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A photograph of two men in a workshop. The man on the left is wearing a blue shirt and glasses, looking at a robotic arm. The man on the right is wearing a grey shirt and jeans, looking at the same robotic arm. There are several robotic arms in the background. The text 'YOUR WORKFORCE' is overlaid in large white letters on the bottom left of the image.

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Dear Friends and Colleagues,

This year we celebrate the 50th anniversary of the Kentucky Association for Economic Development (KAED). In my brief ten years working with KAED, I have seen amazing progress, both in the influence of the organization and the sophistication of its work. At 50, KAED has become the wise sage providing our communities, our governments, and our members the direction and tools needed to make our Commonwealth grow and thrive.

From its initial meeting of 40 to 50 people, this organization has grown to become one of the preeminent economic development organizations in the country, boasting nearly 500 economic development professionals and partners. These are men and women and businesses that influence economic development process and policy for the benefit of their communities and the Commonwealth of Kentucky. KAED has been promoting the economic development profession, providing education and training opportunities for the economic development professional, and influencing the economic development process in Kentucky for 50 years.

This organization is obsessed with the growth of Kentucky and the growth of Kentucky's economic development professionals. With KAED as our partner in progress, we are confident that our communities and all of Kentucky will continue to prosper.

Congratulations!

A handwritten signature in black ink that reads "Madison C. Silvert". The signature is written in a cursive style and is positioned above a horizontal line.

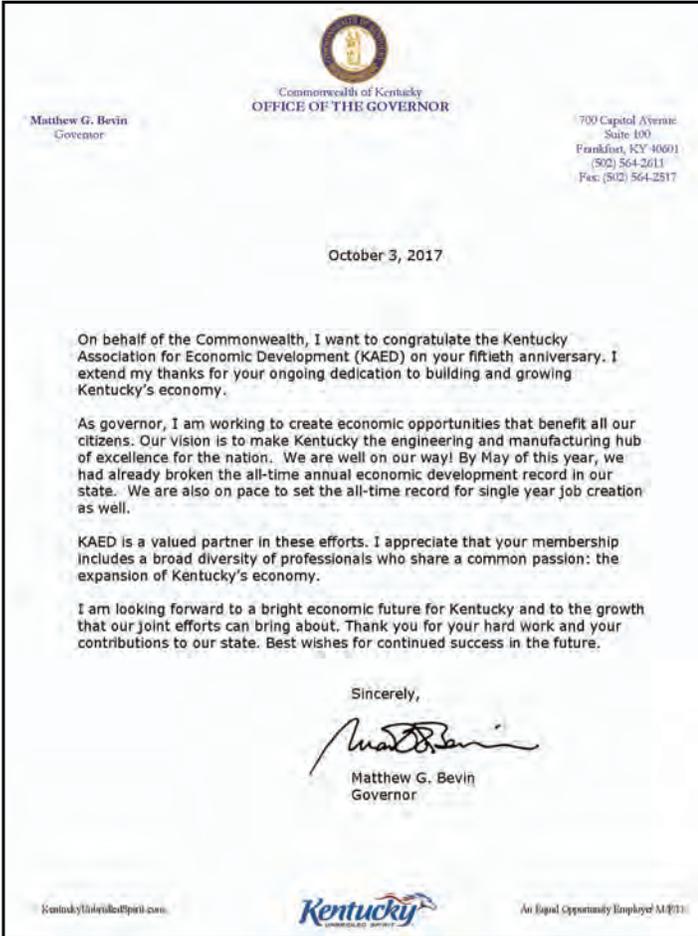
Madison C. Silvert, J.D., AICP
Chairman, KAED Board of Directors (2017)

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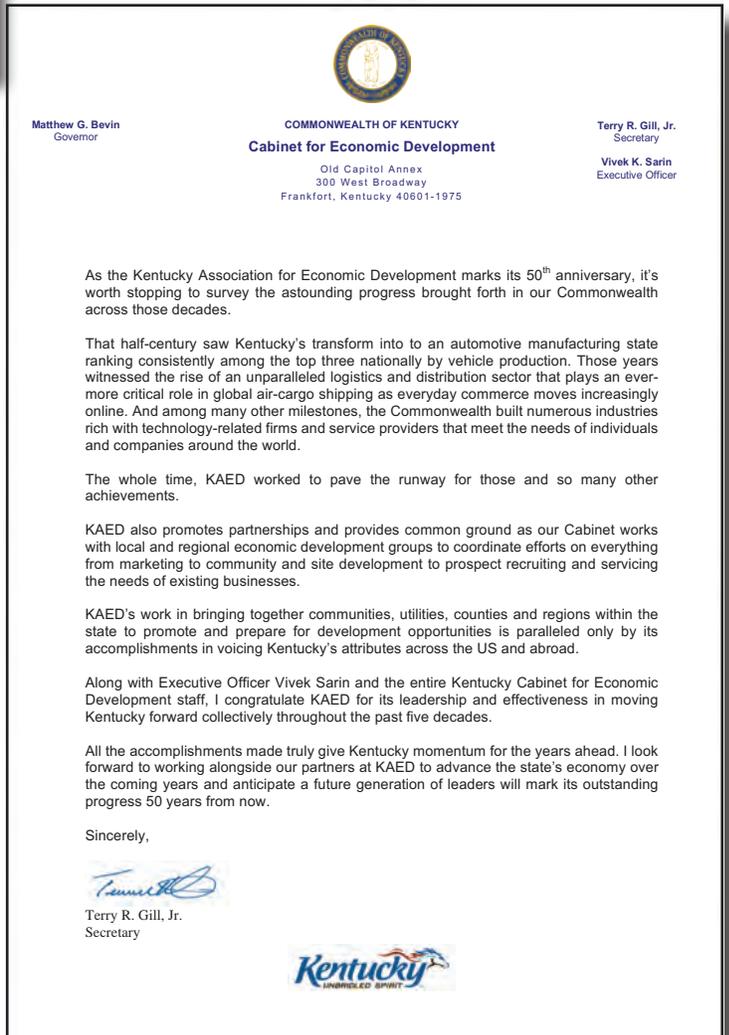
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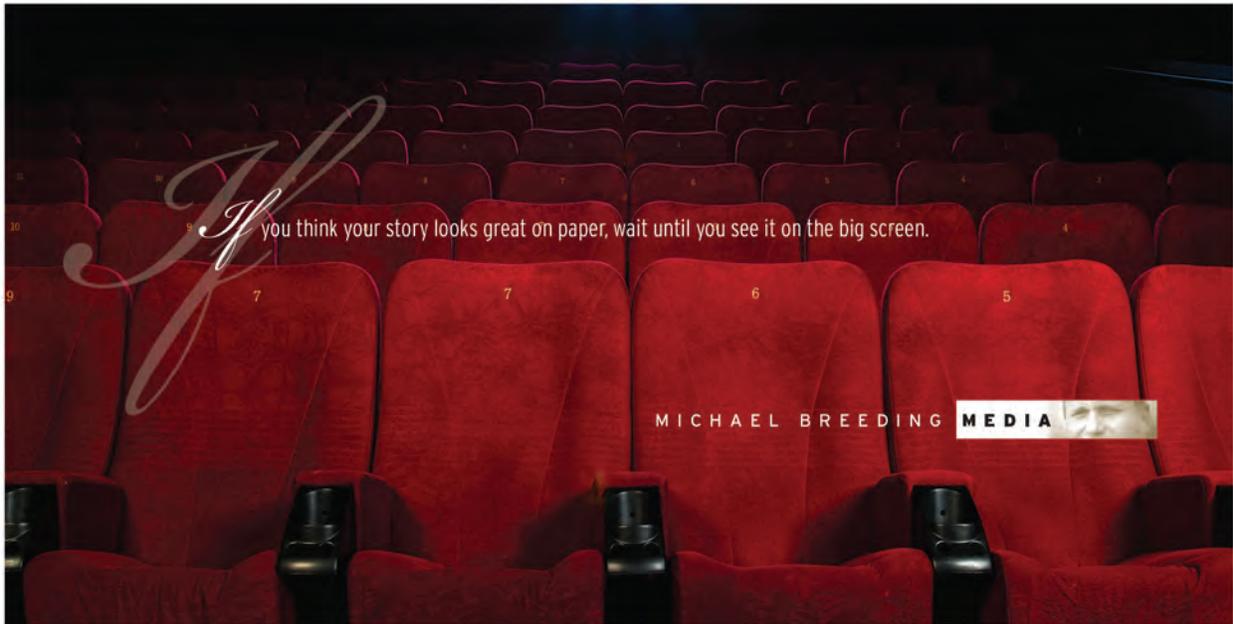
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– Fran Taylor, Keeneland

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– Wil James, President, Toyota Motor Manufacturing, Kentucky, Inc.



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History of KAED



KAED
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A fifty year anniversary is cause for celebration and reflection. The Kentucky Association for Economic Development (KAED), Kentucky's premier non-profit economic development association, is proud and honored to present this 50th anniversary magazine to celebrate economic development in the commonwealth of Kentucky. Having been in the "business" for over a half-century, we know that Kentucky's economic development professionals promote economic growth and well-being to encourage a higher quality of life for their communities. They work hard and smart to create, retain and expand jobs in Kentucky, which not only facilitates growth, but enhances wealth and supports strong schools and a stable tax base. From across Kentucky – private to public, urban to rural, local to regional, statewide and beyond – our members work

hard every day promoting job growth in Kentucky. It has been KAED's mission to serve them since KAED was formed in 1967 as the Kentucky Industrial Development Council (KIDC).

In 1967, Edward T. "Ned" Breathitt was finishing his term as governor; Louie Nunn had been elected governor for the next four years; Katherine "Katie" Peden was State Commerce Commissioner and Jim Coleman was Director of Industrial Development. President Lyndon B. Johnson was in the White House and our country was bitterly split by the Vietnam War and experiencing civil unrest of a nature that would lead to unprecedented civil rights legislation. The top-rated television programs were The Andy Griffith Show and The Lucy Show. And Kentucky was experiencing a major industrial expansion including the location of several major manufacturing and aluminum plants.

Before 1967, a loose-knit group of 14-15 people was actively involved in professional industrial-recruitment work. They came to be known as the "Kentucky Industrial Team" or the "Kentucky Team." The Kentucky Team functioned as an adjunct of the Kentucky Chamber of Commerce and was composed largely of industrial professionals associated with utilities and railroads. Clarence Taylor, Jim Alexander, Jack Frost, Charlie Catlett,



(l-r) Jim Coleman, Director of Industrial Development, Kentucky Dept. of Commerce (DOC); Earl Hathaway, Executive Vice-President of Firestone; Leonard Kernan, Deputy Commissioner, Kentucky DOC; Katie Peden, Commissioner, Kentucky DOC; Kentucky Governor Edward T. "Ned" Breathitt; Leo Koester, Manager of Chicago Office, Kentucky DOC; Ed Fossitt, Attorney, Kentucky DOC; and Bob Graham, Mayor of Bowling Green.

Leonard Kernan, Winn Johnson, Jim Coleman, Bill Neal, Art Mattingly, Wayland McDowell, Bill Short, Bruce Kennedy, Whitt Howard, and Nick Kieffer were members of the team.

On a recruiting trip to New York in 1967, the Kentucky Team agreed that a statewide industrial development group with broader representation should be formed. They believed that an association would empower Kentucky's industrial development efforts in order to create stability. With a cohesive statewide mission, the Kentucky Team hoped to withstand the inevitable changes which invariably sprung from the particular preferences and priorities of each new governor's administration in Frankfort.

Later that year, between 40 and 50 people attended an organizational meeting at The Brown Hotel (Louisville) for the newly-established Kentucky Industrial Development Council. They adopted bylaws and elected Bruce Kennedy as president and Nick Kieffer (director of industrial development for L & N Railroad) as vice-president.

During its early years, KIDC primarily served to support the Kentucky Department of Economic Development on industrial recruiting trips. Together, KIDC and the department initiated the first industrial tours in the state, inviting 25 to 30 industrial prospects into specific regions. The new version of the Kentucky Team, joined by Kentucky Chamber professionals, got to show off what Kentucky was all about and what hard working Kentuckians had to offer.

"Bruce Kennedy was co-founder of KIDC and he was the dean of the group," remembers Leonard T. Kernan (1971). According to Leonard, this group created KIDC to provide continuity over the long term, from year to year. "They dreamed of economic stability over time, no matter how

many administration changes occurred with the ever present change in philosophy and direction. Governor Bert Combs and Lt. Governor Wilson Wyatt laid the groundwork by providing funding for the Kentucky Agriculture and Industrial Development Board," Leonard recalled during an interview for our 40th anniversary celebration. He said during this time



Alan Fowler (1984) and wife, Connie Fowler (1995).



Lexington Mayor and former KIDC President Jim Gray congratulates Governor Martha Layne Collins on her induction into the Kentucky Economic Development Hall of Fame in October 2007. Photo: Steve Leonard

the state commissioned professionals to study the aluminum and other industries in Kentucky – to demonstrate how manufacturers could tap the relatively low-wage workforce and save money.

These professionals observed the changing times and took action in response. For example, the garment industry was leaving the Northeast. A group of Kentucky businessmen came together, purchased land and built a building. They recruited Fruit of the Loom which would select Frankfort for the site of their first manufacturing plant in Kentucky. Manufacturers wanted more hard facts and figures before deciding where to locate. "We spent a lot of time creating Industrial Resources brochures featuring local communities throughout the commonwealth," Leonard recollected.

Fifty years later, along with our nation and the world, KAED and Kentucky have experienced extensive changes. The last 10 years have been phenomenal: Today KAED consists of close to 600 members representing 355 unique companies and a rich diversity of professionals. Managed by a full-time president/CEO, a full-time executive director of operations and a part time executive assistant, KAED is governed by a dedicated board of directors consisting of 13 volunteer members.

With the success in industrial recruitment through the



Gene Strong, Dave Adkisson & Sandy Romenesko networking at a KAED event.

1960s and 1970s, more communities recognized the value of hiring local economic development directors. As the number of community economic development professionals grew, so did the membership of KAED. “Success in this business is about developing relationships,” as Jim Coleman, one of the founding fathers of KAED, reflected in 2007.

Advance several decades to 1982 when Jim Gray was elected president of then KIDC (Jim is now in his second term as mayor of Lexington). Jim’s parents, James Norris Gray and Lois Gray were staunch supporters and attended many of the early industrial recruitment trips. The Grays were active economic development practitioners and their construction firm, the James N. Gray Company (now Gray Construction), were strong supporters of continuing education and excellence in the economic development field. (The Gray Award, named in honor of James Norris Gray, is given by KAED in recognition of an individual with significant experience and expertise in the economic development field.)



(l-r) Three past presidents, J.R. Wilhite, CED (1997), Wayne Foster (1986) and Darrell Gilliam (1987).

As president, Jim convinced KAED to grow its membership and won board approval to raise annual membership dues to \$100. Jim’s theory was that the group needed funds to hire a professional staff. Jim knew individuals proficient in economic development principles would provide the foundation for the association to succeed and grow. Successive leaders of KAED often held differing views about what needed to change. Ever cognizant of national trends, the group had a growing awareness of the global economy and the potential impact on Kentucky. “Jimmy Gray changed the direction of the association,” says Alan Fowler, KAED president in 1984. Fowler joined the staff of Gray Construction in 1987. “Jimmy made a concerted effort to get sponsors like East Kentucky Power and LG&E to underwrite the cost of growing KAED. The goal was to make KAED the ‘Voice of Economic Development in Kentucky.’ We wanted to make a real difference in our state’s economic development,” said Fowler in 2007.

In 1986, Wayne Foster served as president of KIDC, at a time when the group still did not have a full-time staff. The chair of the Kentucky Chamber, Jim Wiseman (former Chief Communications Officer for Toyota North America who retired in 2012) paid for secretarial help. “A survey of the membership revealed that ‘professional education’ was the most important need,” Wayne Foster recalls. In 1989, Wayne helped incorporate the Kentucky Institute for Economic Development (KIED) to provide this critical function. In short, KIED is a week-long intensive training course in basic economic development theory and practice. The many professionals from across the United States who attend the course are actively involved in promoting economic development in their communities and states.

Daryl Smith, LG&E & KU, CEcd is passionate about KIED and says, “I believe KIED is particularly important to Kentucky, the nation and the world really because of the times we live in. . . I think we are living in transformative times and what many call an age of discontinuity. For us to be successful, we need to have the ability to implement ideas and strategies that lead to new economic prosperity in the 21st century.”

After 31 years, Wayne retired in 2017. In reflecting on Wayne’s contributions, Daryl speaks fondly of Wayne, “Wayne is a great friend and advisor. I love his spirit, his humble demeanor, his infectious smile, and his great sense of humor. Wayne always seemed to serve behind the scenes, without much fanfare, but he’s accomplished as much as any other great leader in economic development in Kentucky.”

Connie Fowler took over the reins of KIDC in 1995. Her

Gov. Bevin signs Right-to-Work legislation

Governor Matt Bevin ceremonially signed House Bill 1, which provides right-to-work guarantees to all Kentucky workers, in a midday gathering with legislators, economic developers, and business advocates from across the state.

This historic new law protects employees in the commonwealth from being forced to pay union dues in order to keep their jobs. Kentucky became the 27th state to enact such protections and experts say the measure will spur economic growth while boosting individual incomes.

“This is an extraordinary opportunity to ceremonially sign something that has been a long time coming,” said Gov. Bevin. “We have gotten, almost on a daily basis, unsolicited comments from economic development, workforce development, and site selection folks who have said: ‘Wow, now we believe it—Kentucky is open for business.’”



Gov. Matt Bevin, seated at center, signs historic right-to-work legislation while surrounded by KAED leaders following the Republican majority General Assembly's passage of the bill in January 2017. In the next 11 months, Kentucky shattered its all-time corporate investment record by a wide margin.

election made Connie and her husband, Alan, the only husband and wife team to serve as presidents of the association. Connie believes that one of her most important accomplishments was recruiting Sandy Romenesko to accept the position of executive director of KAED. Sandy now serves as executive director of the Mt. Sterling-Montgomery County Industrial Authority and was the 2008 chair of KAED.

In reflecting upon his service as president in 1996, Dan Tobergatesaid that one of the most important accomplishments while he was president was helping coordinate state and local marketing efforts to site selection consultants and corporate real estate officials. According to Dan, “The advent of the Internet significantly altered the way in which site selectors learn about your community. They are much more informed prior to their visits.”

Stephen Byars, former director of Government Relations for the University of Kentucky, served as president in 1998. Steve believes, “The most significant change in the profession

has been the expectation that economic developers don't just recruit investment and retain employers but that they help create an environment for entrepreneurship. That is a weighty expectation considering the results of your efforts may not be seen for another ten years—or maybe ever.”

In late 2004, KIDC faced the challenge of whether to select a new name. Such a monumental change brought fervent opinions from both sides of the argument. Many members believed that the time had arrived for KIDC to have a new name, one that would better reflect the demographics of their membership, current and future. A name change would, they thought, more accurately represent the very economies within which they operated. Some supported the name change but not a complete overhaul of the agenda. Rather, they saw it as an opportunity to keep pace with a new era of economic development. By endorsement of the board and vote of the membership, the organization's name became the Kentucky Association for Economic Development. KAED's accomplishments, traditions, alliances, and friendships have grown stronger to face today's challenges.

Debbie Gray, LG&E & KU and KAED president in 2006, is now director of the Economic Development Foundation. She agrees that providing educational and professional development opportunities to its membership is one of the vital elements at the core of KAED and has grown stronger over time. Debbie believes that the focus on developing educational resources in the past decade has solidified the standing of KAED. Debbie describes a recent change. “Now that Wayne Foster has retired, KIED's basic course has been transferred to the Foundation so that the foundation



(l-r) Kevin Sheilley (2002), Jill Wilson (2004), Frank Salisbury (2003) and Lisa Payne (2001).

is actually the educational arm of the KAED. We provide and promote educational opportunities for professional development across the state.” Debbie is convinced, “We’ve really grown from offering educational opportunities for just economic development professionals to our elected leaders across Kentucky. We’ve successfully partnered with Kentucky Association of Counties, Kentucky League of Cities and Kentucky Manufacturers Association and continue to foster our long-term partnership with the Kentucky Chamber of Commerce.”

Mike Mangeot, KAED President/CEO from March 2005 to July 2012, is pleased with the advances in public policy and public officials’ growing reliance on the expertise of the members of KAED as professionals. He believes one key public policy issue that has opened up economic development doors for Kentucky was the 2017 “right-to-work” legislation. Hal Goode, KAED President/CEO from August 2012 to August 2017, agrees. “One key public policy issue that opened up great economic development doors was ‘right-to-work’ legislation. We testified at legislative hearings for years. We heard from

consultants and businesses during our KentuckyUnited trips that right-to-work may not be the number one reason that you don’t get a project or get looked at in Kentucky, but it’s probably one of the top five considerations before locating their business.”

Many strongly credit the creation of KentuckyUnited in 2008 with KAED’s success and the growth of its reputation in the field of economic development. Hal emphasizes that KentuckyUnited was and still is all about marketing Kentucky. He also believes that, “KentuckyUnited has made economic developers better as a profession by being with consultants the economic developers are bringing in and being able to put them in front of the decision makers. There’s no question that program itself has made Kentucky economic development better.” KentuckyUnited began in 2008 as a grassroots effort in response to a growing concern that Kentucky was losing its competitive edge. Mike Mangeot, KAED President/CEO at the time, recalls that they wanted to know what national consultants thought about Kentucky. The result was a commissioned survey indicating the consultants did not

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really think about Kentucky when it came to site selection. The response was KentuckyUnited, a cooperative private public partnership between KAED, the Kentucky Cabinet for Economic Development, and a growing group of diverse organizations.

In his reflections about KAED's milestones at this historical juncture, Jody Lassiter, KAED Chair 2011 and now President/CEO of Develop Danville, Inc., points out other positives. "The attitude towards supporting economic development from a legislative standpoint has increased tremendously. Elected officials are seeing the value of economic development from a collaborative standpoint. The fact that our legislators approved mandates like the right-to-work law this year, which allow workers to refuse to pay union dues, is proof of this."

Now, a half-century later, the collaboration with the

Kentucky Cabinet for Economic Development and the Kentucky Chamber continues. Since those early days in the 1960s, the membership has grown, the reach has broadened and many services have been added. We pay homage to the original "Kentucky Team" and to all of KAED's many members from those early days to the present day in 2017. These facts prove one of the central benefits of KAED – affording its members a wealth of opportunities to interact, network, grow and learn with their professional peers. Countless families, businesses and communities have reaped the benefits of the decades of dedication by economic developers to Kentucky. KAED plans to advocate, connect, educate and help develop local/regional economic development organizations to promote Kentucky's outstanding business climate for at least another 50 years.

Commonwealth Small Business Development Corporation (CSBDC)

In the early 1980s, during the administration of Governor John Y. Brown, Jr. (1979-1983), the Kentucky Commerce Cabinet (now Economic Development Cabinet) created the Commonwealth Small Business Development Corporation (CSBDC) and the Certified Development Company (CDC) to offer and manage the SBA 504 Loan Program. The program provides long-term, fixed-rate financing to approved small businesses to buy fixed assets for expansion or modernization. SBA makes 504 loans available through the CDC, its community based partner. A CDC is a non-profit corporation that promotes economic development within its community through 504 loans and other activities. CSBDC provides financing to small businesses, which in turn, accomplishes the goal of community economic development.

CSBDC received fees from SBA for servicing and managing its loan portfolio. Over time, the loan portfolio grew and the fees earned by CSBDC accumulated substantially. By the mid-2000s, other CDCs had been established. Because its affiliation with the Economic Development Cabinet appeared to present an unfair advantage, the CSBDC set out on its own and operated as an independent non-profit. In 2010, the CSBDC board concluded that other CDCs were effectively delivering 504 loan services. As a result, CSBDC transferred its existing loan portfolio to Community Ventures Corporation for management. That left the question of what to do with the funds that had grown and accumulated over the years? CSBDC needed a stable non-profit with a similar, complimentary statewide economic development mission.

On the recommendation of Hugh Haydon, CSBDC approached KAED to accept management of the nearly one million dollar balance. Hugh was familiar with KAED from his work with the Economic Development Cabinet and through his service as a CSBDC board member. Many will remember the good work of the CSBDC, its board and staff members like Jerry Johnston, Lillian Smith, Gordon Taylor, and Betty Mayes among many others. This group worked for many years to support business growth in Kentucky. In partnering with KAED, they found a way to continue that service into the future.



Hugh Haydon

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Major Accomplishments

Record Breaking 2017

Kentuckians have made remarkable history since statehood in 1792, and their accomplishments have had far reaching impact. One thing we're known for in Kentucky, and which has driven our achievements, is hard work. We are strong never-quit men and women who want to work. Now, in 2017, the Kentucky Association of Economic Development (KAED), a non-profit economic development association dedicated to bringing good jobs to Kentucky, is celebrating its 50 year history. Over this span of five decades, great strides have been taken to move economic development forward at the state level. It is equally important to recognize the transformation at the local and regional levels regarding economic development. As of September 2017, there are 3,896 manufacturers with 413,343 jobs in Kentucky.

Take 1967 as an example. Edward T. "Ned" Breathitt was governor and his debate team classmate from Hopkinsville, Katherine "Katie" Peden, accepted his offer to become the first woman in America to serve as state commerce commissioner. Katie repainted her office "a good bold tangerine,"

and, well-armed with a ton of detail from a commissioned study, launched a whirlwind campaign to recruit businesses to Kentucky. Business Week heralded it "The Pedenblitz." At the end of their four-year term, Kentucky had added 150,000 new non-farm jobs (twice what Breathitt had promised), unemployment had been reduced by half while personal income had risen 30 percent. American Electric Power Co. (AEP) decided to telescope three years of expansion in its Kentucky-based subsidiary into a single year. Katie also influenced MeadWestvaco Corp. (known then as West Virginia Pulp & Paper) to bring an \$80-million plant to Kentucky.

Fast forward to the mid-1980s, when Governor Martha Layne Collins began courting Toyota and encouraging the company to build their first North American manufacturing plant in Kentucky. The \$147 million mega-incentive package Kentucky offered the automotive manufacturer was among the first of its kind, and Toyota took Kentucky up on it. The words "return on investment" do not begin to describe the impact this economic development event has had. Those initial projections of 3,200 jobs, \$180 million in new payroll and an \$800 million capital investment by Toyota Motor Manufacturing Kentucky (TMMK) have been more than realized. As of June 2016, TMMK had payroll of over \$6 billion and a payroll of \$1.9 billion which accounts for 1.6 percent of Kentucky's total



Governor Martha Layne Collins is surrounded by Dr. Shoichiro Toyoda (left) and Eiji Toyoda (right), Commerce Commissioner Carroll Knicely and Lt. Gov. Steve Beshear (second from right) during the company's official announcement to locate a plant in Georgetown. Photo: Toyota Motor Manufacturing, Kentucky

compensation. In April 2017, expansion has resulted in more than 8,200 jobs. A recent study by the Center for Automotive Research shows TMMK supports nearly 30,000 jobs across the state (direct, indirect, and spin-off), and there are more than 100 suppliers located across Kentucky.

The economic impact has been far reaching with Kentucky its primary beneficiary. With over 100 new automotive suppliers locating in Kentucky and the eventual location of Toyota's North American manufacturing headquarters in Northern Kentucky, TMMK has continued its record breaking expansion. TMMK's choice of Kentucky as its North American home also has had a profound influence on the economic development profession. Jim Thompson, who served as KAED president in 2005, believes, "As a result of Toyota, there are economic developers in almost every county in Kentucky. Awareness of the profession changed because Toyota decided to locate in Georgetown."

After nearly 15 years of service to three governors at the Cabinet for Economic Development, Secretary Marvin E. "Gene" Strong, Jr. retired in 2007. Gene began his tenure as deputy secretary in December 1991 under former Governor Brereton Jones. He was named cabinet secretary in 1993 by the Kentucky Economic Development Partnership Board. In reflecting upon economic development accomplishments between 1990 and 2007, Gene points back to 1992 when Kentucky's approach toward economic development was reorganized. That year, the General Assembly enacted House Bill 89, creating the Kentucky Economic Development Partnership Board to direct the state's economic development efforts. The legislature crafted the mission of the Partnership Board to help ensure the state's economic development efforts remained cutting edge and business focused. The Partnership Board leads the Kentucky Cabinet for Economic Development and provides strategic governance and oversight of strategic plans, goals and structure for the cabinet.

Comprised of 13 public and private sector members, the Partnership Board represents Kentucky's most prominent business men and women. By law, there are eight private-sector members representing each of the state's congressional districts and different sectors of its economy; secretaries of five cabinets (economic development, finance and administration, energy & environment, public protection, and labor) serve as public sector, ex-officio members. The governor serves as chairman of the board. In addition, several state boards and commissions support Kentucky's efforts to improve the local workforce, encourage business growth, and help small businesses succeed.

Gene Strong gives much of the credit for the Partnership Board to Governor Brereton Jones. "Gov. Jones supported and



Former Economic Development Secretary Gene Strong (at the podium) talks about the UPS Worldport expansion at a press conference held on May 2006 in Louisville, (l-r) Rep. Larry Clark; Sen. David Williams; Bob Lekites, UPS VP for Airline and International Operations; Governor Ernie Fletcher; Louisville Mayor Jerry Abramson; Brendan Canavan, former UPS VP of Air Operations; and Joe Reagan, Greater Louisville, Inc. (GLI) President & CEO.

Photo: Kentucky Commerce Cabinet

believed in the concept of taking the politics out of economic development in Kentucky," Strong says. "With the political backing of key legislators led by then-State Representative Bill Lear and private business leaders like Bill Samuels, David Garvin, Katie Peden and others, Kentucky began to take on a new image in the economic development arena. The image was one of a commonwealth that was very serious about the jobs business; they were dedicated to a strategic plan that would move Kentucky into a more competitive position nationally and internationally. "Governors Patton and Fletcher not only accepted this concept," according to Gene, "but each of them realized the value created through a public private partnership and embraced this organizational structure. Today's Economic Development Cabinet is filled with men and women who are professionals dedicated to providing more and higher quality opportunities for all Kentuckians."

"The many accomplishments shaping Kentucky's economic landscape across the previous decades set a bar that we thoroughly believe the Commonwealth and its economic development partners are poised to vault in the years ahead," said Terry Gill, secretary of the Cabinet for Economic Development.

Just as Kentuckians can look back on a great past in economic development, we can turn and face an equally bright future. We have every reason to be optimistic that the next 50 years will be as productive and healthy as the last.

Record Breaking 2017

\$7 Billion in Corporate Investments

In the first nine months of 2017, companies pledged more than \$7.1 billion in new-facility investments and expansion projects in Kentucky, eclipsing the state's full-year record from 2015 of \$5.1 billion. These investments put Kentucky on pace to create the greatest number of new jobs in a decade. To date, an estimated 11,413 new jobs have been announced, with numbers for jobs and investment increasing daily.

Governor Matt Bevin is overjoyed with Kentucky's progress. "We are delighted by the fact that we are already in excess of \$7.1 billion in economic development investment," Gov. Bevin said. "The net result is a sense of enthusiasm within the business community like never before about Kentucky. The world truly is watching the commonwealth, and we're just getting warmed up."

Three billion-dollar-plus announcements spearhead 2017's economic development success. In January, Amazon announced it would locate its Amazon Prime Air hub at the Cincinnati/Northern Kentucky International Airport in Hebron. Amazon's investment (expected to exceed \$1.49 billion) will create 2,700 full- and part-time jobs and make Kentucky a top logistics center globally. Amazon has had a significant presence in Kentucky since 1999; it currently has 11 fulfillment centers in Kentucky that employ more than 10,000 people full-time.

The new Prime Air hub will create thousands more induced jobs (created due to the economic impact made by the commercial enterprise) and indirect jobs. It is expected to revolutionize the fulfillment industry worldwide. Combined with the hub's direct jobs, total annual payroll and benefits associated with the project will reach well into the hundreds of millions of dollars. With agreements approved by the Kenton County Airport Board and the Kentucky Economic Development Finance Authority, Amazon will build a state-of-the-art sorting, loading and unloading facility on the airport property.

Dave Clark, Amazon senior vice president of worldwide operations, said Kentucky's advantages made it stand out. "As we considered places for the long-term home for our air hub operations, Hebron quickly rose to the top of the list with a large, skilled workforce, centralized location with great connectivity to our nearby fulfillment locations, and an excellent quality of living for employees," Clark said.

One of the world's leading automotive plants by efficiency, productivity and technology, TMMK in Georgetown followed



Craig Bouchard, CEO of Braidly Industries, answers media questions during the April 26, 2017, announcement of Braidly's \$1.3 billion aluminum rolling mill. Looking on from the left is Tim Gibbs, Ashland Alliance, and to the right is Gov. Matt Bevin, Senate President Robert Stivers and Speaker of the House Jeff Hoover.

on the heels of that announcement with impressive plans to invest \$1.33 billion for its Reborn project. This comprehensive project will prepare the facility for a new platform, streamline production processes and improve vehicle safety, quality and efficiency. It also will secure its 8,200 jobs and overhaul the facility to increase manufacturing flexibility. The Reborn project will prepare TMMK for Toyota New Global Architecture (TNGA) a new approach to the design and manufacturing of motor vehicles. The Georgetown plant will be the first North American facility to use TNGA, starting with the 2018 Camry.

"This investment speaks directly to the quality of our people and our products, as well as the partnerships we've forged in the local community and across the state," TMMK President Wil James said.

With an annual production capacity of 550,000 vehicles and more than 600,000 engines, TMMK is Toyota's largest plant globally. Opened in 1988, the plant has assembled more than 11 million vehicles. It currently covers 8.1 million square feet and receives components from 350 supplier locations in the United States, more than 100 of which are in Kentucky. Currently, TMMK team members produce the Camry and Camry Hybrid, Avalon and Avalon Hybrid and Lexus ES 350. As well, the plant machines and assembles four-cylinder and V6 engines, axles and steering and engine components. Kentucky's automotive industry includes 500-plus facilities,

employing more than 100,000 people full-time. TMMK played a leading role, attracting more than 180 Japanese-owned manufacturing, service and technology-related facilities.

Braidy Industries was the latest company to announce a billion-dollar enterprise to construct a \$1.3 billion, 2.5 million-square-foot aluminum rolling mill in Greenup County in Eastern Kentucky. Located on more than 300 acres near South Shore, Braidy will create 550 full-time jobs. The company expects construction to begin in early 2018, with completion in 2020. Construction alone will create about 1,000 jobs. Initially, the facility will produce about 370,000 tons of aluminum per year for the automotive and aerospace industries, and employ 550 full-time employees. The average wage of workers will be about \$70,000 per year. The company will also provide low-cost healthy meals, a day care, a fitness center and other amenities to create an employee-friendly workplace. Craig Bouchard, Braidy Industries chairman and CEO, said the new plant will revitalize the region and raise the bar for aluminum production globally. "Our team recognizes an opportunity to make incredible impacts both in the global aluminum industry and in bringing well-paying jobs to Eastern Kentucky in the heart of Appalachia," Bouchard said. Bouchard, a seasoned executive with a distinguished track record in banking, software development and manufacturing, chose Greenup County for its strengths as a location for metal production as well as to spearhead an economic revival in Eastern Kentucky.

Dr. Michael E. Porter, professor at Harvard Business School and a global expert on competitiveness and economic development, serves as a Braidy Industries board member. Porter assisted the company in assessing Kentucky's competitive advantage versus other potential locations. "Eastern Kentucky has significant competitive advantages, including its proximity to the leading automotive and aerospace customers, low energy costs and a skilled and available workforce for heavy manufacturing," Porter said.

Matthew J. Satterwhite, president and COO of AEP Kentucky Power, agreed that the company's presence will set off an economic cascade. "With this game-changing project in Greenup County, Braidy Industries will positively affect all of Eastern Kentucky, both directly and by attracting other automotive and aerospace-related manufacturers," Satterwhite said. "Get ready Eastern Kentucky. Braidy Industries is just the first company moving in for what is the best kept secret in the country – the skilled available workforce in our region."

Among the 110 projects announced, 78 are manufacturing-related and 32 are in the service and technology sector. Top industries include distribution and logistics, automotive, general manufacturing and primary metals production. Breaking the trend of years past, new-



An employee of Kobe Aluminum Automotive Products LLC feeds a melting furnace at the company's plant in Bowling Green. Kobe in October 2015 announced a \$57 million expansion that it projects will add 112 jobs. Kentucky is home to more than 150 aluminum-related facilities – from mills to makers of end-user products. The industry employs nearly 18,000 full-time workers.

location announcements outpaced existing-business expansions in dollar amounts. To date in 2017, \$3.4 billion in new facilities have been announced as well as more than \$2.3 billion in expansion projects at existing locations. In addition, 18 internationally owned companies have pledged nearly \$1.8 billion in new investments that are expected to create 2,160 jobs. By investment amount, Japan, India and Germany rank as the state's top international investors.

Senate President Robert Stivers predicted there's more success ahead. "I said prior to the start of the 2017 Session that our focus would be creating Kentucky jobs and improving the business climate in the commonwealth," President Stivers said. "With the help of my colleagues, especially House Speaker Hoover and Governor Bevin, we have successfully achieved our goals, and this announcement is proof that we have kept our promises." House Speaker Jeff Hoover welcomed the news. "This is a momentous day for Kentucky and all its residents. We will see the effects of this record investment in the prosperity of communities across the commonwealth, job opportunities for our residents and stronger local tax bases that support our law enforcement, emergency services, schools and infrastructure," Speaker Hoover said. "Success in economic development begins with having the right business climate. We will continue focusing on workforce training opportunities and measures that will continue to improve Kentucky's economy."

Kentucky's low costs of housing, innovative workforce-training and pipeline programs, and its ideal location within



In selecting a location for a new, \$12.5 million lab and genomics headquarters for its Americas locations, Luxembourg-based Eurofins Scientific Group decided on Louisville for its workforce, shipping and logistics resources. At center, Louisville Mayor Greg Fischer; Bruno Poddevin, Eurofins senior vice president of genomic services; and Kentucky Gov. Matt Bevin cut a ribbon at the new facility on March 1, 2017.

600 miles of 60 percent of the U.S. population make it a top choice for new business locations and expansions. Twenty interstates, major highways and rail networks, barge traffic on the Ohio and Mississippi rivers, six commercial airports and dozens of regional airports serve Kentucky businesses. For an added bonus, electricity costs for industrial use are nearly 20 percent lower than the national average.

Kentucky holds a leading position in air cargo capability (ranking third nationally in air-cargo shipment volume), offering the UPS Worldport and Centennial ground hub in Louisville, DHL Americas hub and Amazon Prime Air in Northern Kentucky and several large FedEx facilities statewide. Worldport alone operates 70 aircraft docks and turns over about 130 aircraft a day. This strong presence by the world's most prestigious logistics companies means products manufactured in Kentucky can get anywhere in the world virtually overnight.

Kentucky's geographic advantage has created an ideal gateway between the Midwest and South. It also makes it an ideal location for engineering and manufacturing operations including steel and aluminum-related operations. A strong automotive, appliance and aerospace presence provides new and expanding businesses with ready sources of raw materials, finished components, expertise and customers.

Kentucky is one of the leading states in aluminum-production capacity, boasting an auto-parts supplier network of more than 500 facilities. Companies have announced 92 new-facility or expansion projects since the beginning of 2014, according to the Kentucky Cabinet for Economic

Development. Those projects total more than \$2.6 billion in corporate investment in fewer than four years, well above the approximately \$1 billion announced in 2001-2013. That growth is creating more than 2,800 full-time jobs, surging the industry's employment beyond 20,000 people in Kentucky. Auto-parts suppliers represent a majority of those 92 projects. But the rapid increase also positioned the state as a top producer of aluminum ingots, coils, sheet and plate for downstream processing, as well as a major manufacturer of aluminum-related products. In addition to auto parts, these products include wall panel, roofing, door and siding production; household and garden parts and products; highway and work-zone safety systems and other items. In fact, companies in Kentucky melt about 20 percent of all aluminum cans recycled in the United States annually, produce beverage-can stock for 40 percent of the North American market, and supply the world with Reynolds aluminum foil.

Numerous factors contribute to making Kentucky the clear choice for corporate investment and expansion. But one reason stands out. "Early this year the General Assembly passed and Governor Matt Bevin signed right-to-work legislation. That put Kentucky into the mix of more conversations about new-location projects," Terry Gill, secretary of the Cabinet for Economic Development said. Braidy Industries, mentioned earlier, is the nation's first greenfield project of its kind in a generation and is expected to spearhead an economic recovery in Eastern Kentucky. During the announcement ceremony, Bouchard, the company's chairman and CEO, said Kentucky's passage of right-to-work legislation was key in his decision to locate the plant in Kentucky.

Ford announced in June that it will invest \$900 million into its Kentucky Truck Plant (KTP) in Louisville to support production of the 2018 aluminum-alloy bodied Lincoln Navigator and Ford Expedition. That investment follows a \$1.3 billion investment and 2,000 new jobs announced in December 2015 that readied KTP for production of a new generation of F-Series Super Duty Trucks.

In May 2017, Tri-Arrows Aluminum said it will add a \$125 million cold-rolling line at the already massive Logan Aluminum plant near Russellville, in southwestern Kentucky. The investment will create 60 full-time jobs. The phase-2 expansion follows the fall 2015 announcement of a \$250 million investment and 190 new jobs for the mill's recycling/new ingot casting facility. Though Logan Aluminum will still primarily supply flat-rolled sheet for the beverage-can industry, the two phases will prepare the mill to produce auto-body sheet.

In April 2017, Kobe Aluminum Automotive Products, in Bowling Green, announced a 129-job, \$51 million project, its seventh Kentucky expansion. The facility manufactures

lightweight aluminum parts, including upper and lower control arms and steering knuckles. The plant's previous expansions totaled \$293 million and it currently employs 500 Kentucky residents full-time. "This is our 12th year producing aluminum automobile suspension parts in Kentucky. Two years ago we decided to make our sixth investment, and due to the increasing necessity of lighter vehicles, we have decided to make another investment," said Toshihiro Katsura, the company's president and CEO.

Kentucky's total aluminum-related industry includes nearly 190 facilities employing more than 20,000 people full-time. The industry includes aluminum-smelting operations, rolling mills, related downstream processing companies, multiple recyclers, machining and welding shops, and other service providers. Kentucky has two smelters: Kentucky Smelting Technology in Paris and Century Aluminum in Hawesville.

Novelis, which melts used beverage cans and other recycled aluminum scrap to produce ingots for reprocessing into beverage cans, plans to increase its production capacity by 25,000 tons annually with a \$2.35 million investment. The facility in Berea received preliminary approval from the Kentucky Economic Development Finance Authority for state incentives for the project in March 2017.

Audubon Metals LLC, in the Western Kentucky city of Henderson, announced in July 2017 it will expand with an \$8.3 million investment expected to create 39 full-time jobs. Using shredded automotive metal, Audubon separates, dries, melts and blends aluminum alloys to meet the specifications of individual customers. Diecasting companies throughout the Midwest use Audubon's ingots to produce automotive parts, lighting and metering equipment, appliances and small-engine components.

Last year, Kentucky saw 23 aluminum-related announcements including the opening of Constellium-UACJ's



During an event on Dec. 1, 2015, at Ford's Kentucky Truck Plant in Louisville, officials announced the company will invest \$1.3 billion and create 2,000 new jobs to produce the 2017 aluminum-bodied Ford Super Duty trucks. The plant, one of two assembly facilities in Kentucky, also produces the Ford Expedition and Lincoln Navigator SUVs.

aluminum auto-body-sheet plant in Bowling Green, a \$150 million investment creating 80 jobs. Kobe Steel (Kobelco Aluminum Products & Extrusions) announced it will locate a \$46.7 million plant in Bowling Green creating 105 jobs. Gibbs Die Casting announced a \$10 million expansion creating 46 jobs in Henderson.

With the state's advantages combined, automotive production is nationally forecast this year to remain at a near-record level. With federal requirements for better fuel economy, the future of Kentucky's aluminum industry looks bright.

In addition to right-to-work legislation and a highly skilled labor force, Kentucky's attributes create attractive incentives. Pivotal to continuing Kentucky's success is the workforce revolution which aims to provide employers with the skilled employees they need now and in the future. Major elements include the \$200 million Work Ready Skills Initiative which uses focused funding to support local partnerships of employers, educational institutions and other community stakeholders. The awarded projects, which also leverage millions in local funding, expect to provide top-of-the-line training to more than 30,000 Kentuckians annually (an increase of more than 50%) in five core sectors. Those are advanced manufacturing, health care, IT/business services, construction trades and transportation/logistics. This year the program allocated \$100 million in funding for 40 selected projects statewide. Leaders anticipate another \$100 million will be allocated in 2018 for selected projects.

The Work Ready Kentucky Scholarship Program is

Kentucky Locations and Expansions Announced/Reported			
<i>as of September 2017</i>			
	# of Projects	Amount of Investment	# of Employees
New Manufacturing Firms	17	\$ 1,608,073,596	1,431
Expanding Manufacturing Firms	61	\$ 3,479,679,225	3,424
New Service & Technology Firms	15	\$ 1,891,906,722	5,598
Expanding Service & Technology Firms	<u>17</u>	<u>\$ 105,517,127</u>	<u>960</u>
Grand Total	110	\$ 7,085,176,670	11,413

increasing the workforce participation rate by expanding the skilled, competitive workforce. The program provides free tuition to eligible students getting a certificate or two-year degree for any of five sectors. Students can use the scholarship to attend any of more than 4,000 certificate and degree programs at colleges in the Kentucky Community and Technical College System, one of Kentucky's four-year public universities or any other accredited school in the state.

A leading apprenticeship program, the Kentucky Federation for Advanced Manufacturing, or KY FAME, expanded to 10 chapters statewide this year. It boasts 225 member companies and 650 students enrolled for fall 2017.

Other core and high-growth sectors include: food and beverage production, which encompasses the state's signature bourbon and spirits industry; technology; medical-related research, manufacturing and services; and chemicals, rubber and plastics production. Growth in many of these key industries supports a major goal of Gov. Bevin and his administration: To establish Kentucky as an engineering and manufacturing hub of excellence for the nation. Recent and upcoming policy changes are improving Kentucky's business climate and helping to attract new corporate investment and good jobs.



Gov. Matt Bevin, third from right, joined executives from Richmond Baking Co., including President Bill Quigg – third from left – and his brother and company Treasurer Robb Quigg – second from right – to shovel crumbs during the construction-commencement ceremony in July 2016 for More Than A Bakery, a 250,000-plus square-foot cutting-edge facility in Versailles, Ky. The operation will employ 310 people and produce cookies and crackers for nationally recognized brands.

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Kentucky Institute for Economic Development

Using carefully selected curriculum, which is scrutinized to provide up-to-date reliable research data and evolving principles, the Kentucky Institute for Economic Development (KIED) launched its Basic Economic Development Course in 1987. It is an intensive course to educate participants in the fundamental principles and emerging concepts of comprehensive economic development. The curriculum has been revised to keep up with a growing body of research and knowledge. The KIED basic course equips participants with the tools necessary to compete aggressively and successfully for new development in their communities. The course is ideal for local development organizations, chamber of commerce directors, industrial and commercial facility managers, contractors, realtors, planners and developers, officers of financial institutions, engineers, public utility representatives, government officials, and concerned citizens. The faculty is composed of practitioners and academicians of recognized, long-standing experience in economic development. They focus heavily on practical economic development strategy, using a shirt-sleeves, how-to approach.

KIED is accredited by the International Economic Development Council (IEDC), the nation's largest membership organization for economic developers. The course counts towards the requirements for the Certified Economic Developer (CEcD) designation. Jeffrey Finkle, president & CEO of the IEDC (and a CEcD himself) praises KIED and its continuing efforts toward excellence. "KIED has consistently provided top notch professional development training to economic development practitioners," he says. "Between the leaders of the Institute and the staff and leadership at KAED, there is a commitment to quality and the practice of good and ethical economic development."

KIED grew to international fame under the guidance and steady hand of Wayne Foster. Wayne recently retired after 31 years of being dedicated to raising the standards of the economic development profession and providing the fundamental tools required for the job. Like any entrepreneur, Wayne and an assorted crew of interested people saw a need, committed to a solution, worked a plan, reworked the plan, and revolutionized an industry. Wayne is still astounded that three decades have flown by, "It took a lot of people with a collective commitment to excellence for their profession. There wasn't anyone who wanted any credit; we all supported the effort, marketed it and promoted it to the likely prospects."

Wayne is honored by KIED's recognition and the growing reputation of the course, "You know, it really does validate all the challenging work that has driven the success of the course. We designed it to equip participants with the tools necessary to compete aggressively and successfully for new development in their communities. We were dedicated to choosing speakers and topics that would bring value to the participants and prepare them for the task at hand."

Daryl Smith has been involved with KAED as a past chair, and as a long-time member. Daryl, himself a CEcD, is with LG&E and KU Energy's economic development project management team. Daryl remembers, "I immediately set as a goal to become a certified economic developer. I've always been a



Hal Goode and Wayne Foster.

learner and I've always wanted to stay on the cutting edge. I believe KIED is a fundamental and essential building block that will give practitioners, political and community leaders and business people a great framework to make a positive difference in their communities and regions, and even statewide and nationwide."

With Wayne's well-deserved retirement, KIED has been transferred to KAED. Debbie Gray, who heads the KAED Foundation, the board and staff alike are pleased to help train individuals working in the economic development field as professionals or volunteers in both the public and private sectors. Debbie described the scholarships that are primarily for professional development as well. "The foundation gives scholarships every year to the basic course and to the Economic Development Institute (EDI) at the University of Oklahoma. EDI is a professional development program that is often used prior to taking certified economic development exams and becoming certified." For the past three years or so, the foundation has held a silent auction and a live auction to increase scholarship funds.

KentuckyUnited

Kentucky shines when it comes to economic development professionals. They use their well-honed problem-solving skills to tackle the big picture, too. KentuckyUnited is a prime example of what a diverse group of committed individuals can accomplish.

KentuckyUnited is about marketing Kentucky – aggressively and dynamically – and providing cost-effective outreach opportunities for its economic development partners. A unique partnership involving the Cabinet for Economic Development (the cabinet), the Kentucky Economic Development Association (KAED), regions, local communities, and utilities, KentuckyUnited showcases Kentucky like a fine thoroughbred. From promoting countless business advantages, raising awareness, and increasing the number of prospects interested in expanding or locating to Kentucky, the aim is to build lasting relationships with business decision makers and consultants across the United States and beyond. In its essence, KentuckyUnited is a marketing cooperative among communities (and their economic development professionals), the cabinet, and utilities.



Gov. Matt Bevin exchanges flags with Yoshimasa Ishii, center, president of automotive supplier Toyota Boshoku Corp. during a March 2017 trip to Japan along with a delegation of KentuckyUnited members. The company employs more than 900 Kentucky residents at four facilities throughout Kentucky.

The initiative started in 2008 as a grassroots effort in response to a growing concern that Kentucky was losing its competitive edge. Mike Mangeot, CEO at the time, remembers the impetus behind KentuckyUnited. “It seemed like Kentucky was being overlooked, not even being considered as a potential site. Some of us wanted to know what national consultants thought about Kentucky – what were their impressions?” He reminds us this was during the Great Recession, which began in December 2007; business investment was drying up and state budgets were being cut.

Mike recalls, “Kevin Sheilley with Northwest Kentucky Forward (now known as Kyndle) is the one I remember the most. He asked me if there was anything that we could do as an association to fill this gap. We thought about it and discussed it with a number of the members and came up with the idea for KentuckyUnited, basically a co-op partnership. We knew the Cabinet for Economic Development had to be a partner with us. We worked with a Louisville research firm (IQS) to design a survey directed at national and statewide consultants. We wanted to know whether Kentucky was on their radar!”

Jody Lassiter recalls learning about the survey results, “We determined that Kentucky didn’t have a negative reputation, but we didn’t necessarily have a positive reputation. I guess we had a blank

reputation. Although it was really what we expected, it was still unsettling because we had to change and take a new direction.”

“Megan Crossman and I were the only staff members at the time,” Mike says. “We wanted a membership structure with opportunities for large to small organizations or regional organizations to play. Our normal m.o. was to go where the consultants were. We went to Atlanta, New York, Chicago, Dallas, and our first day there we would host a bourbon tasting for the consultants. We were just trying to make those relationships.” Ken Robinson, now serving as interim director of KentuckyUnited, remembers that time well. “We designed four different categories of sponsorships, with tiered levels of participation, access to events and marketing information. ‘Take this show on the road’ describes their early travel to events in Atlanta, Chicago, Philadelphia, New York, Dallas, and Los Angeles.”

The solution formed around a working public private partnership among a diverse group of economic development partners. Hal Goode, a KAED board member during those years, says that KentuckyUnited is about working together. Today, that partnership includes the Kentucky League of Cities (KLC), Kentucky Association of Counties (KACO) and Kentucky Association of Magistrates & Commissioners as members, with the Kentucky Chamber of Commerce and Kentucky Association of Manufacturers as ex-officio members of KAED. Hal believes these members are a big part of KAED’s growth.

Kim Huston, KAED chair in 2012, gives credit to all the men and women who have worked so diligently to refine KentuckyUnited as need and demand dictated over the years. She emphasizes, “To do it effectively, you really need to evaluate opportunities and refine the target as needed.



KentuckyUnited Trip to New York, June 25-27, 2013.



Kentucky Cabinet for Economic Development Sec. Terry Gill, far right, addresses a group of Japanese business leaders during a reception in Tokyo organized as part of the KentuckyUnited visit to Japan in March 2017.

That’s part of the challenge for the steering committee. To fully execute its mission, it is imperative that KentuckyUnited develops and implements a comprehensive, targeted outreach plan that complements the Cabinet for Economic Development’s marketing efforts.” She adds, “We really strive to apply new and creative ways to reach a national and international audience; all the while, we are continually evaluating existing practices to maximize Kentucky’s exposure.”

Looking back as KentuckyUnited nears its tenth anniversary, Mike gives credit to the board members and the direction the board took to have a voice in public policy.



Gov. Matt Bevin (right) met with Denyo Co. Ltd. President Shoichi Shiratori (left) and Chairman Shigeru Koga (center) in Tokyo, in Japan in 2017.

“We needed to be diligent, present, and strategic about issues to put our resources behind. I’m proud that KentuckyUnited is known as a credible resource of information.”

Whether KentuckyUnited is working on economic development in Muhlenberg County or showing off Kentucky’s aerospace industry in Germany, there is consensus at KentuckyUnited – their business is about relationship building, being in the game together face-to-face, and working to keep the discussions going.

An adopted code of ethics guides KentuckyUnited’s actions. The board also adopted a set of values to guide its activities and economic development relationships. There is consensus that its professionals will promote Kentucky’s many advantages in an ethical, collaborative and professional manner. The strength of the organization rests in KentuckyUnited’s commitment to integrity, honesty, fairness and respect for one another and the commonwealth. KentuckyUnited’s partners also agree to maintain and demonstrate professional competence and, just as importantly, sound knowledge of Kentucky’s economic development strengths and opportunities. Finally, KentuckyUnited (taking a page from the playbook of its manufacturing clients) aims for continuous improvement to better market Kentucky.

In 2017, with more than 50 partners and an ever-changing economy, KentuckyUnited is revising and will be implementing its comprehensive strategic plan to propel the organization into the future. At its May 2016 meeting, the KentuckyUnited Steering Committee outlined goals to broaden and expand the organization’s marketing and outreach efforts. Five goals were identified and incorporated into the strategic plan: research and identify targets; develop a corporate sponsorship program; create a comprehensive marketing plan; create a value proposition and communication plan; and track and measure success.

Numerous sub-committees are working to add meaningful action items and timelines to ensure the plan is successful, demonstrating value to both partners and target prospects.

The momentum created through KentuckyUnited has a

thoughtful and dynamic path forward, relying on ever-evolving management tools for KentuckyUnited’s growth and success. All for Kentucky and its economic development future.



Kentucky economic development professionals, including KAED President and CEO Hal B. Goode, second from left, attend the SelectUSA summit in Washington D.C. in June 2016.



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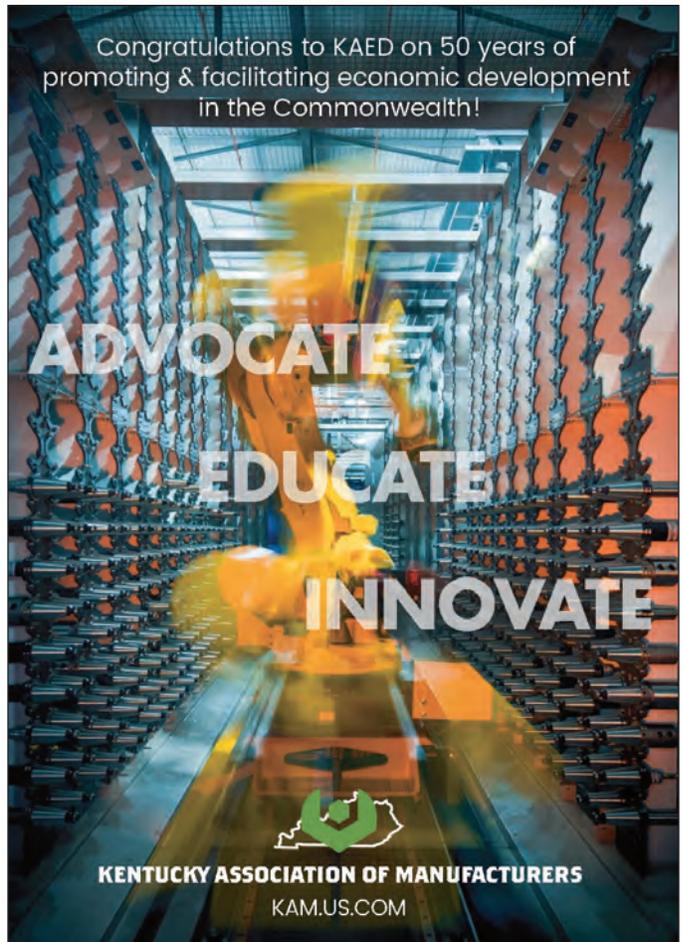
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Along with Gov. Matt Bevin, center, members of KAED, the Kentucky Cabinet for Economic Development, the Kentucky Innovation Network and KentuckyUnited gather in the ThinkKentucky booth during the 2016 SelectUSA summit in Washington D.C.



Bill Samuels signs a bottle of Marker's Mark during KentuckyUnited Dallas trip.



The World Trade Center Kentucky and KentuckyUnited team March 2017 in Japan.



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KAED Hall of Fame

The KAED Hall of Fame recognizes individuals who have made significant contributions to improving Kentucky's economy.

Many Kentuckians may not know there are career professionals who spend their lifetimes “selling” the attributes of their communities, their regions, and their state. It is a business, no doubt, and definitely a professional “career.” But the men and women who grace our Hall of Fame represent the many economic development professionals who not only excel in their field, but excel because they derive enormous satisfaction from fruit of their efforts – jobs. Why? Because these

individuals delight in knowing their friends and neighbors have security in jobs and they helped. Driven, modest, humble, generous and dedicated, they are newcomers and Kentucky natives alike. They love their families, acknowledge their roots, and tear up at the refrains of “My Old Kentucky Home.” Know anyone like that?

Kentucky shines when it comes to economic development experts; we give equal credit to our many devoted professionals who either adopted Kentucky or were born here. They share unwavering love for this great state and its people. These are professionals who wanted to share their knowledge and experiences, to mentor and forge relationships.

In this 50th Anniversary publication, KAED is honored to celebrate the inductees in our Hall of Fame. We are delighted to share their stories, knowing that our recognition of them only touches a few of their sterling accomplishments.



(l-r) Lexington Mayor Jim Gray, Jim Catlett, Charlie Peden (nephew of the late Katherine Peden), Governor Martha Layne Collins, Darrell Gilliam, Governor Paul E. Patton, and KAED Chair Phil Kerrick following the Kentucky Association for Economic Development Hall of Fame dinner on October 18, 2007.

Photo: Steve Leonard

James Taylor Catlett (1936-2011)

Jim Catlett dedicated his life to doing work that is among the most important in any community – creating jobs. Good jobs, with well-known American businesses that chose South Kentucky communities as their operating locations. Committing his boundless energy, attention to detail and never-give-up attitude to the South Kentucky Industrial Development Authority, Jim was a “closer” who didn’t demand personal credit, only jobs for his fellow Kentuckians.

Jim said he learned that “work was very important” from his father, Leon Catlett. Born in 1936 and a native of Mercer County, Jim’s work ethic was a leading factor in his success in economic development. According to those who knew him, Jim Catlett always believed that creating jobs is the most important investment in a community. Jim, a yeoman in the U.S. Navy from 1958-62, came home to work for the Kentucky Department of Commerce/Economic Development in 1960-61. There he met and worked for Jim Coleman and Katie Peden, and the rest is history—a lifetime history of service and dedication.

In the 1960s, 70s, 80s, and early 90s, some well-known names in American businesses chose South Kentucky communities as their operating location, like General Motors and Corvette, Fisher-Price, Quebecor World Printing and Logan Aluminum. The individual who played a key role in the recruitment of these stellar companies: Jim Catlett. Jim became the assistant director of the South Kentucky Industrial Development Authority (SKIDA) in 1962. He retired from SKIDA 32 years later, having spent a lifetime recruiting jobs for his constituents in 22 counties in South Kentucky.



Mike Baker and Jim Catlett share a laugh.



Howard Gray, Jim Catlett, Jim Dunn, Alan Fowler, Jim Gray, Franklin Gray and Stephen Gray on one of many site visits.

“Jim Catlett was a mentor and a pioneer,” according to Allegra Pace and Dennis Griffin, with the Franklin-Simpson Industrial Authority. Pace considers it a privilege to have worked with Jim for over 16 years at SKIDA. “Jim was an advisor to me in so many ways. He could be aggressive in his pursuit of new and expanding industries for Kentucky but it was in a good way.” Pace recalls, “He was so good about following up with companies either with personal visits or phone calls. He would bird-dog projects until he finally got his catch! Jim initiated prospecting trips here in the United States and in later years, overseas. He encouraged community delegation trips to various trade shows. Jim never liked to take the credit for bringing in companies though—his motto was: “It doesn’t matter who takes the credit as long as companies locate in our area and employ the folks who work here.”

Kim Schippers, CEcD, the executive director of the Hopkinsville-Christian County Economic Development Council, was most impressed by Jim’s thoughtfulness and energy. “He would hand write thank-you notes to everyone he met. He was the most energetic and hard driving man I knew,” declares Kim.

Everyone knew that Jim Catlett was a real “closer” and a champion for Kentucky.

James J. Coleman (1933-2008)

This Kentucky economic development professional once thought of moving to Birmingham, but turned down the position, saying, “Alabama doesn’t need me; Kentucky needs me.”

Selfless is the word that best described Jim Coleman. As the youngest of nine children, he had to be. As a loving husband, father of two children and four grandchildren, Jim Coleman always put himself last. He was equally selfless when it came to promoting the state that he loved so dearly.

His first job out of high school was with the Kentucky Department of Publicity, and later he served as director of industrial development under Katherine Peden, where his skills were honed.

Jim’s career focused on bringing business and jobs to Kentucky. It was a passion that sustained him during a 37 and half-year career with East Kentucky Power, where he was responsible for creating the Industrial Development Program. Jim went on to become a founding member, past president, and life member of the Kentucky Industrial Development Council.

In 1990, Jim Coleman was voted Citizen of the Year for Winchester/Clark County Chamber of Commerce, and in 1997, he received the James Norris Gray Award for Professional Development.

Jim served on countless boards throughout Kentucky and served his local community of Winchester and Clark County in so many ways. “He was a warm and generous man,” recalls Barbara, his wife of 51 years. “He did whatever it took to build up the economic potential for Kentucky.”

Selfless, and caring, compassionate and generous – Jim created an aerial mapping program and building fact sheets for member counties at no cost; he sponsored scholarships so students could attend economic development conferences; he helped organize “industrial recruiting” trips to present Kentucky to prospective industries. And Jim was the acting chairman of the Winchester-Clark County Industrial Development Authority for so long that no one can remember the exact date he started.

But those who knew him said those accomplishments paled next to what he considered his real accomplishment: his family. He chose basketball games and swim meets over board meetings anytime, and he’d rather go fishing than to a fancy party.

Jim’s death in 2008 robbed Kentucky of one of its staunchest advocates. Jim was an inspiration and mentor to many economic development professionals, and he touched the lives of thousands as a result of all the jobs created due to his influence in countless economic development projects.



Jim Coleman and Jim Thompson (2005).



Tom Calvert, Bill Coleman, Jim Coleman and Tom Lund.

ADVANCING THE COMMONWEALTH



Martha Layne Collins' visionary leadership brought Toyota to Kentucky more than 30 years ago, and we've been dedicated to the advancement of the Commonwealth ever since. That's why we're proud to congratulate the Kentucky Association for Economic Development on 50 years of outstanding service to the Commonwealth and its communities.

TOYOTA



Governor Martha Layne Collins

Governor Martha Layne Collins' visionary leadership brought exceptional opportunities to Kentuckians—and helped make Kentucky a force in the American and global economy. She dedicated her persistence, sincerity and common sense to winning Toyota (and many others) to bring high-paying jobs and brighter futures for Kentucky families. This woman was at the helm of one of the most successful economic development events in history—and that's just one part of her story. It was a day of firsts in 1983 when Martha Layne Collins placed one hand on her grandmother's Bible and took the oath as Kentucky's 56th governor. The first woman elected to Kentucky's highest office and the only woman governor in the United States at the time, Gov. Collins would become the first woman selected to chair a major political party's national convention.

Collins began her career as a school teacher. Elected clerk of the Kentucky Court of Appeals in 1975, lieutenant governor in 1979, she was elected governor four years later. Her focus was not about the ground she was breaking but about opportunities for Kentuckians.

Before Toyota Motor Manufacturing announced plans to open a manufacturing facility in the United States, Gov.



Governor Collins signing the bill for the education package in 1984.



Governor Collins with Queen Elizabeth II on one of her visits to Kentucky.



◀ *President Reagan welcoming Governor Collins at the National Governors Association annual convention in Washington, D.C.*

U.S. Speaker of the House Thomas (Tip) Phillip O'Neill, Jr., passes the gavel to Governor Martha Layne Collins – the first woman to chair the Democratic National Convention. ▶



Collins and her team were building a relationship with this major Japanese automaker. In March 1985, Gov. Collins led the first of numerous trade missions to Japan, and also visited China – a first for any Kentucky governor – to encourage opening Chinese markets for Kentucky goods. Gov. Collins' efforts in Japan yielded her most significant accomplishment as governor – convincing Toyota to locate an \$800 million manufacturing plant in Georgetown. It would take persistence, humility, an armload of facts, and the right deal to win. She knew Kentucky had the teamwork Toyota required. Add in a hostess willing to wait and greet them the airport, who charmed her guests with fireworks lighting up the night sky behind the Capitol, and the beginning of a beautiful relationship was assured.

More than 30 years later, Toyota has established itself as a corporate leader in environmental issues and an outstanding community partner. Toyota's selection of Georgetown as its first North American manufacturing facility brought high-paying jobs and led to a proliferation of automotive suppliers bringing tens of thousands of new jobs. Later, Toyota chose Kentucky for expansion and as the home of its North American headquarters.

Many new companies and groundbreakings came to Kentucky during her administration—and she worked for new educational opportunities. Gov. Collins continued to focus on economic development and education, serving as the first lay president of St. Catharine College from 1990-1996. Collins has shared her knowledge of the world marketplace at Harvard, the University of Louisville, University of Kentucky and Georgetown College, where she served as executive scholar-in-residence from 1998 until 2012. Gov. Collins added one more job in her quest for Kentuckians to live good lives – cultivating global connections as chair and CEO of the Kentucky World Trade Center.

Any way you look at it, Governor Martha Layne Collins' contributions were groundbreaking.

Wayne Foster

Faithful. That's how his friend, J. R. Whilhite, describes Wayne Foster. "Faithful, because Wayne's life revolves around his faith and his family, with his work in economic development based on a sincere desire to serve others."

Friend. Sandy Romenesko chose the word "friend." "Wayne's a friend to everyone he meets, especially me."

Dedicated. Alan Fowler describes Wayne as "dedicated." "He's always been dedicated to his family, his profession, his friends, and to getting the job done right, whatever that job might be."

Bald. Wayne's good friend, Jack Conner says, "To me, the best word to describe Wayne is 'bald,' like me. And, he's a great friend and wonderful professional colleague."

Harold Wayne Foster was born in 1943 in Cadiz, Kentucky. Soon after, the family moved to Paducah. Wayne's father was a hard working quiet man; his mother Rose was always the life of the party. Like his mother, Wayne has never met a stranger.

Wayne chose Memphis State University (now the University of Memphis) for his undergraduate degree and Masters in Economics. Wayne taught college at Valdosta State College for one year before enlisting in the U.S. Army where he served two tours in Vietnam.

Wayne and his wife started their family in Mississippi where Wayne found early opportunities working in economic development. But Kentucky was home and they moved to Lexington in the early 1980s. Wayne's work at the Bluegrass



Hal Goode, Wayne Foster and Daryl Smith. Photo by Stan Carton Photography



Denise Foster, Gina Greathouse and Wayne Foster. Photo by Stan Carton Photography

Area Development District and the Kentucky Chamber of Commerce laid the foundation for a long and illustrious career in doing what he loved best: Working with communities and helping people.

In the fall of 1984, Kentucky's economic development leaders needed someone to organize the annual Southern Industrial Development Council (SIDC) meeting. They selected Wayne for the assignment – a decision that would become a legacy for Wayne and for Kentucky.

After that successful conference, the question resounded: What if there was a training center dedicated to providing intensive training in the basics of economic development? And what if that center was accredited by the International Economic Development Council? With that vision, the Kentucky Institute for Economic Development (KIED) was born.

Now, 32 years later, KIED is going strong; nurtured and carefully overseen by Wayne Foster until his recent retirement. With graduates from Kentucky, nearly every state in the nation and numerous foreign countries benefit from KIED.

Though Wayne might be best known for building the KIED to international recognition, his primary job since 1992 has been to bring high quality jobs and economic opportunities for the residents of Jessamine County.

"Wayne has always impressed me with his emphasis on community preparation," recalls J. R. Whilhite. "A lot of people come into economic development focused on marketing and closing deals, but the truth is you cannot do those things unless your community resources are sufficient to support business investment and growth."

KAED salutes Wayne Foster, a faithful dedicated friend to Kentucky.

Darrell Gilliam

An economic development professional known as “the guru,” Darrell Gilliam’s diverse career spans more than three decades. Through his passion for his profession, his commitment to leadership, and his generosity as a mentor, he has made an impact that will be felt for generations. Darrell translates his love for Kentucky and his belief in the value of economic development work not only into new jobs but into innovations and leadership development.

From the small community of Blair in eastern Kentucky, Darrell knew first-hand the value of a job and realized that a job could change lives. His inclination toward public service was fostered at Berea College and its values of helping others. The bachelor’s and master’s degrees in economics he obtained from Berea College obviously formed a strong foundation for a future devoted to community development.

Darrell helped create thousands of jobs across Kentucky. For advice on a project, economic development professionals across the state turned to Darrell. There are few economic development challenges Darrell hasn’t faced. He began his economic development career in 1969 as a research economist at Spindletop Research Inc. in Lexington. He prepared reports on banking regulations and the coal, horse racing and restaurant industries. Darrell moved from the private sector to public service in the 1970s, starting as city manager for Winchester. Later, as manager of the Kentucky Appalachian Program, he administered the Appalachian Regional Commission investment program and developed numerous policies with far-reaching impact throughout eastern Kentucky.



Jim Coleman and Darrell Gilliam share one of many good times together.



Bryan Quinsey (2000) and (right) Governor Brereton Jones present a well-deserved award to Darrell Gilliam (center).

As director of community development for the Bluegrass Area Development District in the late 1970s, Darrell helped communities create and expand their industrial site development projects. Winchester, Stanford, Lancaster, Stanton, Richmond – all benefited from Darrell’s drive to establish industrial development authorities. He devoted nearly two decades to leading economic development efforts in Winchester-Clark County (1987-1992), Prestonsburg-Floyd County (1992-1994), and finally in Frankfort-Franklin County (1994-2004).

Darrell was a major force in bringing in some 46 industries that created more than 3,000 jobs and millions of dollars in investment. Darrell credits many mentors – from his high school employer, Hoover Dawahare – to friends like Bill Love and Jim Coleman, and to the atmosphere of hope instilled by President John F. Kennedy.

He played a key role in developing Kentucky’s first Strategic Economic Development Plan and helped found the Kentucky Institute for Economic Development, where community representatives from Kentucky and from across the nation learn basic principles of economic development, from organization to marketing. A member of the Kentucky Industrial Development Council, he served as president in 1987.

Teaching others what it means to be an economic development professional has been a career-long commitment for Darrell. “Without the encouragement, faith and belief in my abilities from Darrell Gilliam, I would not have become an economic development professional,” says Sandy Romenesko.

No wonder they call Darrell Gilliam Kentucky’s economic development guru.

Jiro Hashimoto

Jiro Hashimoto, Kentucky's trade representative in Japan for 25 years, successfully convinced Japanese manufacturers a bright business future awaited them in Kentucky. If they wanted to locate in the Midwest, he suggested Kentucky. If they were interested in the Southeast, he suggested Kentucky. Jiro says, "I love and I'm loyal to Kentucky" (and there is no doubt he is sincere).

The youngest of three children, Jiro was raised in post-World War II Japan by a single mother who was a telephone operator at the Imperial Hotel and other companies for 25 years. His father died when he was four. Growing up without a father, Jiro says, was hard. His older brother worked at General Douglas MacArthur's headquarters, introducing the family to American culture through magazines, records and Coca-Cola.

Jiro became interested in American culture when he was 10. A book about a 10-year-old Japanese boy traveling to the United States with his father left a great impression, so much that he began English lessons and imagined himself that little boy. Unable to get a scholarship, he worked his way through college teaching English. After majoring in international relations at Tokyo University of Foreign Studies, he spent 19 years with Sumitomo Corporation where he handled major pipeline projects in North America. But in his 40s, Jiro took a risk and landed a three-month contract with the Brown administration to attract Japanese companies to Kentucky. Jiro Hashimoto became the face of Kentucky, such that everything was in place when Governor Martha Layne



Former Kentucky Economic Development Cabinet, Commissioner of Business Development Jim Navolio, Jiro Hashimoto & former Kentucky Economic Development Cabinet & Secretary Gene Strong.



Jiro Hashimoto gives remarks after his induction into the KAED Hall of Fame.

Collins went to Japan looking for manufacturing companies to locate in Kentucky.

With his wide-ranging background, Jiro Hashimoto guided Governor Collins through the protocol of the Japanese business world. The work of Jiro and Gov. Collins brought the \$800 million Toyota manufacturing plant to Georgetown. Jiro continued his efforts assisting more than a hundred companies including Hitachi, Topy Industries and Akebono Brake to establish new facilities in Kentucky, creating more than 33,000 jobs.

Over the last 25 years, Jiro has been the most important link between the state of Kentucky and the Japanese business community. He has played a key role in bringing literally dozens of Japanese companies involving hundreds of millions of dollars of investment into our state. He has done it because that is just the kind of man he is. With his demeanor, his knowledge and his professionalism, Jiro made it work for our benefit.

Gov. Collins believes that Jiro deserved the honor and recognition from his induction into the Hall of Fame. She says, "He worked very hard for us, he became the face of Kentucky, he represented us well in Japan. We will be forever indebted to Jiro for the work he did for Kentucky and for the many accomplishments that have been made."

Phillip Allen Kerrick (1956-2013)

Did you know Phil Kerrick once quit a job to go on the road with his college rock band? He did, and although Phil's youthful dream of becoming a rock star never came true, he helped take Winchester, Frankfort, and other communities across the commonwealth to the top of the charts in terms of economic development – all the while still finding time in his life for his love of music and the guitar.

Phil was born in Frankfort. His father and mother were state government employees. For a while Wayne's father worked for the Kentucky Economic Development Cabinet. It's not that Phil ever planned to follow in his father's footsteps. He had blue suede shoes in mind for himself, focused on making music, playing in bands as lead guitarist and touring, and becoming a star.

But eventually, with the input and support of his wife, Phil realized that he could have a steady career and still enjoy his music. And with that, a star among Kentucky's economic development professionals was born.

In 1985, Phil joined the Industrial Development Division of the Kentucky Cabinet for Economic Development as a projects manager. In 1990, he became the Industrial Development Coordinator under New Business Development for the cabinet.

That was, you could say, his warm-up act. By 1994, the Kerricks were on their way to Winchester, where Phil would lead the Economic Development Office for Winchester and Clark County. In his 10 years there, his accomplishments were



Phil Kerrick (2007) receives an award with Gene Strong and Jim Coleman.

remarkable: (1) Sixteen new industries bringing 1,200 new jobs and investments totaling \$98 million dollars; (2) Sixty-four expansions of existing companies, representing another 1,200 jobs and \$159 million dollars in investments; (3) \$4 million in grants secured to help the community's companies expand; and (5) Instrumental in establishing the Winchester Industrial Training Consortium to support employee skills training.

While Phil loved working in Winchester, he yearned to help his hometown of Frankfort grow and prosper. In 2004, he accepted the job as executive director of the Capitol Community Economic/Industrial Development Authority. And the hits just kept on coming with 15 new companies representing 477 jobs and 30 expansions creating another 857 jobs and \$87 million investment.

Phil's economic development legacy makes a difference every day to the citizens of Winchester, Frankfort, and numerous other Kentucky communities. When he passed away in 2013, at the much-too-young age of 57, Kentucky lost one of its best advocates, and many Kentuckians lost a great and beloved colleague and friend.

When we think of our colleague, Phil Kerrick, let us remember him as a man whose actions and career defined the spirit of economic development—and fondly recall his enthusiasm for sports (soccer in particular), his deep faith and generosity, his tireless work for community groups, and his always cheerful demeanor.

And of course, his music. Phil was lead guitarist for several Central Kentucky bands playing classic rock to Christian rock. A rock star to the end.



Phil Kerrick (2007) hosted the first KAED Hall of Fame Induction Ceremony.





William M. Lear, Jr.

Some may consider it ironic that a man who didn't pursue a career in economic development was the first recipient of the Governor's Economic Development Leadership Award. But this Lexington native has not followed the path of least resistance in his distinguished career, and in his reputation as a driving force in downtown development.

Bill Lear is quick to list the most important components for success in any endeavor: "Hard work, organization, perseverance, character and brains, and the least important of these is brains," he says. Bill credits his parents' influence for his achievements. "They were wonderful role models, instilling in my three sisters and me a love of family, respect for others, self-discipline and pursuit of excellence."

That pursuit of excellence led Bill to study economics at Davidson College and later to study law at the University of Kentucky, where he graduated in the top five percent of his class. In 1980, Bill joined the law firm of Stoll, Keenon and Park. Five years later, he was successful in his first bid for public office. As a state representative, Bill played a leading role in election, ethics, education, and corrections reform – changes which helped improve life for every Kentuckian.

During his stint in the legislature, Bill became interested in city planning and downtown development. He sponsored and helped secure passage on issues related to planning and zoning, and served as chair of the House of Representatives Economic Development Committee.

It was during this time Bill sponsored legislation which created the Kentucky Economic Development Partnership.

Bill believes his proudest achievements are his part in the passage of the child restraint law and his efforts to decriminalize mental illness. Bill's role in building a better Lexington, through service on numerous boards and organizations, is another crowning achievement.

"Bill Lear is a risk-taker," says Gina Greathouse of Commerce Lexington, "but his risks have helped move economic development in Kentucky to a more sophisticated level." One risk that paid off were his efforts in progressive mixed-use development in "college town" near downtown Lexington, which includes 156 condominiums, 20 upscale town homes, nearly 14,000 square feet of retail space, and the rehabilitation of commercial warehouses into residential living space.



Gina Greathouse, Commerce Lexington and Bill Lear, Stoll Keenon Ogden at the Nagoya, Japan World's Fair.



Joe Craft, Alliance Resource Partners, Bill Lear and Kevin Smith, VP Kentucky Beam Bourbon Affairs, Beam-Suntory.

His vision for Kentucky shows the reflections of a man who seems to be just getting started – a more cooperative effort among Lexington, Louisville, and Northern Kentucky; an international airport in western Kentucky; and a tourism and recreational Mecca in eastern Kentucky.

Bill Lear believes we have an obligation to leave everything we touch better than we found it. He says, "We owe it to our children to build on the legacies of the past."

Tom Lund

Tom Lund, a Michigan farm boy, gifted football player and former nursery owner is now best known for being a “laser-focused” economic development professional. Most significantly, he is known for leading the team that transformed Lebanon and Marion County to top ten rankings in Kentucky.

Joe Mattingly recalls, “From our first interview with Tom, we could tell that he knew more about us than we knew about him. He immediately focused the discussion in his job interview to what he already knew we needed. . . It was clear that Tom Lund was the best choice for the job – by far.”

Tom was born in a Michigan harbor town located on Lake Michigan. His father was an artist, farmer and grocery store owner; his mother went to school to become a teacher but never taught. The family milked dairy cows and raised cherries, peaches and apples. “I built up my muscles by lifting 100 pound sacks of grain and hoisting a million bales of hay and straw,” recalls Tom. “But I increased my brainpower by reciting paragraphs from Edgar Allan Poe’s *The Black Cat* and *Anabelle Lee*.”

Fast forward to when Tom’s baby sister, Jackie, called to say he might be interested in a job ad she had seen for an economic development position for the rural community of Marion County. When he got his sister’s call, Tom says he thought, “What a chance to return to my roots.”



Tom Lund, Hall of Fame acceptance remarks. Photo by Stan Carton Photography



Gov. Paul Patton, Tom Lund and Jim Coleman.

“Tom helped transform the economic development landscape of our community,” says Freddie Higdon, president of the Marion County Industrial Foundation. “Jobs, jobs, and more jobs, that’s what we think of when we think of Tom.” “Before Tom came to town, Lebanon had very few job opportunities so most people had to go out of town to find work,” recalls Mary Lou Brock, Tom’s long time administrative assistant and office manager. “Now, there are lots of opportunities for employment.”

Tom understood that successful economic development required more than buildings and infrastructure. He focused early on the education system because he believed that a better-equipped workforce would give Marion County an “edge.” His success in recruiting a diverse group of industries has resulted in over 4,000 manufacturing jobs.

Today, you can see the impact of his work including Hendrickson Truck Commercial Vehicle Systems, established in 1998; Joy Mining Machinery in 2005; and Fuel Total Systems in 2008. In time, more companies made Marion County their home, bringing jobs closer to home at Limestone Branch Distillery, Mainstream Packaging, Montebello Packaging, and NSU Corporation, to name a few.

But Tom’s work didn’t stop with economic development, he got involved in the community in other ways: The Lebanon Aquatic Center, the Center Square Complex, new lighting, new sidewalks, new traffic lights in the downtown area, and the Lebanon Tourism Commission.

Tom’s positive impact on Marion County cannot be measured.

James Martin

A sincere love for his state, a passion for economic development and an invaluable and loyal friend, Jim Martin is a true champion for Kentucky. An integral part of the economic development world for 35 years, Jim's leadership has impacted local communities and the economic development industry as a whole. He is experienced, knowledgeable and insightful and this has left a lasting impact on us all.

The second of six children, Jim was born in Perry County, Kentucky. Jim's father was a coal miner. Jim's mother had a third grade education and stayed home until Jim was out of school. Growing up, Jim remembers almost everyone living in absolute poverty in the Appalachians hills of Eastern Kentucky. Still, Jim's father taught him to stand up and be fearless. When his father was disabled in a work-related accident, his mother worked during the day and went to school at night, while still finding time to raise her family. She completed her GED and enrolled at Hazard Community College continuing her studies well into her fifties.

Jim Martin graduated from high school in Perry County. One teacher in particular saw in Jim great potential, but a formal education was out of reach. Jim earned an engineering technician's certificate from the Transportation Cabinet. Throughout his life, Jim has never passed up an opportunity to educate or equip himself. A graduate of the Economic Development Institute of the University of Oklahoma, today Jim's credentials are numerous.



Kay Martin, Governor Paul Patton and Jim Martin (right).



Hal Goode and Jim Martin (right) at the KAED Hall of Fame Induction (2009).

Jim has served as regional director for the Kentucky Cabinet for Economic Development in Kentucky's western region. He also served two Kentucky communities as executive director for economic development. Jim was a mayor, a city manager and most recently a field consultant with TBA. At one time or another, Jim has worked with almost every community in Western Kentucky managing prospects, developing strategies and creating marketable communities.

Jim remembers assisting one community far behind the curve with less than a hundred manufacturing jobs. With no prior economic development program in place over a two-year period, they recruited four companies creating 725 jobs. More recently, Jim championed community preparedness initiatives and assessments across his Kentucky territory. Jim was instrumental in creating and implementing a new economic developers' guide to keep developers up-to-date on resources. A builder of consensus and trust, perhaps Jim's most impressive trait is his commitment to small communities with limited resources.

Jim's colleagues appreciate his humor, his humility, his love for state history and his knowledge of Kentucky trivia. Jim is currently county judge/executive of Fulton County and is working in real estate in his own community. Jim also finds time for yet another passion: the golf course.

Over his rich career, Jim Martin has been a dedicated resource on every level: Local, regional and statewide. Communities across Kentucky are blessed to have such a man leading the charge and graciously preparing more leaders for the success of Kentucky.

Governor Paul Edward Patton

Governor Paul Patton is a Kentucky leader who has experienced economic development from many perspectives. Everything he learned from his winning career in business and public service, he put to work for the benefit of Kentuckians. Independent, self-confident, progressive and original, these traits continue to guide Gov. Patton just as they did when he reorganized and revitalized Kentucky's approach to economic development.

Paul Edward Patton was born in Lawrence County, Kentucky, in a tenant house built from a torn-down wood silo on his grandfather's property. His mother was known to say, "Abe Lincoln was born in a log cabin and Paul Edward was born in a wood silo." His family came from the mountains of Eastern Kentucky. From his parents' example, hard work and a love of learning came easily to Gov. Patton and his two sisters. Starting when he was three, his dad signed up for an employee payroll-withholding program with the C&O Railroad for his son's college fund.

An engineer (like his father), he built a successful coal company. As a business owner, Gov. Patton soon became aware of the powerful influence of government on small businesses. He would become a leading spokesman on behalf of small coal operators. In 1981, he turned to public service as county judge/executive of Pike County where he worked for passage of legislation aimed at bringing significant economic growth to the neediest counties. The result was the Kentucky Rural Economic Development Act, designed for counties with unemployment rates above average for numerous years. In recalling those accomplishments, Gov. Patton fondly speaks of the influence of his mentor, Sen. Kelsey Friend.



Rep. Rocky Adkins and Governor Paul Patton.

Gov. Patton would rise to the occasion as lieutenant governor in the early 1990s when Governor Brereton Jones decided to literally put him to work, naming Patton secretary of the Economic Development Cabinet. For the first time, a Kentucky lieutenant governor had an important and highly visible assignment. Under Patton's leadership, Kentucky's approach to economic development was reorganized and revitalized. The 1992 legislative session created the Kentucky Economic Development Partnership Board, bringing together private and public sectors to direct the state's economic development efforts. Three major initiatives followed: Kentucky Industrial Development Act to promote urban areas for manufacturing sites; Kentucky Jobs Development Act to promote white collar jobs; and Kentucky Industrial Revitalization Act (KIRA) to promote existing industries.

Gov. Paul Patton was elected Kentucky's 59th governor in 1995, and he continued to improve and refine Kentucky's incentive programs and economic development strategies. Patton turned his attention to another critical component of long-term growth: education. Highlights of his eight years as governor were a comprehensive restructuring of postsecondary education, the creation of the Community & Technical College System and Kentucky Virtual High School.

In all his roles, Patton has worked to further Kentucky's prosperity. He has fostered teamwork and strived to create benchmarks in leadership.



Governor Patton with a visiting delegation.

Katherine Graham Peden (1926-2006)

A woman as state commerce commissioner? In 1963 it was unheard of in Kentucky, or any place else in America for that matter. Katherine “Katie” Peden made history when Governor Edward Breathitt appointed her to the post. “Ned” Breathitt knew how smart Katherine was—they had served on the debate team together. But being a “first” is not the main reason this farm girl from Hopkinsville is remembered as one of the most powerful forces in Kentucky’s economic development history.

How about 150,000 reasons? That’s how many new non-farm jobs Kentucky had added by the end of Katherine’s four-year term, twice what Governor Breathitt had promised in his campaign (equivalent to 50 new jobs a day, seven days a week). Katherine brought a broad range of new companies to Kentucky and convinced others to expand their operations.

Katherine didn’t come to the job inexperienced; she had been a trailblazing businesswoman. Her career in radio station management began in 1944; she went on to own a station and manage national sales for five CBS stations.

As commerce commissioner, Katherine put her business savvy and her boundless energy to work to sell Kentucky to business site seekers. She commissioned studies to gather much-needed facts about the advantages of doing business in Kentucky. Armed with those facts, she knocked on doors. Company presidents – and the business world in general – took note of this unprecedented commerce leader. And of Kentucky.

Business Week admiringly called her aggressive and successful campaign “The Pedenblitz.” Donald Cook, president of American Electric Power Company (one of the many firms Peden successfully wooed) called her “the most persuasive person in the field of industrial development today.”

In 1963, President John F. Kennedy named her to his groundbreaking Commission on the Status of Women, chaired by Eleanor Roosevelt. President Lyndon Johnson appointed her to the National Advisory Committee on Civil Disorders—the only woman included on the 12-member committee. After her term as state commerce secretary, Peden continued as a force in economic development. One of the first women in the country to be named to the board of directors for a Fortune 500 company (1969), she was the first woman designated a Master Professional by the Industrial Development Research Council. In the early 1970s she started her own company, Peden & Associates, and remained a major force in economic development. President Jimmy Carter appointed her to the



Katherine Peden greets President Lyndon B. Johnson.



Executive Committee of the White House Conference on Balanced Growth and Economic Development.

When Katherine died in 2006, the economic development industry lost a true pioneer and Kentucky lost one of its greatest promoters.

Jerry Rickett

Under his leadership, a small regional, nonprofit Kentucky economic development organization has become an internationally recognized model for community investment and entrepreneurial growth. But ask Jerry Rickett his greatest accomplishment, and he'll tell you that it's helping people he cares about find jobs – jobs that will sustain them.

The goal of the Kentucky Highlands Investment Corporation (KHIC) is to create and maintain employment opportunities in 22 counties in Southern and Eastern Kentucky. There could be no more dedicated leader for such an organization than Jerry Rickett, who says his parents raised him to get an education and come back to Eastern Kentucky and make a positive difference.

Jerry grew up in McCreary, Elliott and Wayne counties, where his father was a 4-H agent and his mother a homemaker raising four children. After obtaining a bachelor's degree from Cumberland College – and two master's degrees from Eastern Kentucky University – Jerry worked for area development districts in Hazard and London. Then he joined KHIC as marketing manager in 1986 because he believed he could make just the kind of difference his parents envisioned.

Three years later, Jerry became KHIC's president and CEO. Under Jerry's leadership, KHIC grew from total assets of \$15 million in 1989 to \$56.8 million in 2009. Jobs grew from 1,800 to nearly 10,000 in the same period. And Kentucky Highlands Investment Corporation became the organization to watch in rural development—in Kentucky and the nation—achieving one “first” after another with an



The ribbon cutting photo includes from (l-r): Donna McClure, Sen. McConnell's office; Mark Johnson, Kentucky Cabinet for Economic Development; Earl Gohl, Co-Chair of the Appalachian Regional Commission, Congressman Hal Rogers; Tom Fern, Kentucky State Director; Bill Singleton, Kentucky Highlands Chairman; and Jerry Rickett, Kentucky Highlands President. Photo by Tom Fern USDA

array of groundbreaking capital and entrepreneurial loan programs.

The Kentucky Highlands Empowerment Zone was the first rural empowerment zone in America, disbursing \$40 million in federal funding over 10 years to help transform three Kentucky counties with poverty rates topping 35 percent. Did it work? Unemployment and the poverty rate dropped by nearly a third, GED attainment and wages rose at rates above the state average, more than 6,100 jobs were gained, and additional public and private investment was \$200 million. And that's just the beginning.

There's L.E.A.P., a low-cost speculative building alternative for rural areas that fills community industrial parks. And, the Appalachian Development Alliance, a group of nontraditional lenders Jerry brought together to harness new dollars for the region. And there's the educational partnerships for high school and college students to nurture future business owners.

How does he do it? Consider these descriptions from those who know him: “He's innovative.” “Astonishing in his ability to use or create new economic tools that yield results.” “Jerry Rickett is someone who brings the region together and shares the credit when good things happen.” “He's the talented man people want to serve with them in focus groups, advisory committees, and on boards.”

So long as there is need, Jerry will pursue and plan ways to access resources from across the country to help improve the lives of those who live in the region he loves so dearly.



United States Department of Agriculture Rural Development State Director Tom Fern presents a check for \$2.2 million to Highlands Diversified CEO Daryl Weaver. From left, Highlands Diversified President Mike Hurley, Weaver, U.S. Rep. Harold “Hal” Rogers, R-Ky., Fern and Kentucky Highlands Investment CEO Jerry Ricketts. Photo by Carol Mill/The Sentinel-Echo

Gene Royalty

Few people in Kentucky economic development history have the length of service or diversity of impact of this KAED honoree. But his more than a half-century of positive impact began in, of all places, a furniture and appliance store.

Gene Royalty was born in 1929 in Harrodsburg, Kentucky. His parents were well known and devoted citizens in the community. Gene initially planned to follow in the footsteps of his father, who owned a small business and had some investments in tobacco warehouses and a grocery store. At age 21, he started his first enterprise, G & H Furniture Showrooms. "G" was for Gene and his older brother James Huntley, was the "H." "My Dad was always there, watching, teaching, showing me how and showing when," recalls Gene.

As the business thrived, Gene became more involved in community activities, serving on the boards of two banks and chairing a committee to restore nearby Shaker Village.

A conversation with then Lieutenant Governor Wilson Wyatt was a turning point for Gene. Jobs required companies and companies required industrial parks, he soon learned. Gene organized Mercer County's first industrial authority

and was its chairman from 1961 to 1988. It was a period that saw the arrival of such companies as Hitachi, which remains an expanding and crucial part of the county's economic success.

His devoted but voluntary efforts on the part of his community did not go unnoticed outside of Mercer County. In 1988, Governor Wallace Wilkinson appointed Gene as Secretary for the Cabinet for Economic



Gene Royalty.

Development. And so it was that Gene found himself traveling the world selling the many attributes of Kentucky just like he had sold companies on Mercer County. When Wilkinson's term ended, Gene stayed on in Frankfort to serve in the Department of Agriculture. As tobacco waned, it proved to be a critical time for Kentuckians. Gene played a key role in helping Kentucky farms find new and innovative cash crops through three administrations and three agriculture commissioners.

Gene retired from state government in 2002, but not from economic development. At nearly 70 years of age, he said he thought it time to return to Harrodsburg – not to retire mind you, but to explore more opportunities at home. That alone merits his induction into the Hall of Fame, according to Greg Jones. "Thanks to Gene, we gained more than 550 new jobs, over \$87 million in new business investment, plus more than 200 new jobs in major expansions of established businesses."

Gene has worked tirelessly for the advancement and economic success of Kentuckians his entire life. Now, Gene says he's looking forward to the challenge of retirement and to enjoying his hometown of Harrodsburg and relaxing on the lake in Russell County.

Gene Royalty – always working for the future of Kentucky.



Gene Royalty, Oliver Bruss, president of Bruss North America, Inc. and Ted Eysenbach, chair of the Russell County Industrial Development Authority at a ribbon cutting ceremony held for the expansion at Bruss in Russell Springs.

Marvin E. Strong, Jr.

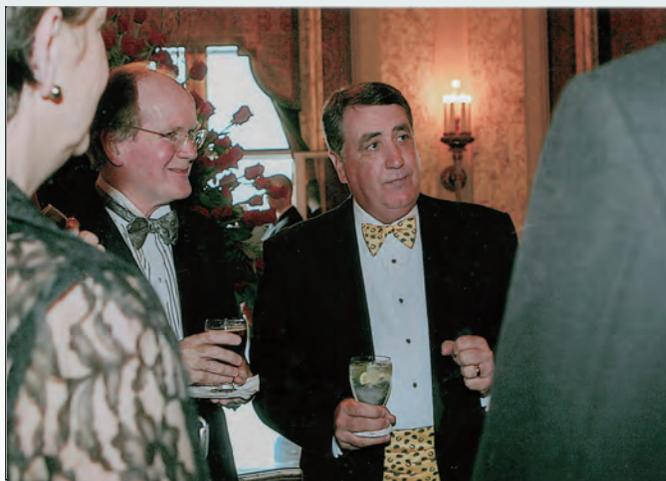
As secretary of Kentucky's Economic Development Cabinet through three administrations, Gene Strong led Kentucky to unprecedented levels of success, with record job creation (more than 274,000) and capital investments increased by more than 34.5 million dollars.

As with many successful leaders, Gene credits his parents who taught him the values of hard work and honesty. "I grew up respecting faith, family and friends. These were ever present messages in our home." Gene was a National Honor Society student, involved in school activities, extracurricular sports, and loved hunting and fishing in his Breathitt County home. After college days at Eastern Kentucky University, Gene married his college sweetheart and as they started their family, Gene began a career in Frankfort.

With fiscal experience in the public and private sector, Gene soon moved from the Justice Cabinet to the Kentucky State Police as director of fiscal affairs. In the 1980s, Gene joined a private sector real estate development firm – he would serve 11 years as executive vice president for The Webb Companies based in Lexington, Kentucky. During this time, Gene partnered with Gray Construction to hold a seminar in Japan entitled "Doing Business with Kentucky." More than 125 Japanese companies came to that seminar. And, Gene's more than 30 visits to Japan resulted in the location of more than 90 Japanese-owned facilities in Kentucky.

But Gene's success in negotiations and marketing caught the attention of Kentucky's state leadership and he returned to Frankfort in 1991 as deputy secretary for the Cabinet for Economic Development under Governor Brereton Jones. In 1993, the Kentucky Economic Development Partnership Board chose Gene to serve as secretary of the Cabinet. Gene's team soon led business leaders everywhere to "Think Kentucky" for location, land value, and high worker productivity.

Gene continued to bring home new business opportunities for the administrations of Governors Paul Patton and Ernie Fletcher, serving as a tireless advocate for the commonwealth. "I can truly say that I have never worked with a more professional, honest or committed person than Gene Strong," says Gov. Patton. "Kentucky was fortunate to have had the services of who I believe was the most effective economic development leader in the nation."



Dr. Pearce Lyons, Alltech, and Gene Strong.



(l-r) Muhammad Ali, Gene Strong, Susan Strong and Donna Maloney.

"Kentucky's a natural for business," Gene often said. And when it comes to economic development leadership, so is Gene Strong.

After 15 years of service to the Cabinet for Economic Development, Gene retired in 2007 - but his retirement was short lived. He created Lexington-based Marty Strong Global Consulting with his long-time friend and business partner John McCarty.

These days, between Kentucky and the N. Georgia mountains, Gene places his focus on family, then golf with his two sons Mark and Ryan, and after that, it's the great outdoors.

Gene, a man who dreamed big and made a difference.

C. Bruce Traughber

Growing up in Louisville, this history teacher turned economic development powerhouse has left a lasting legacy of accomplishments in Louisville and Jefferson County.

Like many in the industry, Bruce Traughber came to economic development looking for a job. But being new to the industry did not limit Bruce Traughber's potential.

Take a look at the landscape of Louisville, and see the physical effects of Bruce's hard work, vision and smooth negotiating style. A revitalized downtown. Momentum and investment.

Bruce started his career in the classroom teaching history, but like many, he left education and found a new career, one where he has spent the last 20 years teaching by example the art of oversight, development and deal making. Bruce believes that a successful deal is a win for both sides.

Bruce brought a wide range of new companies to Louisville and convinced others to stay or expand their operations. "Bruce has probably done more commercial development deals and knows more about commercial development than most commercial developers," recalls local developer Steve Poe. In fact, it was Bruce who helped convince UPS to expand WorldPort and invest an additional 1.2 billion dollars in Louisville and Jefferson County; he was instrumental in helping Ford's assembly and truck plants stay in Kentucky, even while they were downsizing nationally; and he grew Jefferson Riverport International to more than 120 business and 6,000 jobs.



Governor Martha Layne Collins accepts an award from Bruce Traughber.



(l-r) Governor Steve Beshear, Lieutenant Governor Jerry Abramson and Bruce Traughber.

"The jobs I've held as a teacher, an advocate, and a counselor have helped me communicate with business people, neighbors and unions," says Bruce. Those communication skills are apparent as the list of his contributions continue: Bruce directed the development of Hurstbourne Green, an 80-acre business office-park, and was intimately involved with bringing Best Buy's "Geek Squad" and Johnson and Johnson to Kentucky. Under his leadership, county government and private owners crafted an agreement to create the Eastpoint Business Center, a 605-acre park now home to Kroger Corporation's major distribution center.

When he was teaching, Bruce's students voted him a "STAR" teacher. Obviously, they knew early what his colleagues in the industry have come to know: Bruce Traughber is a winner. His peers agree it is his ability to listen that is Bruce's greatest attribute.

"Being in economic development is one of the most rewarding of career choices," Bruce says. "You help people build better their lives – for themselves and their families. And think about it, first there's the thrill of negotiating the deal followed by approval. Next, a groundbreaking ceremony and ribbon cutting. Before you know it, the parking lot is filled and you know each of those cars represents a person and his or her family. We have the joy of helping someone who thought this was a better job than the one they had, or more importantly, this was better than the job they didn't have."

Community Profiles & Supporters

KAED is proud to present the following Kentucky Community Profiles and Supporters. These profiles feature a wealth of information from numerous cities and counties across the Commonwealth—and serve as an “Invitation to Kentucky.” From Paducah sited on the great Ohio River in far western Kentucky, to Pikeville nestled in the mountains of eastern Kentucky, each are working to create and grow the fertile ground for prosperity for their citizens. Come, visit us in Kentucky and see how we foster the sense and spirit of community at our schools, our manufacturing plants and businesses. Your company and your family are welcome here. But we should tell you up front—once you make Kentucky your home, you’ll want to stay. Dr. Tom Clark, our late Historian Laureate said it best, “Kentucky gets a hold of you.” He always said it with a smile.

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Shelby County

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Shelby County with a rolling to hilly terrain covers a land area of 384 square miles and has a strong agricultural background. Breathtaking horse farms dot the countryside here in the Saddlebred Capital of the World. Corn, tobacco, hay and livestock are not the only things growing in Shelby County. Thanks to a tremendous vision for the future, Shelby County is one of the fastest growing industrial and commercial counties in the state. Shelby County's location and accessibility to three interstate highways, as well as rail, make it an attractive site for any company. Thirty minutes to Louisville International Airport, UPS Worldport, Louisville Riverport with direct access to the Gulf port.



Shelby County has a population of 46,500 and two incorporated cities: Shelbyville and Simpsonville. Strategically located between Louisville and Lexington, Shelby County is ideal for commuters from the seven surrounding counties, as well as, other counties within a 60 mile radius, including southern Indiana. The population of our labor market area is 1,509,000. We are located within 600 miles of 50% of the nation's population.



Maintaining the balance between agriculture, industry and residential development allows Shelby County to continue to grow. Shelby County's formula for smart growth includes a healthy industrial base. More than 8,500 people are employed in local industries, making manufacturing the county's largest employer. Industries represented are diverse from metal forming and stamping to denatured alcohol, sausage to veneer, powder coating to staples. Also home to craft and large scale distilleries.



Growing industry has been part of the county's plan since 1957, when the Shelby County Industrial & Development Foundation was formed. The foundation has attracted 70 industries to the county, ranging from small operations with two employees to major corporations employing over 1,000.

Education is very important to our community. Shelby County is home to two high schools, two middle schools, six elementary schools, and private school systems. We are also proud of the Shelby County Area Technology Center and the Jefferson Community and Technical College – Shelby Campus who are making great strides in preparing our workers not only for the jobs of today but for the jobs of tomorrow. Our commitment to education and workforce is evident in the unique partnerships our schools and businesses have through a dedicated workforce/education liaison and the Big Picture Learning Academy.

A few amenities are the Outlet Shoppes of the Bluegrass, our Family Activity Center and Park system, Jewish Hospital-Shelbyville campus, 5 golf courses, and two lakes. Shelbyville also has a thriving historic downtown and an award-winning community theater.

For more information on our community please visit: www.scidf.com





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International Trade

The World Trade Center Kentucky is celebrating 30 years of creating awareness and educating business executives about the power of international trade. These executives are now Kentucky's strongest and most influential advocates for Kentucky exports and imports. Almost 500 Kentucky facilities are internationally owned, 34 nations have Kentucky-based facilities and nearly 105,000 people are employed at these Kentucky facilities. There are 206 facilities with European ownership employing 33,161; 76 facilities with German ownership employing 56,491; 225 facilities with FarEast/Pacific Rim ownership employing 56,491; and 192 Japanese facilities employing 45,252.

"I was told that the World Trade Center Kentucky (WTCKY) began when Lexington Mayor Scotty Baesler was traveling with Governor Martha Layne Collins on a business recruitment trip," said Ed Webb, current president and CEO of the World Trade Center Kentucky. "As they were leaving the United States, their plane passed a big gray building near the runway named 'World Trade Center' when Gov. Collins exclaimed, 'I want one of those in Kentucky.' Mayor Baesler responded, 'We need one, so let's go get it done.' This observation was after Gov. Collins and her team in Frankfort introduced Kentucky to Toyota. They understood that the world business climate was becoming more international, and it would continue to do so with or without



The Kentucky delegation gathers to make a strong showing at the 2017 SelectUSA conference in Washington DC. Members include Gov. Matt Bevin, Economic Development Sec. Terry Gill, Ed Webb, president and CEO of World Trade Center Kentucky, and the KAED leadership team.



Kentucky's engagement. "Three decades later, the World Trade Center Kentucky has offices in Louisville and Lexington serving our businesses with the services they want and more importantly, connections to the people and solutions that they need," Webb said.

The WTCKY mission is simple: To accelerate trade (exports and imports) and economic development in Kentucky. The key word is "accelerate," which by definition, refers to a vehicle's capacity to gain speed or velocity rapidly. The WTCKY serves its clients by driving the expanding sales of their services, products and brand into the global economy. Through education, advisory, one-on-one support and by leading international business trips to foreign markets, WTCKY works to make this expansion happen within a very tight, efficient, yet controlled timeframe. An exciting and unique component of the process is through the World Trade Center's partnerships, two of which are with the U.S. Commercial Services and the Kentucky Association for Economic Development (KAED). These organizations are key resources that provide clients with access to

information they need and the people they need to connect with, which are both invaluable to a growing or established business. The World Trade Center provides services in the shortest timeframe possible for that individual business. It exists and succeeds in a fast moving and competitive economy. If Kentucky keeps an eye on the prize and continually pushes for business and job growth, then we will continue our progress. It is a tough business environment but Kentucky businesses are seeing the importance of international trade, evidenced by the record setting high of over \$29 billion in exports in 2016. Along with that comes recognition of Kentucky as a hub for international trade by the world's leading firms in logistics, DHL, FedEx, and UPS. Partnerships make the World Trade Center Kentucky, and more importantly, Kentucky businesses successful.

Lastly, the recent designation of a Federal Foreign Trade Zone in Paducah sets the stage for West Kentucky to offer unheralded opportunities for economic growth and development, much like that of the central part of the state with the Louisville trade zone. The new Center for International Business and Trade (CITB) is serving as a hub for information, services and education to assist businesses and workforce development. CITB will serve as a source for resources and information and source for talent acquisition and workforce development. In collaboration with the World Trade Center Kentucky, the center will be stewards of the region planning for the needs of generations to come through collaborative networks and partnerships. (<https://sites.google.com/murraystate.edu/cibt>).

Kentucky's international customers value its products and services from the Bluegrass. Exports by Kentucky businesses continue to break records, topping \$27.6 billion in 2015 as the Cabinet for Economic Development continues working with the state's businesses to increase international sales opportunities. The state's The Kentucky Export Initiative provides a variety of services to help businesses get started. Those include a readiness assessment, trade education seminars, matchmaking sessions, and trade missions. There is grant money available to assist businesses in efforts to sell products and services abroad.

Often when people hear Kentucky, they think of Bluegrass music, or the Derby, or bourbon. Clearly, aerospace is not the first thing that jumps to mind. Perhaps it should be, because by the end of 2016, Kentucky's aerospace exports had grown to \$10.85 billion, which makes the commonwealth



Gov. Martha Layne Collins and Dennis Moore, public affairs officer for the Canadian Consul General, at the Kentucky-Canadian Studies Roundtable held at Georgetown College in 2007. Photo: Bobby Clark



During a March 2017 trip to Japan, Kentucky delegation members including Economic Development Sec. Terry Gill (center) and Ed Webb (fourth from right) president and CEO of World Trade Center Kentucky, met with executives from Japanese businesses during a Kentucky-organized reception at the Imperial Hotel in Tokyo.

No. 2 in the U.S., behind only the state of Washington. This industry is poised to have an enormous and positive impact on all Kentuckians.

Kentucky has a growing list of trade partners that includes Canada, United Kingdom, Mexico, France, China, France, Brazil, Japan, Germany, the Netherlands and Singapore, to name a few. Exports from our own backyard experiencing enormous success in foreign markets span a wide range of industries. In 2015, Kentucky's top 10 industry exports included aerospace products and parts; motor vehicles; pharmaceuticals and medicines; motor vehicle parts; resin, synthetic rubber, artificial and synthetic fibers and filament; basic chemicals; engines, turbines and power transmission equipment; navigational measuring, electromedical, and control instruments, other general purpose machinery and beverages.

Workforce Revolution

Kentucky's workforce revolution has continued over the past 10 years. Site Selection magazine ranked Kentucky's workforce development first in the Southcentral region for the second consecutive year in 2017. The ranking considers state workforce expenditures, certifications across the working-age population and readiness scoring by the U.S. Chamber of Commerce Foundation. According to a 2016 report by the Everyone Graduates Center at the Johns Hopkins School of Education and Civic Enterprises, Kentucky's high school graduation rate of 87.5 percent in 2014 ranked among the highest in the nation.

Twenty years ago, the Kentucky Community & Technical College System (KCTCS) began with the mission of reorganizing a fragmented group of technical and transfer-oriented colleges into a comprehensive community and technical college system. Today, KCTCS is the largest provider of postsecondary, online and workforce education in Kentucky. In 20 years, the number of credentials awarded increased by nearly 250 percent. In the academic year 2016-17, KCTCS surpassed its prior records for both number of graduates and credentials awarded. Since 2000, the community and technical colleges have served nearly 875,000 Kentuckians.

Governor Paul Patton was an engineer who knew the value of systems. In 1997, he calculated that a statewide system of colleges would be the most efficient and cost effective way to deliver higher education to Kentuckians. The system would save money for its various colleges and the commonwealth by

providing significant services ranging from volume, scope and scale discounts to cost effective services such as IT systems, software, telecommunications, human resources, academic and student services, financial and legal services, and bookstore operations. In 2017, KCTCS determined that without a system its colleges would need an additional \$50 million and more than 800 new staff to provide the same level of services. And the cost to the student? Students would pay \$31 more per credit hour in tuition (based on 2016-17 tuition).

In December 2000, Gov. Patton outlined his plan for a successful knowledge-based economy in his keynote speech at the Council of State Governments (CSG) annual meeting. He addressed the key issues of education, economic development, healthcare, and workforce development. "This meeting gives each of us the chance to explore ways to build better opportunities for all our people. That's what the people elected us to do, and it's what we came here to learn more about," Gov. Patton said. "As leaders and activists in state government, we know we must invest in the intellectual capital of our people if we're going to compete and win in the emerging knowledge-based economy." He emphasized the importance of seizing economic opportunities, remarking, "States must be proactive in pursuing high-tech businesses in a growing international competition." He strongly encouraged the audience, which consisted of more than 1,100



A key element of multiple programs, initiatives and efforts in Kentucky's ongoing workforce revolution is involvement of private-sector employers. By including company partners, these programs help ensure they educate and train future employees with the exact skills needed by those very employers.

government officials, legislators, and administrators, to provide more training in the area of workforce development.

Dr. Michael B. McCall, president of KCTCS from its inception to his retirement in 2014, believed our economy was undergoing profound transformation equivalent in scope and depth to the Industrial Revolution of the 19th century. That is when our nation moved from an agrarian-based economy to a manufacturing economy. Now, in 2017, technology continues to revolutionize every aspect of our lives including, as Dr. McCall put it, “what we learn and how we learn it, where we work and how we work . . . and how we create wealth.”

Like President McCall, Dr. Jay Box is passionate about the KCTCS mission and committed to advancing a more educated and trained workforce for Kentucky. He envisions a future where all students’ dreams translate into communities with a college-educated workforce, ready and able to fill the needs of local business and industry. In November 2014, Dr. Box, chancellor of KCTCS, was named the system’s president becoming the second person to lead Kentucky’s largest higher education institution since it was formed in 1997. Dr. Box believes it is time for us to look forward to the next 20

years, “The world has changed a great deal since KCTCS was formed, and since all of our colleges were formed. Students’ needs have changed, each community’s needs have changed and the workforce has changed. Therefore, we must adapt and change to make sure we provide our students with the relevant education they need to be successful.”

According to the National Center for Higher Education Management Systems (NCHEMS), Kentucky went from 38th in the nation to fifth in improving college enrollment of adults ages 18-34 (2000-2012). Seventy KCTCS campuses serve an adult student population who are mostly within a 30-minute drive to their campus. The 16 community and technical colleges educate 82 percent of Kentucky’s skilled trades workers, awards 66 percent of all nursing and allied health credentials, and 87 percent of all associate degrees in nursing and allied health. As part of KCTCS, the technical school programs became accredited by the Southern Association of Colleges and Schools Commission on Colleges, which elevated the programs and cleared the path for students to transfer to four-year institutions.

The community and technical colleges collaborate with businesses around the state and align programs with business needs to make sure students possess the skills required for jobs in their communities. As those needs change, so does the curriculum. The Workforce Solutions group has provided services for more than 3 million program participants since its inception and has served as many as 6,200 businesses in one year.

The Bluegrass Advanced Manufacturing Center in Georgetown/Scott County is the home of Kentucky’s first Advanced Manufacturing Technician (AMT) Program. The program began in 2010 as a collaboration between Toyota and Bluegrass Community & Technical College (BCTC). This collaboration now includes 17 manufacturers and won the 2013 National Career Pathways Partnership Excellence Award at the National Career Pathway Network Conference. The new advanced manufacturing center, which opened for classes in January 2017, was a partnership among the state, the city of Georgetown, Scott County Fiscal Court, Toyota, and KCTCS.

The AMT program allows a student to earn a competitive wage while completing an Associate in Applied Science Industrial Maintenance Technology degree.

Students, who are sponsored by a manufacturer, work three days per week at the sponsoring manufacturing company and attend school full-time two days a week. Since there is no



KY FAME student Madison Gibson demonstrates a robot at the Bluegrass Community and Technical College’s Advanced Manufacturing Center in Georgetown. The newly opened facility is a 75,000 square-foot operation and includes traditional classrooms and a true-to-life factory floor. Located near the Toyota Motor Manufacturing Kentucky plant, the Advanced Manufacturing Center is a training ground for the KY FAME apprenticeship-style program’s local chapter as well as a number of BCTC programs, including industrial maintenance. The facility opened in January 2017 and students learn electronic, fluid power, blueprint reading, machining and more in both a hands-on manufacturing environment and traditional classroom settings.

official summer break with a five semester schedule, students can complete the academic requirements for an associate degree in five consecutive semesters or approximately 16 months. While not guaranteed, the intent is that students who are selected and successfully complete the program will be hired by one of the sponsoring companies. Education here leads to good paying jobs, which strengthen and improve our state and local economies. For more information check out: https://bluegrass.kctcs.edu/about/our_campuses/georgetown/amt/index.aspx.

The graduates of the Advanced Manufacturing Technician program are some of the most skilled and experienced new technicians in the United States. By the time they graduate, these students have completed two-and-a-half years of work experience. In today's global economy, these AMT graduates can be the differentiating factor required for Kentucky's economic development success. Kentucky's struggles to keep up with the demand for skilled workers needed to support manufacturing and other targeted industry sectors dictate continued emphasis on training and education. By 2020, it is projected that 62% of Kentucky jobs will require postsecondary education or training, yet only 54% are projected to hold these degrees.

Kentucky's leaders are continuing to give significant attention to workforce education, training and preparedness to ensure businesses can hire the skilled workers they need. Multiple state-sponsored programs are deepening that pool by helping connect individuals with training opportunities.

In two separate rounds this year, Gov. Matt Bevin, along with the Education and Workforce Development Cabinet and Cabinet for Economic Development, announced 40 projects statewide will receive nearly \$100 million through Work Ready Skills Initiative (WRSI); another \$100 million round is anticipated for 2018. This program brings together private employers, higher-education institutions, high schools, technical schools, and community, regional and state development organizations on projects that will train and enhance their region's workforce. The \$65.5 million in first-round awards to 25 projects leverages \$84.5 million in matching funds, including approximately \$64.1 million in cash and \$20.4 million in-kind. The 25 first-round projects are expected to train more than 30,000 Kentuckians annually in five core sectors: Advanced Manufacturing, Health Care, IT/Business Services, Construction Trades and Transportation/Logistics.

The Kentucky Federation for Advanced Manufacturing



Students in a premier workforce development program, the Kentucky Federation for Advanced Manufacturing Education (KY FAME) receive paid, hands-on experience at one of 225 member companies while earning an associate degree in applied sciences at a local community and technical college. The innovative, apprentice style education and training program now includes 650 sponsored students at 10 chapters statewide.

Education (KY FAME) is a successful and growing apprenticeship-style workforce training program. Through partnerships with manufacturing-related companies and Kentucky's community and technical colleges, KY FAME offers students an innovative, education-and-training program, which incorporates an apprenticeship. Designed to create one of the most highly skilled workforces in the world, KY FAME now includes 225 member companies. In 2017, KY FAME added a 10th chapter covering Union, Henderson, Webster, and McLean counties.

More than 650 students are enrolled for fall 2017 in KY FAME-endorsed programs. More than 230 students have graduated with associate degrees in applied sciences. With the practical skills gained during their paid work experience, most begin full-time employment with the sponsor. Students can also continue toward an engineering degree. Through KY FAME, manufacturers can create a strong globally competitive and competent workforce.

"Kentucky Trained. Kentucky Built." is a program to promote the state's variety of apprenticeship programs, launched last year through the Kentucky Labor Cabinet. The Kentucky Dual Credit Scholarship Program, announced in 2016, pays for dual credit opportunities for Kentucky high schoolers at no cost to the student for approved courses. Dual credit allows high school students to receive both high school and postsecondary credit at the same time for a course. The statewide initiative provides funds for dual credit scholarships for all 173 Kentucky school districts.



A workforce training revolution is underway in Kentucky to ensure private-sector employers can hire the skilled employees necessary for success, both now and in the future. Programs including the Kentucky Federation for Advanced Manufacturing (KY FAME) and numerous certified apprenticeship programs are solving the workforce-development puzzle.

A unique scholarship program called the “Work Ready Kentucky Scholarship” covers tuition for Kentucky students enrolling in nearly 1,000 certificate and degree programs in five high-demand sectors including advanced manufacturing, business and information technology, construction trades, healthcare, and transportation and logistics. The program partners the Kentucky Cabinet for Education and Workforce Development with state and private universities and Kentucky’s community and technical colleges.

The Work Matters Task Force launched in June 2017. The 20-member group will design methods to increase workforce participation among former and working-age foster children, people with disabilities, disabled veterans, and individuals burdened by substance abuse or criminal records.

To streamline Kentucky’s workforce delivery systems, the Kentucky Skills Network provides workforce-training options to businesses through a variety of programs and partners. In fiscal year 2016, the Kentucky Skills Network provided training for nearly 95,000 Kentuckians and 5,000 companies from a variety of industry sectors. The Skills Network brings together the Cabinet for Economic Development, Education and Workforce Development Cabinet, Labor Cabinet, and the Kentucky Community and Technical College System (KCTCS).

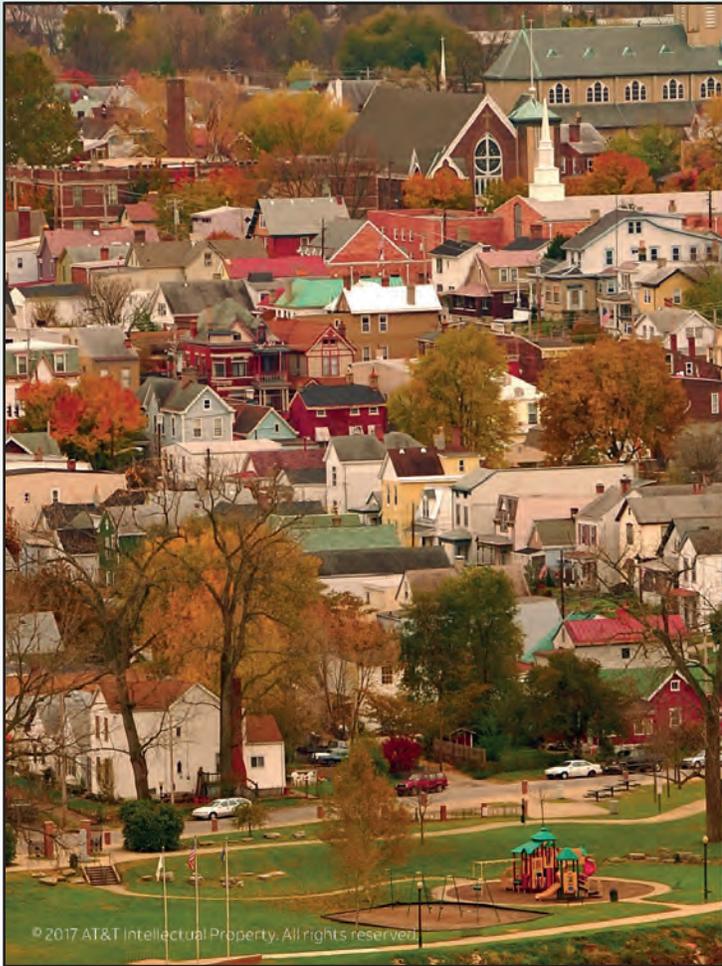
Kentucky helped lead the nation in implementing a Work Ready Communities program that certifies workforce quality based on six criteria specified by site selectors, business and industry leaders, economic developers and local officials. Every Kentucky county is either certified as Work Ready or in the process of attaining certification. Work Ready

Communities must meet goals for high school graduation rates, soft skills development, educational attainment, community involvement, digital literacy, and they must be National Career Readiness certificate holders.

The Council on Postsecondary Education released an annual report (2005) regarding knowledge-based economy programs, the conclusion of which remains just as important today as then. In that report, the Council commented on how to ensure the greatest return on state dollars invested, stating, “The Council must develop dynamic, strategic connections between postsecondary education, workforce, welfare, and economic development to promote postsecondary access and success; to align postsecondary education with current and emerging needs of business and industry; to promote participation of women and minorities; to open dialog to understand and respond to students’ needs and expectations as they prepare for employment and business creation; and to nurture an entrepreneurial climate and culture.”

Over the long term, Kentucky must continue to build an environment in which businesses can succeed. Essential public investments start with education. A sound qualified workforce will continue to be a primary issue for business investment. This demand places increasing pressure on Kentucky workers to get more education and embrace a philosophy of lifelong learning. Today’s high school graduates face a far different workplace than their parents because technology is changing the nature of work rapidly. According to the Bureau of Labor Statistics, the average American worker currently holds 10 different jobs before age 40, and this number is projected to grow. Forrester Research predicts that today’s youngest workers will hold 12-15 jobs in their lifetime. The options and support systems available to our Kentucky youth and adult workforce must remain strong and flexible. We have every confidence they will.





▶ Mobilizing your community

Connected communities are strong communities. By advancing our technologies and services, we're helping to create the opportunities that make a better Kentucky.

When everything works together, your community moves forward.

AT&T proudly supports the Kentucky Association for Economic Development and congratulates them on their 50th Anniversary.



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Let us work for you!

We're your partner in creating a skilled workforce!



Are you struggling to find employees who have the skills you are seeking?
Do you want to help your current employees build their skills?

How we can help you ...

Kentucky Adult Education Skills U provides *FREE* services that can assist you with assessing and building the skills of both your prospective and current employees. We offer:

- Contextualized Instruction
- Essential (Soft Skills) Instruction & Assessment
- GED® Diploma Preparation
- Career Readiness Instruction & Assessment

How we helped ...

“Kentucky’s Touchstone Energy Cooperatives often face challenges finding job candidates who have the necessary skills to fill positions. Kentucky Adult Education Skills U worked with our cooperatives to develop a contextualized curriculum that prioritizes those skills. They also produced videos to highlight job opportunities in the energy industry and educate Kentuckians about the skills necessary for these high-growth careers.”

- Nick Comer, East Kentucky Power Cooperative, Inc.



For more information, including your local contact: www.kyae.ky.gov

Aerospace and Exomedicine

Many individuals across Kentucky would consider bourbon or coal to be our top export. The real answer would come as a great surprise. Over the years, aerospace manufactured products have quickly become our state's No. 1 export at \$10.85 billion in 2016, a figure that ranks Kentucky second nationally in this category. Kentucky's tremendous logistical capability, central geographic location, low cost of living, and business friendly environment are contributing factors to this success now and in the future. As aerospace companies seek growth opportunities in the Midwest and South, Kentucky is well positioned to reap the benefits of this expanding industry.

Over the past five years, aerospace exports in Kentucky began to take off. In the early 2000s, aerospace exports hovered slightly over a few billion dollars. By 2013 this had begun to change. By the time 2015 came around export data showed that Kentucky had \$8.7 billion in aerospace exports that account for over 17,500 jobs. Kentucky finally recognized the aerospace industry for the growth potential it was, and the state legislature passed House Joint Resolution

100 through the incredible support of Rep. Rocky Adkins. By mandate, the Kentucky Transportation Cabinet, Cabinet for Economic Development, and Kentucky Commission on Military Affairs have studied the who, what, and why of the aerospace industry.

With aerospace product manufacturing on the rise regionally, many of the companies that made pieces and parts for automobiles began to use their skills and capabilities to do the same for the aerospace industry. At the beginning of the industry study, the Kentucky Cabinet for Economic Development listed 60 companies involved in aerospace in the state. Through the study, it was discovered that Kentucky is home to more than 600 businesses involved in the aerospace and aviation cluster. Some are the larger aerospace and defense companies including Raytheon, Lockheed Martin, GE Aviation, Belcan, BAE, and Safran Landing Systems. These companies have relocated and expanded in Kentucky in large part due to a pro-business environment, low-energy costs, and low taxes. Safran, an aircraft brake manufacturer in Walton, has continuously expanded its operations and is currently working on its fifth expansion since 1999.

Small- to medium-sized businesses



International Space Station. Photo by NASA

also excel in Kentucky's aviation and aerospace cluster. These Kentucky-based companies make an incredible array of parts for both military and civilian aircraft including the following: Phoenix Products produces parts for the Blackhawk Helicopter, C-130 and the F-16; Foam Design makes supplies for the MV-22 Osprey; Meggitt has parts on the E-3A and braking systems on other aircraft; A.C.E. Compressor builds remanufactured air compressors; Indy Honeycomb makes parts for major aircraft engines including some from GE; and Highlands Diversified Services makes armrests and seat parts for commercial airliners. In addition, over 30 Kentucky companies supply Boeing in Charleston, South Carolina.

Both Kentucky Governor Matt Bevin and Lieutenant Governor Jenean Hampton recognize the potential for the economic opportunities presented by Kentucky's growing Aerospace and Defense industries. Gov. Bevin points to Kentucky's tremendous logistical capability, central geographic location, low cost of living, and business friendly environment as contributing factors to this success; it gives Kentucky great potential for the future. He said, "As Governor, my vision is that Kentucky would become the center for engineering and manufacturing excellence in the United States. That's why I am excited about the economic opportunities posed by our state's growing Aerospace and Defense industries. As aerospace companies seek growth opportunities in the Midwest and South, Kentucky is well positioned to see this industry continue to expand throughout the commonwealth of Kentucky."

Lt. Gov. Jenean Hampton remembers growing up in the 1960s. "I'd often wake up early to watch the rocket launches from Cape Canaveral. NASA and the space program inspired me to dream BIG dreams. Even though I didn't become an astronaut, I've never forgotten the curiosity, optimism and excitement of that period. As Lt. Governor, I'm absolutely thrilled to help Kentucky's aviation and aerospace industry grow." Lt. Gov. Hampton helped start the Kentucky Aerospace Industry Consortium and promotes advanced manufacturing as a rewarding career path. She believes the industry study is paramount to helping Kentucky understand the aerospace/aviation potential.

Stewart Ditto, 1st Lt., USMC (Ret), is the executive director of the Kentucky Aerospace Industry Consortium and the project manager for the Kentucky Commission on Military Affairs. He agrees that the aerospace and aviation industries are thriving in large part to the fact that Kentucky is a logistical



12 CubeLab modules ready for launch on the SpaceX-12 mission at Space Tango's office at Kennedy Space Center (August 2017).

dream for companies looking to expand. According to Ditto, "The state's transportation network can move products easily and efficiently by air, rail, road and water to all points globally. Kentucky is home to large logistical operations at the UPS Worldport in Louisville (SDF), and a DHL Hub in the Northern Kentucky Airport (CVG), resulting in the unique capability to move aerospace products throughout the nation and the world. To add to our already overwhelming logistical capabilities, Amazon Prime announced early in 2017, that it will invest \$1.5 billion in a prime air hub at the Northern Kentucky Airport." Ditto also explains that this will serve to increase CVG's already incredible shipping and receiving capabilities. CVG has a daily flight to France that flies whether or not there is even one passenger on board. The reason? The value of the aerospace products shipped in the cargo hold. FEDEX also has large trucking hubs and Kentucky is within a day's drive of two-thirds of the U.S. population.

Ditto points to the fact that Kentucky is home to many of the large aerospace and defense companies including Raytheon, Lockheed, Belcan, Safran and GE. Aside from those larger corporations, Kentucky has 600 other companies, some of them doing things that are not being done anywhere else

in the world. Kentucky companies are impacting the space side of the equation as well. “Look at Space Tango,” Ditto says, “It’s one of a handful of companies in the world that has its own lab on the International Space Station. Space Tango delivers the ability to conduct tests and experiments in micro-gravity; its lab completes experiments autonomously, without continuous interaction from the astronauts. In the past most space interaction dealt with the research of what is beyond our earth. Space Tango looks at space and micro-gravity and seeks to find how they can use these exotic environments to positively impact our lives on earth.”

There’s another exciting side to this story: Space Tango is facilitating new ways to use microgravity to manufacture products that cannot be built within Earth’s gravity, and conducting bio-medical testing through their affiliate, Exomedicine. Until a few years ago the term exomedicine, which seeks to understand better ways to treat illnesses or diseases, did not exist. Now individuals worldwide are making calls to one of Exomedicine’s founders, Kentucky’s own Kris Kimel, to see where they can pursue a Ph.D. on the subject.

Educational opportunities are also breaking new ground and influencing the aviation and aerospace industries worldwide. For many years, Kentucky held the standard for aviation education in high schools. At one time, 38 schools provided four different pathways for students and changed the way we view aviation and aerospace.

“Kentucky universities are also making a huge difference, and each of them in their own unique way. The University of Louisville supports research in micro and nanotechnology, advanced materials, biotechnology, and advanced manufacturing at their Micro/Nano Technology Center. UofL along with Western Kentucky are also conducting International Space Station (ISS) experiments to understand colloid material behavior to enhance solar cell performance. In partnership with NASA Kentucky, the University of Kentucky and Kentucky State University led the development of Next-Generation Entry Thermal Protection. This will be beneficial to both small and large satellites. UK also conducts Unmanned Aerial Systems research in their Mechanical Engineering Department.

Eastern Kentucky University is making waves in their aviation department as one of the top pilot training programs in the nation. Morehead State University’s (MSU) space program is involved with sending multiple satellites into space. In fact, Dr. Ben Malphrus at MSU is preparing to send a cube

satellite into orbit on an important X-ray astronomy mission, and in 2018 he and his team will launch another satellite to the moon. “Our R&D efforts have led to the launch of five small spacecraft into space,” said Malphrus. “We launched a sixth this year, called the Cosmic X-Ray Background Explorer. The coolest thing, though, is that we are leading a NASA mission called Lunar IceCube that will make its way to orbit the moon to investigate the location and abundance of ice.”

As you can see, Kentucky is at the forefront of new frontiers and is pushing the boundaries of technology. The innovation and participation of companies, universities, and individuals will continue to propel our state to the top of the aerospace industry in exports and other categories. Kentucky recently recruited Braidy Industries to relocate to Kentucky and invest \$1.3 billion to build an aluminum mill in Greenup County. Some of the aluminum produced at this facility will be aerospace grade material suitable for manufacturers and suppliers in the aerospace industries.

As Ditto states, “Fifty years ago, most technological innovations were accomplished by governments, large companies, or major universities. However, we currently live in a world of rapidly growing technological capability. As that capability grows, it also shrinks in physical size.” This has allowed smaller companies and individuals to create disruptive technologies or to have an impact on any industry globally. Want proof? Look no further than Kentucky with its robust and growing aerospace industry.



(l-r) German Chancellor Angela Merkel; President Barack Obama; Kentucky Economic Development Cabinet Commissioner of Business Development Mandy Lambert, and Space Tango Cofounder & CEO Twyman Clements in Germany (2016).

Exomedicine Center for Applied Technology

Morehead State University's Space Science Center is home to the Exomedicine Center for Applied Technology after receiving a \$300,000 grant from the Exomedicine Institute. Technology developed at the Space Science Center carries experiments to the International Space Station's exomedicine lab. One experiment will determine how cancer cells react to chemotherapy in space at zero gravity. Others will provide information about diabetes, macular degeneration, and cystic fibrosis. Kris Kimel, the founder of the Exomedicine Institute, says this is a new frontier in medicine. "Microgravity can be used to solve really complex problems. We are seeking answers to questions that have never been asked before," he said. Kimel added, "We are saving people's lives and changing people's lives. There is one Exomedicine Institute in the world, and it's in Kentucky. There is one Exomedicine Center for Applied Technology, and it's in Morehead in Eastern Kentucky." "We are tackling cancer in ways that seem unimaginable to us," said Kyle Keeney, executive director of the Exomedicine Institute. "We celebrate the unprecedented access to space that we have in Morehead."

The Exomedicine Institute, based in Lexington, brings together scientists, researchers, entrepreneurs and students to work in conjunction for the next big medical breakthrough. Rep. Rocky Adkins, House minority leader, says, "This excites me because I care about where I'm from. I want to build a brighter future for those who live here." Adkins was

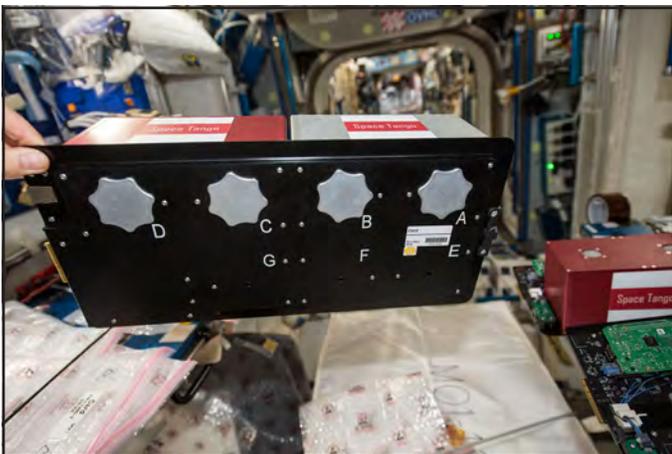


(l-r) Terry Samuel, Kentucky Science and Technology Corporation chief operating officer; Kris Kimel, Exomedicine Institute founder; State Rep. Rocky Adkins D-Sandy Hool; Dr. Wayne D. Andrews, MSU president; Dr. Ben Malphrus, MSU's Space Science Center executive director; and Kyle Keeney, Exomedicine Institute executive director.

instrumental in securing the funding for MSU's Space Science Center and the Exomedicine Center for Applied Technology grant. "I see the potential, vision, and innovation the Space Science Center brings," says Adkins.

"We have the potential to not only cure cancer and other diseases, but to bolster the economy," says Terry Samuel, the chief operating officer at Kentucky Science and Technology Corporation.

To learn more about the Exomedicine Institute and space-based medical research, visit www.exomedicine.com.

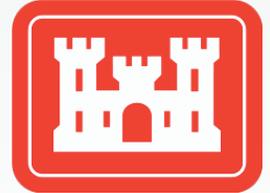


CubeLabs ready to be installed within the TangoLab on the International Space Station. Photo by Italian Astronaut Paolo Nespoli (August 2017)



Photo of TangoLab-2 after installation on ISS. Photo by Italian Astronaut Paolo Nespoli (August 2017)

Kentucky's Defense Industry



Kentucky has been a major center of military activity and support throughout our nation's history. Today, Kentucky hosts more than 60,000 military personnel supporting the Army, Navy, Air Force, Marines and Coast Guard. The Department of Defense's (DoD) active duty personnel, civilian employees and military and civilian retirees make significant contributions to the state's economy. Kentucky's military industry is valued at \$12 billion dollars annually with the best-known installations being Fort Campbell and Fort Knox, and Bluegrass Army Depot. Many Kentucky businesses and communities surround, partner with and directly support these military activities. Kentucky is also home to facilities operated by the U.S. Army Corps of Engineers, Kentucky Army National Guard, Reserve and U.S. Coast Guard. Since Sept. 11, 2001, the Kentucky National Guard has mobilized and deployed more than 16,000 soldiers and airmen in support of the Global War on Terror.

Kentucky's defense advocacy is guided by the Kentucky Commission on Military Affairs (KCMA), which serves in an advisory capacity to the governor, the legislature and its congressional delegation. Led by Colonel Blaine Hedges, U.S. Army (Retired), KCMA's primary mission is to advise and nest efforts with key stakeholders by protecting and growing our military installations and activities; expanding Kentucky's defense-related industry; and improving the quality of life for our service members, veterans and their families to fulfill an obligation of never-ending support to our military population and the citizens of Kentucky.

In 2015, the DoD's Office of Economic Adjustment (OEA) awarded economic adjustment assistance funds to conduct planning and take action to adjust to Army force structure reductions. The OEA is responsible for supporting state and local governments to respond to major defense program changes. The scope of the grant included studying the aerospace and defense-

related supply chain in Kentucky to determine annual economic impact, growth areas and workforce implications and develop recommendations for sustained growth. In addition, the grant was used to study the development of an Unmanned Aerial System and cybersecurity industry, as well as update a standing study on the overall economic importance of the military in Kentucky.

Kentucky has grown a defense-related economy that provides the services, products and innovations to keep the military strong. Kentucky is part of the supply chain for the Virginia Class Submarine, the Patriot Missile System, the Super Hercules C130-J military transport aircraft, the Boeing KC-135 Stratotanker, and the Minuteman II Missile System, the largest aerospace system in the Kentucky defense supply chain. The DoD contracted for about \$22.3 billion with just over 1,300 Kentucky companies in 505 different industries between FY12 and FY15. However, more than 90 percent of that amount

was awarded to just 24 companies.

There are more than 1,100 Kentucky companies able to contract with the DoD. Most are concentrated in the Louisville and Lexington regions. Jefferson County leads the state in defense establishments, employment, and total defense contracting dollars, due largely to Humana Military Healthcare Services' \$13 billion in contracts between FY 2012-2015. Beyond health services and insurance, the largest DoD program activity in Kentucky is for the Blue Grass Army Depot's Chemical Demilitarization program at nearly \$1.5 billion between FY 2012-2015.

Although DoD spending has declined since FY 2013, the Defense Information Systems Agency (DISA) has increased contracts by over \$6.7 million. This trend could continue based on DISA relocating major components of its operations to Fort Knox. More than 90 percent of all DoD contracts awarded to Kentucky companies are for services. Nearly 5,400 Kentucky companies are authorized to apply for DoD contracts, but many did not receive awards between FY 2012 and FY 2015.

The DoD has seven contracting offices in Kentucky. During FY 2015 these seven offices awarded over \$582 million to organizations within Kentucky and \$3.8 billion was awarded to organizations outside Kentucky.

Kentucky ranks fourth in the United States for most active duty Army personnel in-state, and ranks in the top 16 for the number of total military personnel. Kentucky is working with its military communities to capture the talent and discipline service members and veterans have developed in the armed forces into finding civilian employment. Collaborative partnerships are being coordinated with legislators, state agencies, universities, and the defense industry to fill the critical skills gaps and strengthen Kentucky workforce.

The communities at Kentucky's two largest active duty installations, Fort Campbell and Fort Knox, are reorganizing their advocacy groups to best promote their installations and locales. Local officials from both sides of the Kentucky-Tennessee border and other advocates of Fort Campbell plan to form an alliance to strengthen the post, boost economic development in the surrounding region and encourage separating soldiers to remain in the area. The economic growth component builds on a recently completed strategic plan that leverages the region's background in manufacturing and agriculture to attract related industries. In August, leaders requested funding from DoD's Office of Economic Adjustment to launch the alliance and implement recommendations from the growth plan. Amy Frogue, associate director of



Photo by US Army

community and economic development for the Pennyriple Area Development District said, "The defense alliance I think will be pursued regardless of funding. I think both states feel very strongly about it in regard to the base."

The Fort Knox area is home to Knox Regional Development Alliance (KRDA), an alliance formed with the Hardin County Chamber of Commerce to see more money remain in Kentucky and Hardin County. KRDA completed a \$2.5 million fundraising campaign to provide five years of operating expenses including a paid staff, retired Major General (Retired) Bill Barron announced in April 2017. "With this accomplishment, we can accelerate marketing of Fort Knox and bolster the post's economic impact within the region and center on three key priorities: retain and attract DoD missions at Knox, attract new defense related industries and develop more public private partnerships."

Kentucky is proud of its military contribution to America. Today it continues to leverage its military assets through installations and statewide activities, defense contracts, transitioning service members, a veteran workforce and their



Photo by www.clarksvillenow.com

Past Presidents

1968.....	E. Bruce Kennedy	1985.....	Lester B. Abbott	2001.....	Lisa Payne
1969.....	Nicholas C. Kieffer	1986.....	Wayne Foster	2002.....	Kevin Sheilley
1970.....	Leonard C. Neff, Jr.	1987.....	Darrell R. Gilliam	2003.....	Frank Salisbury
1971.....	Leonard T. Kernen	1988.....	Helen Humes	2004.....	Jill Wilson
1972.....	Wayland A. McDowell	1989.....	John F. Loyd	2005.....	Jim Thompson
1973.....	Joe W. Lee	1990.....	Joseph W. Kelly	2006.....	Debbie Gray, CEcD
1974.....	Jim Coleman	1991.....	Forrest Wright, C.I.D.	2007.....	Phil Kerrick, CEcD
1975.....	M. Winston Johnson	1991.....	Sam L. Burke, C.I.D.	2008.....	Sandy Romenesko
1976.....	D. Drake	1992.....	Jimmy Jones	2009.....	John Cosby
1977.....	J.C. (Dick) Dixon, Jr.	1993.....	Joe Gibson	2010.....	Daryl Smith
1978.....	Henry H. Knight	1994.....	Rodney Brown	2011.....	Jody Lassiter
1979.....	Lyle D. Cobb	1995.....	Connie M. Fowler	2012.....	Kim Huston
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1984.....	Alan L. Fowler	2000.....	Bryan J. Quinsey	2017.....	Madison Silvert

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**A special thanks to
the many people who
helped us with this
special anniversary
magazine!**



Enhancing Kentucky's Entrepreneur Ecosystem

Founded to Assist Kentucky Business Owners

In January 2016, the Kentucky Entrepreneur Network (**KEN**), a L3C “low profit” organization, was formed by entrepreneurs to connect and assist fellow business owners.

Kentucky Entrepreneurial Climate Study

KEN, formed with the assistance of the Making Smiles Happen Foundation of Delta Dental of Kentucky, will use its initial funding to conduct a statewide survey to determine the awareness and perceived effectiveness of programs provided in Kentucky to assist entrepreneurs. This study will provide meaningful data and feedback about improving the entrepreneurial environment in the state. Key questions in the study are:

1. What programs come to mind?
2. How effective do you think these programs are?
3. What's missing and how can those gaps be filled?
4. What challenges are you facing?

KEN was created to provide entrepreneurs a voice and a connection with like minded individuals. Its purpose is to introduce entrepreneurs to each other and to mentors, investors, technical service providers, as well as education resources, professional trainers and consultants to help start and grow businesses. This new network is intended to help entrepreneurs and small businesses grow.

The Future

The future of **KEN** will largely be determined by the results of the study. A report will be assembled, and **KEN** will work to accomplish the recommendations of the report. The key is for it to become a network built by entrepreneurs to serve entrepreneurs. **KEN** will insure that entrepreneurs not only have a voice in how the entrepreneurial environment is developed in Kentucky, but also that entrepreneurs have a leadership role.

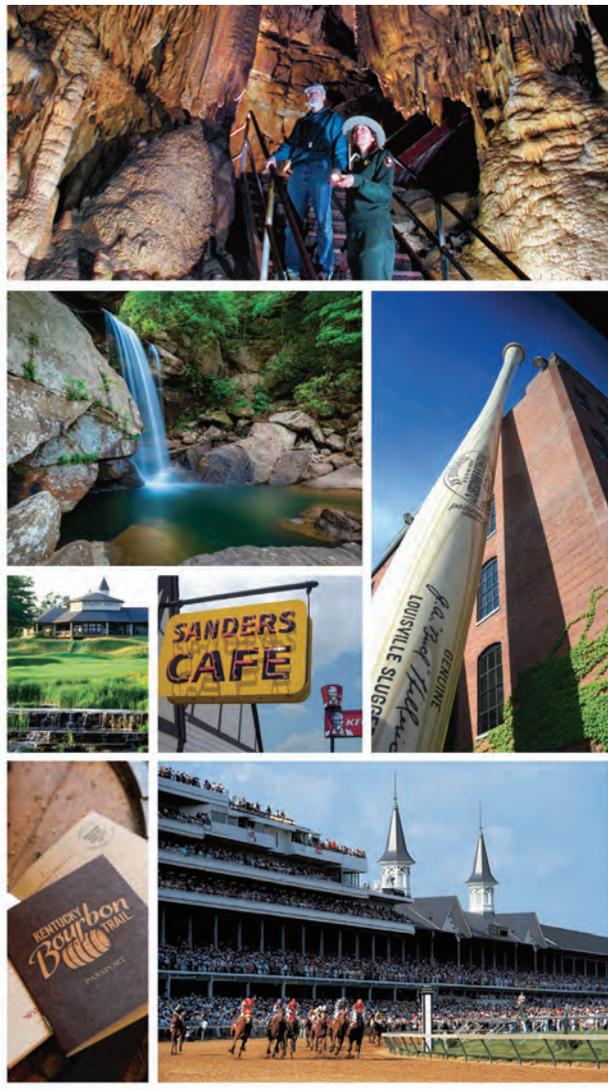
How You Can Help

If you are an entrepreneur/small business owner, please go to www.KENL3C.com/survey to take the survey. If you are a community leader, an officer in your local chamber of commerce, a banker, a CPA, an attorney, an economic developer or government official, please help us get the word out about the survey for the *Kentucky Entrepreneurial Climate Study*. Growing a strong entrepreneurial environment in Kentucky, will help all of our citizens through job creation and economic development.

For more information on KEN visit www.KENL3C.com or contact either:

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Alex Day, (502) 299-5079 or aday@sheltowee.com



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Cabinet for Economic Development

ThinkKentucky.com

The Kentucky Cabinet for Economic Development and KentuckyUnited are strong partners in promoting the Commonwealth as the ideal place to do business. If you would like to get involved, please contact us about available opportunities.

**Kentucky
United**

KentuckyUnitedOnline.org



The Kentucky Cabinet for Economic Development
congratulates the Kentucky Association for Economic Development
for 50 years of remarkable contributions
to the Commonwealth.

As your partner and proud supporter,
we thank you for your commitment
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Here's to the next 50 years!

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