

SPOTLIGHT ON THE STATE OF INDIANA

Background and mission of the Indiana Economic Development Corporation

The Indiana Economic Development Corporation (IEDC) is the State of Indiana's lead economic development agency. The IEDC was officially established in February 2005 to replace the former Department of Commerce. In order to respond quickly to the needs of businesses, the IEDC operates like a business. Led by Indiana Secretary of Commerce and IEDC Chief Executive Officer E. Mitchell Roob, Jr, the IEDC is organized as a public private partnership governed by a twelve-member board. The IEDC Board of Directors is chaired by Governor Mitch Daniels and reflects the geographic and economic diversity of Indiana. The IEDC focuses its efforts on growing and retaining businesses in Indiana and attracting new business to the state.

2009 Year in Review

The Indiana Economic Development Corporation worked with more than 160 companies from around the country and world in 2009, earning commitments for nearly 20,000 new jobs and more than \$1.96 billion in committed capital investment. Those committed new jobs, which will be created over the next five years, will pay an average hourly wage of \$20.95, above the state's current hourly wage of \$18.32.

Competitive consolidation projects were a strong trend in 2009 with 51 of the 160 projects being the result of a company closing an operation elsewhere to increase capacity in Indiana. Collectively, these projects accounted for 5,550 new job commitments and \$227 million in capital investment.

2009 Success Stories:

- **Berry Plastics** – Evansville – Will invest more than \$150 million to expand its manufacturing operations and add production space, creating 360 new jobs by 2015.
- **Republic Airways** – Indianapolis – Will consolidate operations throughout the country, including Frontier Airlines' Operation Control center to Republic's Indianapolis headquarters, creating 300 new jobs.
- **Telic Corporation** – Newport – Will invest more than \$1.2 million to site an administrative support, manufacturing and development center at the Newport Chemical Depot, creating more than 500 new jobs by 2010.
- **Dometic LLC** – Elkhart and LaGrange – will invest a combined \$10 million to consolidate operations from facilities in Sweden and Mexico to two north central Indiana manufacturing facilities, creating 350 new jobs by 2012.

Highlights of Indiana's Green/Alternative Energy Initiatives

Indiana is the fastest-growing wind power state in the nation, according to the American Wind Energy Association, and is home to the nation's second-largest wind farm east of the Mississippi. Indiana also is a key player in wind development, with wind industry leaders such as Invenergy,

enXco, Horizon Wind Energy, Brevini and VAT-Getriebetechnik having a Hoosier presence.

Indiana is also home to the Midwest Independent Transmission System Operator, a fully integrated regional electricity transmission organization with a strong electrical transmission grid, which helps position Indiana's clean energy for efficient delivery to major markets in North America. In June, MISO announced that it would expand its central Indiana operations, adding more than 70 new jobs.

Furthermore, announcements from companies such as lithium-ion battery maker EnerDel and electric car manufacturer THINK, to site production operations in the state and create hundreds of new jobs, has quickly established Indiana as a leader in the development and production of electric and alternative fuel vehicles.

Indiana's national awards and rankings in 2009

- Indiana ranks first in the Midwest for business tax climate. (September 2009, Tax Foundation)
- Indiana ranks first in the Midwest as a "Best State to do Business." (March 2009, *Chief Executive*)
- Indiana ranks first in the Midwest for low cost of doing business. (August 2008, Milken Institute)
- Indiana ranks first in the Midwest in terms of economic outlook. (March 2009, American Legislative Exchange Council)
- Indiana ranks first in the industrial Midwest for cost of doing business and business friendliness. (July 2009, CNBC)

What are the advantages to doing business in Indiana?

- Under the direction of Governor Mitch Daniels Indiana has:
- Recently cut property taxes by one-third and placed property tax caps on homes, farms and businesses.
- Overhauled its regulatory system
- Passed the most far-reaching deregulation of telecommunications in the country
- Dedicated more than \$12 billion in a 10-year period to transportation infrastructure improvements without raising gas or diesel taxes
- Established a business-friendly tax structure including:
 - no inventory tax
 - no gross receipts tax
 - among the lowest workers compensation rates in the country
 - a state tax exemption on partial income derived from federal patents for new technology or processes
 - a tax credit that provides an exemption on the amount companies pay in state sales taxes on research and development equipment
 - a personal property tax exemption on information technology equipment