

By continuing to work together, Cincinnati USA is clearly emerging as an “all together surprising” force and destination in the global marketplace. **Regional Partnership. Global Results.**



2006 Regional Growth Report

Creating Jobs, Wages and Prosperity

In 2006, the Cincinnati USA region experienced substantial growth throughout its 15 counties in Southwest Ohio, Northern Kentucky and Southeast Indiana. The Cincinnati USA Partnership identified 218 Cincinnati USA “Growth Businesses” in 2006.

According to research, these growth businesses generated a total economic impact of \$3.94 billion. The economic boost created by business investment and employment supported 23,027 jobs in the Cincinnati USA region, creating wages of \$844 million.

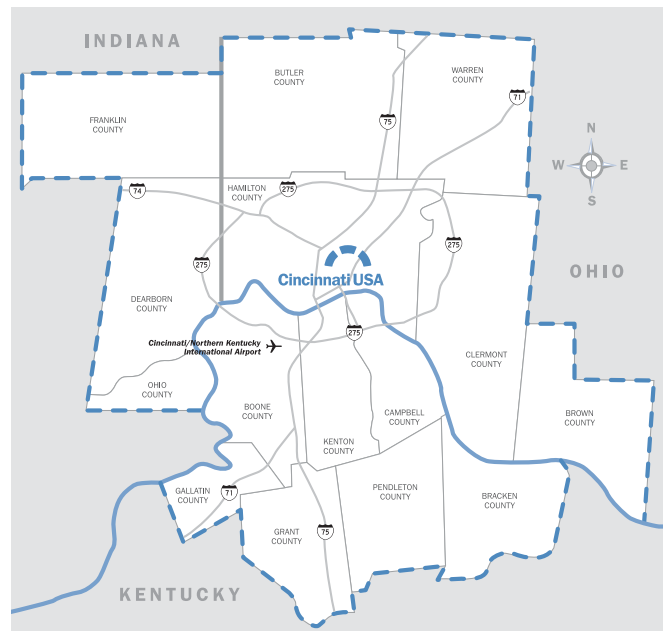
Investment by the office/service industry was a significant factor in business growth during 2006, accounting for 50 percent of the total investment. The manufacturing sector remained strong at 21 percent, followed by the distribution industry at 13 percent, bio-medical/health care at 10 percent and 6 percent in the hotel industry.

Leading the way in 2006: Hamilton County with \$696 million in new investment, Butler County with \$559 million, Warren County with \$326 million, Kenton County with \$248 million and Boone County with \$151 million. Warren, Kenton and Boone counties all achieved substantial increases in investment during 2006 over the previous year.

Success like this does not occur in a vacuum. It takes a concentrated, collaborative effort on the part of industry and government. It takes time and resources. It takes a sustained commitment to grow our economy. Our three-state, 15-county region has that commitment.

This Cincinnati USA Regional Growth Report was prepared by the University of Cincinnati Economics Center for Education and Research for the Cincinnati USA Partnership, the regional economic development initiative directed by the Cincinnati USA Regional Chamber. It analyzes our record of growth, detailing capital investments by industry, by state and by county.

For more information, visit CincinnatiUSA.org.



The Cincinnati USA 15-County Region

Summary

This report contains the results of an analysis of data from the Cincinnati USA Partnership's 2006 Capital Investment Survey. The analysis was performed by the Economics Center for Education & Research (Economics Center), a unit of the College of Business at the University of Cincinnati.

The first section describes how "Cincinnati USA Growth Businesses" are defined, presents the 2006 survey findings, and compares 2006's economic impact results with results from 2005 report. The second section of the report presents the economic impact results of the capital investment survey by business type, state, and county. The third section of the report explains the key assumptions used in this analysis.

A. Cincinnati USA Growth Businesses

The Cincinnati USA Partnership surveyed the businesses in the Cincinnati USA¹ region to determine total business investment in the region during 2006 and the new and retained jobs associated with this investment. The following analysis examines the results of businesses that added or retained jobs, added investment or added square footage in 2006. This group of 218 businesses is referred to as Cincinnati USA's "Growth Businesses."

B. 2006 Survey Results

The Cincinnati USA Partnership identified 218 Growth Businesses that added or retained jobs, added investment, or added square footage in 2006.

In 2006, 50 percent of total investment occurred in the office/service industry (24 percent in 2005); 21 percent in the manufacturing industry (23 percent in 2005); 13 percent in the distribution industry (10 percent in 2005); 10 percent in the bio-medical/hospital industry (41 percent in 2005); and 6 percent in the hotel industry (less than 1 percent in 2005).

In addition, less than 1 percent of total investment occurred in research and development which was close to the previous year's. Among counties, Boone, Kenton and Warren showed substantial increases in investment during 2006 compared with 2005.

The total economic impact of 2006 capital investment by Cincinnati USA Growth Businesses is \$3.94 billion. Of this, \$844 million will enter the homes of Cincinnati USA workers in the form of wages. The economic boost created by business investment and employment will support 23,027 jobs in the Cincinnati USA region.²

In 2006, investment by Cincinnati USA's Growth Businesses totaled \$2.06 billion and directly accounted for 20,141 new and retained jobs. One job was either created or retained for every \$102,262 in investment spending by the Growth Businesses.

According to the survey of Growth Businesses, a total of 10,907 new jobs resulted directly from investment and 9,234 jobs were retained. Of the total 20,141 jobs that were created or retained, 35 percent were in the office/service area; 30 percent were in distribution; 24 percent were in manufacturing; 8 percent were in bio-medical/hospitals; 2 percent were in research and development; and 1 percent were in hotels. These jobs paid \$844.1 million in household earnings to Cincinnati USA workers.

Close to 79 percent of the new investment in 2006 originated from Ohio businesses; 19.3 percent was produced by Kentucky businesses; and 2.2 percent came from Indiana businesses. The five counties with at least \$100 million of investment in 2006 were Hamilton County with \$696 million in new investment; Butler County with \$559 million; Warren County with \$326 million; Kenton County with \$248 million; and Boone County with \$151 million in new investment.

¹ Cincinnati USA, sometimes referred to as Greater Cincinnati, is the 15-county Metropolitan Statistical Area (MSA) designated by the Office of Management and Budget. (See Key Assumption 1 on p. 9.)

² The total economic impact of Cincinnati USA's Growth Businesses' investment includes the direct impact and the multiplier effects of the investment spending, and the direct impact and multiplier effects of the employee earnings whose jobs were created or retained due to the investments.

Of the \$2.06 billion total investment, 34.9 percent came from expanding businesses; 33.7 percent from capital investments; and 26.4 percent from intraregional relocation. New businesses contributed 5.1 percent to the total investment.

As a result of the business investment and new jobs created by these businesses, local government revenues from sales, personal income and real property taxes are expected to be \$27.2 million and state government revenues are expected to be another \$46.7 million.

C. Investment and Employment Trends in Cincinnati USA

The total economic impact of 2006 capital investment in Cincinnati USA was \$3.94 billion. This was 8.9 percent lower than the \$4.43 billion capital investment impact of 2005. This reflects both the regional and national economic conditions. The impact on jobs decreased similarly, as total jobs decreased to 20,141 from 27,134 in 2005. The economic impact of employee earnings decreased to \$1.14 billion from \$1.28 billion in 2005.

Overall, the level of investment from Cincinnati USA Growth Businesses decreased by 7.2 percent between 2005 and 2006, from \$2.22 billion in 2005 to \$2.06 billion in 2006. **Figure 1** shows investment trends in Cincinnati USA over the 2001 to 2006 period. Investment by the healthcare industry in new and expanded facilities was a significant factor in 2005's dramatic investment growth, accounting for 43 percent of the region's total investment. While overall 2006 investment levels were down from 2005, the region has experienced strong investment growth over the last five years, increasing 62 percent with an average 12.4 percent annual growth.

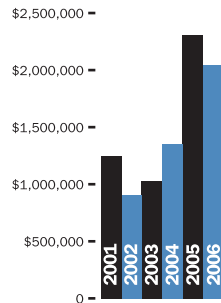


Figure 1: Cincinnati USA Growth Business Investment, 2001–2006

Three counties showed dramatic growth in their levels of business investment. Two Kentucky counties showed the greatest percentage increases: business investment in Boone County increased from \$65 million in 2005 to \$150 million in 2006 and investment in Kenton County went from \$150 million to \$248 million. An Ohio county showed the greatest dollar increases: business investment in Warren County increased from \$207 million in 2005 to \$326 million in 2006.

The office/service sector proved to be an important sector of the local economy, accounting for 50 percent of all investment by growth businesses in 2006. **Figure 2** shows trends in the levels of investment by business type in Cincinnati USA from 2004 to 2006.

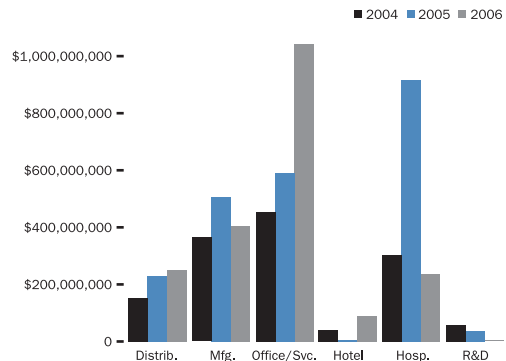


Figure 2: Levels of Investment by Business Type, 2004–2006

The amount of investment spending associated with a new or retained job was \$102,262 in 2006, an increase from recent years. **Figure 3** shows average annual investment per new and retained job from 2002 through 2006. This increase in investment is particularly notable given that it occurred in a period of rising interest rates.

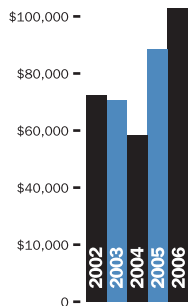


Figure 3: Average Annual Investment Spending for a New or Retained Job in Cincinnati USA's Growth Businesses, 2002–2006

In 2006, Growth Businesses created a total of 10,907 new jobs resulting directly from investment and retained 9,234 jobs. In 2005, Growth Businesses created a total of 10,551 new jobs resulting directly from investment and retained 14,857 jobs. Overall, jobs created and retained with 2006 capital investment were 20.7 percent lower than the 2005 level.

Of the total 10,907 new jobs linked with 2006 investment, 36 percent were in distribution (15 percent in 2005); 35 percent were in office/service (27 percent in 2005); 15 percent were in manufacturing (23 percent in 2005); and 14 percent were in bio-medical/hospitals (31 percent in 2005). Less than 1 percent of new jobs were created in R&D facilities (less than 1 percent in 2005); and 1 percent in the hotel industry (less than 1 percent in 2005). **Figure 4** displays these results.

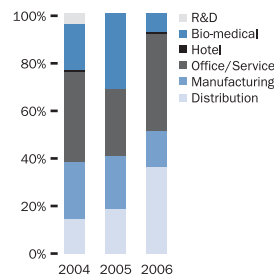


Figure 4: Comparison of New Jobs by Business Type, 2003–2006

In the distribution of retained jobs linked to 2006 investment (not pictured), 36 percent were in manufacturing industries; 34 percent in office/services; 23 percent in distribution; and 4 percent in R&D.

D. Fiscal Impacts of Cincinnati USA Growth Businesses

Total state government revenues will be \$24.7 million and the local total will be \$21.4 million. Hamilton and Butler County jurisdictions will derive the largest shares of the local tax revenues, as seen in **Figure 5**.

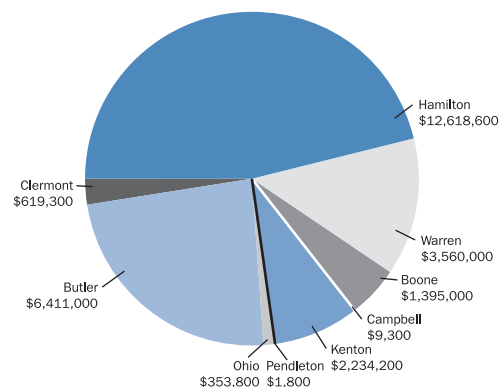


Figure 5: Annual Local Tax Revenues, 2006

Analysis by Business Type

Table 1: Capital and Construction Investment by Business Type, 2006

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Distribution	\$270,565,969	\$108,226,388	\$162,339,581	\$173,162,220
Manufacturing	\$426,164,698	\$170,465,879	\$255,698,819	\$272,745,407
Office/Service	\$1,023,280,666	\$409,312,266	\$613,968,400	\$654,899,626
Hotel	\$120,500,000	\$48,200,000	\$72,300,000	\$77,120,000
Bio-medical	\$208,156,000	\$83,262,400	\$124,893,600	\$133,219,840
R&D	\$11,000,000	\$4,400,000	\$6,600,000	\$7,040,000
Total	\$2,059,667,333	\$823,866,933	\$1,235,800,400	\$1,318,187,093

Table 2: Economic Impact of Investment by Business Type, 2006

	Business Sales	Household Earnings	Jobs
Distribution	\$377,521,416	\$110,887,001	3,025
Manufacturing	\$594,628,736	\$174,656,575	4,765
Office/Service	\$1,427,786,233	\$419,374,710	11,440
Hotel	\$168,133,970	\$49,384,938	1,347
Bio-medical/Hospitals	\$290,440,620	\$85,309,305	2,327
R&D	\$15,348,329	\$4,508,169	123
Total	\$2,873,859,304	\$844,120,698	23,027

Table 3: Employment and Earnings by Business Type, 2006

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Distribution	3,887	2,081	5,969	\$234,617,762
Manufacturing	1,588	3,292	4,880	\$248,676,622
Office/Service	3,813	3,180	6,993	\$260,976,841
Hotel	95	90	185	\$2,262,261
Bio-medical	1,518	189	1,707	\$60,980,687
R&D	5	402	407	\$23,409,257
Total	10,907	9,234	20,141	\$830,923,431

Table 4: Economic Impact of Employment and Earnings by Business Type, 2006

	Business Sales	Household Earnings	Jobs
Distribution	\$302,328,449	\$83,453,538	2,820
Manufacturing	\$320,444,695	\$88,454,274	2,989
Office/Service	\$336,294,758	\$92,829,462	3,137
Hotel	\$2,915,150	\$804,686	27
Bio-medical/Hospitals	\$78,579,714	\$21,690,831	733
R&D	\$30,165,169	\$8,326,673	281
Total	\$1,070,727,934	\$295,559,465	9,988

Table 5: Total Economic Impact by Business Type, 2006

	Business Sales	Household Earnings	Jobs
Distribution	\$679,849,864	\$194,340,540	5,845
Manufacturing	\$915,073,430	\$263,110,849	7,754
Office/Service	\$1,764,080,991	\$512,204,172	4,578
Hotel	\$171,049,120	\$50,189,625	1,374
Bio-medical/Hospitals	\$369,020,334	\$107,000,135	3,060
R&D	\$45,513,498	\$12,834,841	404
Total	\$3,944,587,238	\$1,139,680,162	33,016

Table 6: Capital and Construction Investment by State, 2006

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Indiana	\$45,000,000	\$18,000,000	\$27,000,000	\$28,800,000
Kentucky	\$398,427,625	\$159,371,050	\$239,056,575	\$254,993,680
Ohio	\$1,616,239,708	\$646,495,883	\$969,743,825	1,034,393,413
Total	\$2,059,667,333	\$823,866,933	\$1,235,800,400	\$1,318,187,093

Analysis by State and County

Table 7: Economic Impact of Investment by State, 2006

	Business Sales	Household Earnings	Jobs
Indiana	\$62,788,620	\$18,442,508	503
Kentucky	\$555,927,124	\$163,288,993	4,454
Ohio	\$2,255,143,560	\$662,389,197	18,070
Total	\$2,873,859,304	\$844,120,698	23,027

Table 8: Employment and Earnings by State, 2006

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Indiana	N/A	N/A	N/A	N/A
Kentucky	2,671	1,536	4,207	\$159,440,609
Ohio	8,236	7,698	15,934	\$671,482,822
Total	10,907	9,234	20,141	\$830,923,431

Table 9: Economic Impact of Employment and Earnings by State, 2006

	Business Sales	Household Earnings	Jobs
Indiana	N/A	N/A	N/A
Kentucky	\$205,455,169	\$56,713,025	1,917
Ohio	\$865,272,764	\$238,846,440	8,072
Total	\$1,070,727,934	\$295,559,465	9,988

Table 10: Total Economic Impact by State, 2006

	Business Sales	Household Earnings	Jobs
Indiana	\$62,788,620	\$18,442,508	503
Kentucky	\$761,382,293	\$220,002,018	6,371
Ohio	\$3,120,416,325	\$901,235,637	26,141
Total	\$3,944,587,238	\$1,139,680,162	33,016

Table 11: Projected Annual State Tax Revenue Resulting from Growth Businesses, 2006

	State Sales Tax	State Income Tax	Total State Tax Revenue
Indiana	N/A	N/A	N/A
Kentucky	\$3,826,600	\$7,971,900	\$11,798,500
Ohio	\$14,772,600	\$20,144,400	\$34,917,000
Total	\$18,599,200	\$28,116,300	\$46,715,500

Table 12: Capital and Construction Investment by County, 2006

	Total Investment	Construction Investment	Non-construction Investment	Local Investment
Boone	\$150,172,000	\$60,068,800	\$90,103,200	\$96,110,080
Butler	\$559,103,344	\$223,641,338	\$335,462,006	\$357,826,140
Campbell	N/A	N/A	N/A	N/A
Clermont	\$36,064,498	\$14,425,799	\$21,638,699	\$23,081,279
Hamilton	\$695,532,866	\$278,213,146	\$417,319,720	\$445,141,034
Kenton	\$247,874,625	\$99,149,850	\$148,724,775	\$158,639,760
Ohio	\$45,000,000	\$18,000,000	\$27,000,000	\$28,800,000
Pendleton	\$381,000	\$152,400	\$228,600	\$243,840
Warren	\$325,539,000	\$130,215,600	\$195,323,400	\$208,344,960
Total	\$2,059,667,333	\$823,866,933	\$1,235,800,400	\$1,318,187,093

Table 13: Economic Impact of Investment by County, 2006

	Business Sales	Household Earnings	Jobs
Boone	\$209,535,391	\$61,545,518	1,679
Butler	\$780,118,382	\$229,139,287	6,251
Campbell	N/A	N/A	N/A
Clermont	\$50,320,890	\$14,780,440	403
Hamilton	\$970,478,857	\$285,052,678	7,776
Kenton	\$345,860,123	\$101,587,328	2,771
Ohio	\$62,788,620	\$18,442,508	503
Pendleton	\$531,610	\$156,147	4
Warren	\$454,225,432	\$133,416,792	3,640
Total	\$2,873,859,304	\$844,120,698	23,027

Analysis by County

Table 14: Employment and Earnings by County, 2006

	New Jobs	Retained Jobs	Total Jobs	Total Earnings
Boone	1,135	839	1,973	\$91,442,988
Butler	3,116	1,431	4,546	\$173,642,752
Campbell	N/A	22	22	\$644,100
Clermont	806	712	1,518	\$68,244,285
Hamilton	3,159	4,028	7,187	\$319,481,425
Kenton	1,527	670	2,197	\$66,920,823
Ohio	N/A	N/A	N/A	N/A
Pendleton	10	5	15	\$432,698
Warren	1,155	1,527	2,682	\$110,114,360
Total	10,907	9,234	20,141	\$830,923,431

Table 15: Economic Impact of Employment and Earnings by County, 2006

	Business Sales	Household Earnings	Jobs
Boone	\$117,833,434	\$32,526,271	1,099
Butler	\$223,756,050	\$61,764,727	2,087
Campbell	\$829,987	\$229,106	8
Clermont	\$87,939,585	\$24,274,492	820
Hamilton	\$411,683,764	\$113,639,543	3,840
Kenton	\$86,234,173	\$23,803,737	804
Ohio	N/A	N/A	N/A
Pendleton	\$557,575	\$153,911	5
Warren	\$141,893,365	\$39,167,678	1,324
Total	\$1,070,727,934	\$295,559,465	9,988

Table 16: Total Economic Impact by County, 2006

	Business Sales	Household Earnings	Jobs
Boone	\$327,368,825	\$94,071,789	2,778
Butler	\$1,003,874,432	\$290,904,014	8,338
Campbell	\$829,987	\$229,106	8
Clermont	\$138,260,475	\$39,054,932	1,224
Hamilton	\$1,382,162,621	\$398,692,221	11,617
Kenton	\$432,094,296	\$125,391,065	3,576
Ohio	\$62,788,620	\$18,442,508	503
Pendleton	\$1,089,185	\$310,057	9
Warren	\$596,118,797	\$172,584,470	4,963
Total	\$3,944,587,238	\$1,139,680,162	33,016

Table 17: Projected Annual Local Tax Revenue Resulting from Growth Businesses, 2006

	County Sales Tax	Local Earnings Tax	Local Real Property Tax	Total Local Tax Revenue
Boone	N/A	\$832,100	\$562,900	\$1,395,000
Butler	\$694,600	\$1,580,100	\$4,136,300	\$6,411,000
Campbell	N/A	\$9,300	N/A	\$9,300
Clermont	\$273,000	\$61,400	\$284,900	\$619,300
Hamilton	\$1,277,900	\$4,792,200	\$6,548,500	\$12,618,600
Kenton	N/A	\$1,003,800	\$1,230,400	\$2,234,200
Ohio	N/A	N/A	\$353,800	\$353,800
Pendleton	N/A	N/A	\$1,800	\$1,800
Warren	\$440,500	\$682,700	\$2,436,800	\$3,560,000
Total	\$2,686,000	\$8,961,600	\$15,555,400	\$27,203,000

Note: The other MSA counties that did not report any projects to the Cincinnati USA Partnership were: Brown County in Ohio; Bracken, Gallatin and Grant Counties in Kentucky; and Franklin and Dearborn Counties in Indiana.

Growth Companies

Table 18: New Jobs, Retained Jobs and Investment by Firm, 2006

Boone Company	New Jobs	Jobs Retained	Investment
A O Smith Corp.	8		\$1,000,000
Beckman-Coulter	50	45	\$8,370,000
Best Sanitizers	20	0	\$2,645,000
Bonfiglioli USA	15	40	\$6,200,000
Cincinnati Machine Maintenance Tech.	185	0	\$1,572,000
Duke Realty/Hebron Bldg. II	0	0	\$22,000,000
FedEx Freight	26	80	\$11,000,000
Graeter's	30	0	\$1,413,000
GSI Commerce Inc.	500	0	\$5,900,000
Innotrac Corp.	36	90	\$5,300,000
Intl. Developments Intl./Park South	0	0	\$20,768,000
Johnson Controls	0	102	\$2,366,200
Kiswel	44	0	\$10,000,000
Messier-Bugatti USA	67	105	\$28,000,000
Perot Systems	70	0	N/A
Sheraton Hotel	0	0	\$10,000,000
Sweco	24	280	\$2,300,000
Tenryu America	15	27	\$2,175,000
Tomatec/Tokan Material Technology	4	0	\$258,000
Verst Group Logistics	40	70	\$1,650,000

Butler Company	New Jobs	Jobs Retained	Investment
Addis Glass Fabricating	7	15	\$1,494,000
Amkotron	42	25	\$4,000,000
Amstron Logistics	110	0	\$4,381,000
Apex Energy Solutions	3	0	\$129,000
Armor Holdings	50	0	\$21,682,000
Automated Cargo Transport Systems	1	3	\$668,000
Beazer Homes	15	120	\$6,680,000
Berean Christian Stores	15	25	\$6,680,000
Besse Medical Supply	1	0	\$83,000
Buckeye Distributing	0	30	N/A
Butler Co. Surgical Prop. Sleep Center	29	0	\$3,800,000
C&T Design & Equipment Com	3	11	\$1,200,000
Campbell's Soup	50	25	\$2,354,000
Central Roller of Cincinnati Inc.	5	21	\$700,000
Changing Paradigms	13	25	\$5,845,000
Cincinnati Bell	50	0	\$1,496,000
Cincinnati Children's Hosp. Medical Ctr.	100	0	N/A
Cincinnati Grinding Technologies	37	18	\$1,188,000
Clark Steel Framing Systems	10	25	\$4,296,000
Contech	130	0	N/A
Courtyard by Marriott	30	45	\$14,000,000
Crescent Park Distribution	83	0	\$1,300,000
Dedicated Logistics	40	0	\$1,955,000
Dickerson Distributing Inc.	18	0	\$3,000,000
Dimensions International	30	30	\$14,543,000

Note: Investment and new jobs numbers in *italic* are estimates provided by the Economics Center using investment, employment and square footage data from similar projects.

Butler Company	New Jobs	Jobs Retained	Investment
Diversified Converter Materials	5	11	\$1,100,000
Doebler Brothers	6	10	\$500,000
Door to Door	5	0	\$331,344
Duke Realty/Union Centre Blvd.	0	0	\$35,000,000
Duke/Centre Pointe V	0	0	\$16,000,000
E-Technologies Group	23	40	\$1,077,000
Fastems LLC	12	0	\$515,000
FKI Logistex	28	0	\$1,557,000
Fleetchem LLC	10	0	\$1,773,000
Focused Imaging Tech	4	0	N/A
Fort Hamilton Hospital	125	0	\$16,200,000
Fresenius Medical Care	25	0	\$650,000
GL Services	16	52	\$518,000
Global Packaging & Exports	7	25	\$3,131,000
Hamiltonian Hotel	30	45	\$9,000,000
Heritage Spring Healthcare Center	171	0	\$33,938,000
Hi-Lo Climbers LLC	26	15	\$841,000
HWZ Contracting	27	0	\$365,000
Hydro-Cut, Inc.	10	0	\$278,000
Hydrotech, Inc.	10	62	\$1,175,000
IceTech America, Inc.	3	0	\$133,000
Ikeuchi & Co.	3	0	\$322,000
Intellicam Systems	13	14	\$406,000
Jungheinrich Lift Truck Corp.	25	0	\$243,000
Knightsbridge Receivables Mgmt. LLC	75	25	N/A
Kohl's Distribution Center	400	0	\$19,000,000
Laselva, LLC	5	0	\$127,000
MA Folkes	15	75	\$2,500,000
Mercy Health Ptnrs/Ctr. for Adv. Med.	20	0	\$5,062,000
Midwest Cross Dock	40	0	\$507,000
Mobile Air, Inc.	4	0	\$304,000
Model Graphics & Media Inc.	0	0	\$1,000,000
Mont Granite Inc.	5	0	\$794,000
Navis Ship & Pack Center	4	0	\$120,000
NorthPak Container Corp.	41	7	\$1,291,000
Nova Systems Solutions	6	39	\$333,000
OKI Bering	270	70	\$5,900,000
Orr Protection Services	7	10	\$231,000
Park 75 at Union Centre Bldg. II	0	0	\$57,963,000
Polymet Corporation	2	38	\$706,000
PSI Group	54	N/A	\$1,723,000
Quaker Chemical Corp.	45	40	\$40,000,000
Queen City Polymers	48	40	\$20,876,000
RGW Devel. & Design Build Solutions	0	0	\$5,604,000
Roosevelt Surgical Associates	6	0	\$166,000
SanMar Corporation	108	0	\$6,067,000
Schindler Elevator Corp.	3	26	\$731,000
Schumacher Dugan/Union Centre Officeplex	0	0	\$5,000,000
Smart Papers	0	0	\$250,000
Specialty Wood Products	8	8	\$1,623,000
Storopack Inc.	50	0	\$161,000
Tedia Company, Inc.	18	61	\$4,200,000

Growth Companies

Butler Company	New	Jobs	Investment
	Jobs	Retained	
Trans Union Corp.	9	0	\$432,000
TriHealth West Chester Medical Center	135	0	\$25,000,000
Tri-State Hospital Supply Corp.	15	0	\$1,197,000
TSS Technologies	120	0	\$3,000,000
Union Centre Bldg. J	0	0	\$97,161,000
Unit Bldg. Svcs./Union Centre Office Park	0	0	\$5,920,000
University Pointe IV	37	0	\$7,340,000
Vertical Solutions Inc.	5	30	\$2,087,000
Vinylmax	20	144	\$7,000,000
White Cap Construction Supply	24	15	\$1,400,000

Campbell Company	New	Jobs	Investment
	Jobs	Retained	
Intrinsic Marketing & Design	0	22	N/A

Clermont Company	New	Jobs	Investment
	Jobs	Retained	
AW Industries Inc.	42	45	\$1,300,000
Cutting Edge Services	2	4	\$450,000
Federal Aviation Admin/FAA	10	41	\$7,515,000
Gardner Rigging	4	6	\$192,500
Glenny Glass Co.	11	39	\$2,600,000
Hawks Tag	6	37	\$535,000
Innerwood & Co. Ltd.	32	0	\$2,300,000
Orbit Manufacturing	7	11	\$400,998
Record Express LLC	6	19	\$1,000,000
Spindles Plus	3	5	\$1,250,000
Total Quality Logistics	600	400	\$15,000,000
Victory Industrial Products	25	100	\$3,200,000
Wright Tuning	5	5	\$321,000

Hamilton Company	New	Jobs	Investment
	Jobs	Retained	
525 Vine St. Building	0	0	\$6,000,000
Abstract Displays	4	11	\$1,700,000
Appletree Design Works	32	38	\$14,105,000
Barefoot Advertising	20	30	\$1,662,000
Burnet Avenue Properties	0	0	\$6,500,000
Camargo Pharmaceutical	70	51	\$10,855,000
Cath-Burn LLC	0	0	\$20,000,000
CH Mack Inc.	70	27	\$3,300,000
Champion Window Manufacturing Co.	25	35	\$3,500,000
Cincinnati Financial	100	0	\$3,300,000
Cincinnati Sub-Zero Products Inc.	35	0	\$1,400,000
Cincinnati Testing Laboratories, Inc.	3	30	\$3,200,000
Citigroup	1,000	0	N/A
Coca-Cola Food Service Division	46	0	\$1,804,000
Cognis Corp.	0	600	\$20,000,000
Cooney Faulkner & Stevens LLC	2	12	\$3,340,000
Evotec	12	0	\$5,000,000
Federal Equipment Co.	82	19	\$1,200,000
Federated Dept. Stores	200	550	N/A
FifthThird Bancorp	0	0	\$16,500,000
FRCH Design Worldwide	50	220	\$7,400,000
Freking & Betz	15	35	\$9,670,000
General Advertising Products Inc.	17	20	\$1,200,000
Hilton Garden Inn	35	0	\$14,000,000

Hamilton Company	New	Jobs	Investment
	Jobs	Retained	
Hobsons Digital Media Inc.	75	120	\$370,000
Holiday Inn I-275	0	0	\$1,500,000
Horan Associates	5	65	\$9,602,000
Huff Realty	8	18	\$3,757,000
Institutional Distribution Group	20	45	\$7,515,000
Intelligence Inc.	23	49	\$10,437,000
Jiffy Fastening Systems Inc.	16	0	\$1,500,000
JTM Food Group	0	0	\$5,000,000
Kao Brands	2	372	\$7,800,000
Keate Partners	5	10	\$2,087,000
King/Highland CURC	0	0	\$50,000,000
Kroger Co.	188	500	N/A
LPK	13	65	\$5,845,000
Marsh Inc.	12	30	\$1,150,000
Masters Pharmaceutical	25	0	\$905,000
Matrix Claims Management	6	38	\$1,829,000
Metalworking Group	0	0	\$1,000,000
Midd-Cities Holdings	0	0	\$9,000,000
Morton Industries	19	0	\$8,171,000
Mother's Yeast Rolls LLC	5	0	\$250,000
Neyer Properties/Keystone Project	0	0	\$100,000,000
Neyer/Linden Pointe at the Lateral	0	0	\$105,000,000
OKI Systems	93	125	\$6,000,000
Paul Hemmer Companies	0	0	\$10,000,000
Paycor	85	350	\$750,000
Phillips Edison	0	0	N/A
Printer's Bindery Services	14	40	\$3,045,000
Protective Life Insurance Co.	20	45	\$6,262,000
Quadrat	13	0	\$128,866
Radiant Research	53	0	\$2,493,000
Reardon Smith Whittaker (RSW)	1	3	\$626,000
Richfield Lab. of Dermatopathology	12	50	\$2,000,000
Rookwood Pottery	4.53	0	\$443,000
Santen & Hughes	8	15	\$3,757,000
Sheraton Cincinnati North Hotel	0	0	\$20,000,000
Smith, Rolfes & Skavdahl LPA	7	16	\$3,340,000
Toyota Motor Sales USA	60	0	\$4,500,000
Trillium	50	0	\$15,000,000
United Parcel Service	42	0	N/A
Walnut Hills/Evanston Health Center	15	63	\$2,500,000
Wornick	225	544	\$10,751,000
xpedx	299	200	\$5,000,000

Kenton Company	New	Jobs	Investment
	Jobs	Retained	
ACB American Inc.	45	49	\$10,437,000
Columbia Sussex	80	120	\$150,000,000
Cummins Inc.	720	461	\$22,960,000
Drawbridge Inn	0	0	\$7,000,000
Moody Nolan Inc.	10	0	\$416,000
Paul Hemmer Companies	114	0	\$5,319,000
Queen City Reprographics of N. Ky.	5	0	\$806,000
Signature Hardware	103	40	\$436,625
St. Elizabeth Medical Center	450	0	\$34,000,000
St. Elizabeth Medical Center-North	0	0	\$2,500,000
Tappan Properties/Donaldson Rd. Ctr. II	0	0	\$14,000,000

Growth Companies

Ohio Company	New	Jobs	Investment
	Jobs	Retained	
Belterra Casino Resort	0	0	\$45,000,000

Pendleton Company	New	Jobs	Investment
	Jobs	Retained	
Custom Belts Inc.	10	5	\$381,000

Warren Company	New	Jobs	Investment
	Jobs	Retained	
ADVICS Manufacturing Inc.	120	130	\$83,000,000
Anderson-Griffin Dev.–Deerfield Off. Condos	0	0	\$14,000,000
Armor Metal Fabrication	73	110	\$15,581,000
Bethesda Med. Ctr. at Arrow Springs	57	76	\$31,000,000
Crane Fencing Solutions/Vinyl Visions	40	120	\$12,500,000
Faurecia Exhaust Systems Inc.	6	386	\$200,000
Fecon, Inc.	58	112	\$25,390,000

Warren Company	New	Jobs	Investment
	Jobs	Retained	
George Steel Fabricating Inc.	15	50	\$1,700,000
Hondros College	10	22	\$4,592,000
Laser Imaging & Design Inc.	2	6	\$750,000
Miller Valentine–Deerfield Station Off. Condos	0	0	\$15,000,000
Miller Valentine Group	0	115	\$10,000,000
Pella Windows	75	0	\$2,326,000
Prasco Laboratories	200	111	\$12,000,000
Premier Health Campus	N/A	N/A	\$43,000,000
Quebecor World	0	150	\$33,000,000
Skilled Care Inc.	22	250	\$3,300,000
Sleepcare Diagnostics	26	0	\$1,200,000

TOTAL NEW JOBS	10,907
TOTAL JOBS RETAINED	9,234
TOTAL INVESTMENT	\$2,059,667,333

Key Assumptions

The Economics Center used the following assumptions to determine the economic impact of Cincinnati USA's investment spending:

- Cincinnati USA, sometimes referred to as Greater Cincinnati, is the 15-county Metropolitan Statistical Area (MSA) designated by the Office of Management and Budget, which includes the following counties: Butler, Brown, Clermont, Hamilton and Warren Counties in Ohio; Boone, Bracken, Campbell, Gallatin, Grant, Kenton and Pendleton counties in Kentucky; and Dearborn, Franklin and Ohio Counties in Indiana.
- Total investment includes both construction and non-construction investment. It is assumed that construction accounts for 40 percent of total investment and non-construction 60 percent.
- The portion of investment that is spent locally generates an economic impact to Cincinnati USA. All expenditures on construction investment are assumed to stay within the Cincinnati region, and 40 percent of the non-construction expenditures are spent locally.
- Non-construction expenditures are assumed to comprise industrial machinery and equipment (40 percent), electronic equipment (40 percent) and business services (20 percent).
- Total earnings for new and retained jobs were based on county-level covered employment and payroll data for the second quarter of 2006 (the most recent available.) Average annual earnings are calculated by county and by industry. Some data was obtained from the [Quarterly Census of Employment and Wages, U.S. Department of Labor, Bureau of Labor Statistics](#), Second Quarter 2006. An additional source for Ohio data is [Ohio Labor Market Information: Covered Employment and Payroll, Ohio Bureau of Employment Services](#), Second Quarter 2006. An additional source for Kentucky data is [Total Wages and Employment Covered by Kentucky Unemployment Insurance Law, Workforce Development Cabinet, and Department for Employment Services](#), Second Quarter 2006. An additional source for Indiana data is the Indiana Business Research Center which collected employment and wage data for Indiana counties, available at www.stats.indiana.edu under "data tables."

6. For each industry sector analyzed in this report, the Economics Center employed the wage rate for the encompassing NAICS industry sector(s). The following table shows the links between growth industry sectors and NAICS sectors.

Growth Industry Sector	NAICS Sector(s)
Distribution	Transportation and Warehousing
Manufacturing	Manufacturing
Office/Service	Finance and Insurance; Real Estate, Rental and Leasing
Hotel	Accommodation and Food Services
Bio-medical	Health Care and Social Assistance
Research & Development	Information; Professional and Technical Services

- The total economic impact refers to the economic impact of the investment spending along with the impact generated from the earnings associated with the new and retained jobs that were supported by the investment.
- The economic impacts are reported in terms of business sales, household earnings and employment.

Business Sales: The total business sales impact includes all of the local spending on investment and payroll in addition to the indirect impact that this spending creates on business sales. The indirect impact represents the value of additional local business activity that is indirectly linked to the direct investment.

Household Earnings: The economic impact is also represented in terms of household earnings. This reflects the additional business activity that is directly attributed to wages for Cincinnati USA workers. Additional household earnings are generated from both the direct expenditures of the investment and payroll and the indirect effects this has on other businesses and industries in the area.

Employment: The economic impact is reported in terms of the number of full and part-time jobs that the investment will directly and indirectly support.



The Cincinnati USA Partnership is the first and primary contact for businesses interested in relocating or expanding in the Cincinnati USA region. To learn more, please call us at 513.579.3107 or visit our Web site at CincinnatiUSA.org.

300 Carew Tower
441 Vine Street
Cincinnati, Ohio 45202-2812
Phone: 513.579.3107
Email: partners@cincinnati-chamber.com
CincinnatiUSA.org

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