics
DCEO Office of Regional Outreach
Embry-Riddle Aeronautical University
Enviro-Care
Esterline Control Systems BVR Technologies
Excelsior, Inc.
Forest City Gear Co., Inc.
Fridh Corporation
Gary W. Anderson Architects
Global Display Solutions, Inc.
Greenlee - A Textron Company
Gypsum Supply Co.
Hampton Properties
Harlem Consolidated School District 122
Helen Hill Communication
Hinshaw & Culbertson LLP
Holiday Inn Express/Rock Hospitality
Holmstrom & Kennedy, P.C.
Ingenium Aerospace
Ingenium Technologies Corp.
IronWorkers Local Union 498
J & M Plating Inc.
Judson University
Kaney Group LLC

KeyRealty, Commercial & Industrial
Kishwaukee College
Laborers' Local #32
LandMark Real Estate Group LLC
Leading Edge Hydraulics
Lowe's Companies, Inc.
MembersAlliance Credit Union
Meridian
Merrill Lynch
Midwest Aero Support, Inc.
Midwest Community Bank
Missman, Inc.
Nordic Investments
Northern Illinois Service Co.
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Ogle County
Powmet, Inc.
Rasmussen College
Ringland-Johnson, Inc.
Rock River Environmental Services
Rock Valley College
Rockford Career College
Rockford Housing Authority
Rockford Metropolitan Agency for Planning
Rockford Mutual Insurance Company
Rockford University
Safety Socket LLC
Savant Capital, LLC
Schmeling Construction Co.
Senator Dave Syverson
Serola Biomechanics, Inc.
Shank Manufacturing
SIDCOR, Marketplace of Rockford
Sikich LLP
Skandia, Inc.
Southern Imperial, Inc.
Spider Company, Inc.
Spring Creek Development Group
Stateline Staffing Services, Inc.
Superior Joining Technologies, Inc.
TH Foods, Inc.
The Morrissey Family Businesses
The North Central Group
Thomason Machine Works, Inc.
Title Underwriters Agency
U of I College of Medicine
U.S. Bank
Ultrasonic Power Corporation
United Way of Rock River Valley
UPS
Venture One Real Estate/
Rock 39 Industrial Park/Loves Park Corporate Center
Viking Chemical Company
Village of Cherry Valley
Village of Davis Junction
Village of New Milford
Village of Winnebago
Wipfli LLP
YMCA of Rock River Valley



10 things to know about the Rockford Region

Whether you're a lifelong native or a transplant, you know there is a feeling of momentum rolling through the region, as evidenced by the positive communitywide ownership of Transform Rockford. So the next time someone asks you why you chose to live, work and play here, declare your pride.

1. BIG BUSINESS, WITH A CAPITAL B: The Rockford Region **exports** more than \$2.5 billion in goods, and our exports grew to a record level in 2013 with 32 percent growth in just one year. (Compare that with average U.S. export growth of 2 percent.)

2. EDUCATION MAKING THE RIGHT KIND OF HEADLINES: For reinventing the high school experience, Rockford was named a **Ford Next Generation Learning Community**, just one of 17 in the country. The focus on academies and career readiness is improving attendance and graduation rates. (If only we would have had such cool academy choices when we were teenagers!)

3. WE DON'T HOLD A GRUDGE: Rockford ranks #6 on the "**Forbes' Opportunity Cities: 19 Places Where It May Be Easier to Make Your Mark.**" (Hey, we certainly aren't about to argue that one!)

4. JOBS, JOBS, JOBS: The unemployment rate has dropped 11 percentage points in five years and recorded the fifth-best year-over-year improvement in the country in November 2014.

5. DOWNTOWN IS THE DESTINATION: City Market, Friday Night Flix, Stroll on State, Screw City Beer Festival – these are just a few of the events that have given thousands of people (and dogs! ... remember the dog walks?) something cool to do. And did we mention the mix of eclectic shops, bars and restaurants? Good thing we have renovations coming to add two hotels, an apartment building and a sports complex!

6. IT'S NEVER BEEN EASIER – OR PRETTIER – TO GET AROUND: The tollway expanded. Our gateway entrances at South Main and West State are getting makeovers. And a train depot is hopefully coming soon. (Plus, have you seen the lights on the Morgan Street bridge?)

7. RFD IS SOARING!: **AAR Corp.** is building a \$40 million jet maintenance facility at **Chicago Rockford International Airport** that will employ at least 500 people. Rock Valley College is building an aviation maintenance training facility right next door. (That's on top of passenger service and a bustling cargo business with UPS' second-largest hub.)

8. GOOD FOR OUR "HEALTH": The **health care industry** remains vibrant as one of our largest employers. Plus, our local health systems are either merging or partnering with regional and national leaders to elevate our already top-notch care.

9. HIP FOR A DAY TRIP ... OR MORE: A plethora of publications are telling people from Chicago and Wisconsin to eat, drink and play here. (We already knew we had cool places to visit; now our friends to the north and east know it, too. Check out UrbanDaddy.com if you want to see what they're saying about us. I mean how can you argue with such a swanky source?!)

10. IT ALL ADDS UP: When you add up the collective activity, **\$1 billion is being invested** in our community over the next few years. Now that's something to shout about!

Thank You

The important work of improving our economic strength and competitiveness is made possible only through the collaboration and support of our RAEDC investors. We are grateful for the support we receive in our work. Not only do we help local companies grow locally and globally, but we also position the Rockford Region as an ideal location for businesses and industries. The overriding theme of 2014 is **momentum**. We are proud of the progress achieved so far but cannot rest. The significant work of building a stronger and more sustainable economy must continue. If you are an investor already, thank you for your generous support and please consider upgrading your investment. If you are not an investor and would like to learn how to get more involved with the RAEDC at any level, let us know.

Contact Jimsi Kuborn, Director of Investor Relations, at 815.987.8118
or at jkuborn@rockfordil.com.

Mission Statement

The primary role of the Rockford Area Economic Development Council (RAEDC) is to collaboratively improve the economic strength of the Rockford Region by helping employers retain and create quality jobs. The RAEDC works closely with many partners to learn what existing and new employers need to grow, and to serve as a one-stop resource for clients. The RAEDC seeks to improve the competitiveness of the region by taking what it learns from the region's employers, and engaging the community in the daily work of economic development.

Connect with us:

www.rockfordil.com

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Rockford, IL 61101



NEW: President's Monthly Newsletter. Keep up with the momentum;
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Rockford
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ROCKFORD AREA ECONOMIC DEVELOPMENT COUNCIL