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### [SEPTEMBER BOARD MEETING HIGHLIGHTS](#)

The APEX Board of Directors meeting was held on Thursday, September 8, 2016, at the Kitchi Gammi Club. APEX Chair, Nancy Norr, welcomed investor-members and recognized [members in the news](#). In John Strange's absence, Jesse Frye presented the July financials, indicating a strong financial position year-to-date.

Chair Norr also shared recent updates regarding advocacy for [Enbridge](#). Jobs for Minnesotans will increase advocacy efforts for the company as their projects advance. Enbridge recently received support from the Wisconsin DNR on a waterway and wetlands permit for their Line 3 replacement project.

#### *Foreign Direct Investment*

Ian Vincent, Senior Business Developer, shared insights on Foreign Direct Investment (FDI) with APEX investor-members. An investment is considered FDI when ownership in a business enterprise in one country by an entity based in another country is over 10%. Approximately 5% of employment in the United States stems from FDI. Similarly, in Minnesota, nearly 4% of employment is FDI with Canada being the most invested country. Locally, there are several examples of FDI, including [Lake Superior Consulting](#) and Cirrus Aircraft.

APEX works closely with the Minnesota Department of Employment and Economic Development (DEED) and the Canadian Consulate on FDI activities. This summer, Vincent attended the SelectUSA Summit, an annual federal conference focused on FDI. APEX is currently working with partners to organize a visit from a Norwegian company identified since the conference. Marketing our region globally is essential to identifying prospects for FDI. Equally critical in the attraction of investment is the development of programs to nurture those leads once they have been identified. Understanding the nuances in geopolitical and economic factors is essential – and requires a unique approach compared to managing domestic leads.

If you have questions about APEX's FDI activities, contact [Ian Vincent](#).

#### *Manufacturing Focus: Group Discussions*

Manufacturing is a key focus industry for APEX staff. APEX adds capacity to regional associations and participates in events that are strategic to business development and retention efforts throughout the year. After successful group discussions regarding Sustainable Infrastructure at our March 2016 Board meeting, APEX leadership determined discussions around manufacturing-related challenges may also be beneficial. APEX investor-member executives in manufacturing were invited to lead small group discussions relating to recruitment of employees, health care costs, and industry perception. Bob Meierhoff with [BendTec](#), Bill Ulland with [IKONICS](#), Bob Mars with [W.P. & R.S. Mars](#), Jake Pessenda with [Altec HiLine](#), Rob West with [GPM](#) and Creston Dorothy with [Pro Print](#) led discussion breakouts.

The purpose of group discussions was to generate ideas on how APEX staff, Executive Committee members and investor-members can work together to help resolve the issues and challenges. Each group presented highlights from their conversation, including:

## Employee Recruitment:

- Organize interactions between the schools and industry professionals to share skill sets that are in demand and career opportunities
- Develop a comprehensive impact piece/campaign to include wages, green space, manufacturing impact and industry growth
- Lift up, celebrate and advertise manufacturing in the community
- Promote our region to those with an affinity - demonstrate it's a fun place to live for young people
- Conduct a "Best Practices" survey amongst manufacturers to include wages, benefits, retirement, etc. to help determine what is working in recruitment efforts

## Health Care Costs:

- Encourage APEX investor-members to share successes of wellness programs
- Advocate/Educate about impact of mandates
- Educate employees and executives to get a climate of stepping away to exercise (share ideas between APEX companies)
- Educate employers to encourage best practices to their employees through wellness programs
- Encourage investor-members to educate their workforce on their insurance plans, benefits, costs, etc.
- Research how small businesses can offer similar level of benefits that larger businesses offer
- Research what keeps driving health care costs up

## Changing the Perception:

- Communicate with various constituencies, e.g. career counselors, parents, young people grades K-12 and other business people that manufacturing is exciting, growing, flexible, innovative, and offers opportunities - utilize media, web, blog, etc. to make manufacturing "cool"
- Complete a comprehensive study on what regional manufacturing contributes to the quality of life, e.g. taxes paid, green space, cultural activities, education, employment, etc. Work with partners, e.g. AMFA and others including LSC, WITC, UMD and UWS
- Engage and enlighten through outreach
- Put together a small steering committee to explore, define and fund options
- Integrate companies with camps, kids and parents
- Tours – Create "Heavy Metal" Bus Tours
- Develop a Manufacturing Campaign – collect testimonials on video about jobs and lifestyle
- Shape Positive Perceptions - Clean, Zero Waste, for example

APEX President and CEO, Brian Hanson, thanked group leaders for their time and efforts in preparing for the discussions. He also thanked our investor-members for participating in sharing their thoughts and ideas. APEX will prioritize the ideas where we can have an impact and determine the best course of action to address these challenges. APEX will report on the progress at upcoming Board of Directors meetings.

## APEX MARKETING ACTIVITIES

### International Manufacturing Technology Show

The International Manufacturing Technology Show (IMTS) is one of the largest industrial trade shows in the world, featuring approximately 2,400 exhibiting companies and more than 115,000 registrants. The event is held every two years in September at McCormick Place, Chicago.

APEX Senior Business Developer, Ian Vincent, attended the show September 12-14, 2016, with the Northeast Minnesota Department of Employment and Economic Development representative, Brad Brzezinski.



The pair worked closely to identify and meet with German companies and others looking to expand their market presence. Vincent and Brzezinski met with numerous companies – specializing in machinery manufacturing and industrial manufacturing – who are exploring expansion into the US market. Access to customers, supply chain and transportation logistics are all critical factors being assessed by the prospects.



### Industrial Asset Management Council

IAMC is the leading trade association for corporate real estate executives focused on the needs of an industrial portfolio. The professional association of more than 600 dues-paying members, includes senior real estate directors from Fortune 500 companies, site selectors and service providers. APEX President and CEO, Brian Hanson, attended the Fall Forum in September. In addition to providing a superior training experience, investment in this event is strategic to economic development activities since this exclusive audience is difficult to meet outside of IAMC activities. APEX is the sole regional economic development entity that invests in and attends the conference.



*Brian Hanson and about 15 other IAMC members volunteered time for fall cleaning, playground maintenance and painting at the St. Mary's Child Center in Indianapolis.*

## [Ryder Cup](#)

In late September, APEX took advantage of an unprecedented opportunity to showcase Minnesota with the Minnesota Marketing Partnership at the Ryder Cup. Over the course of three days, APEX and investor-members [Great River Energy](#), [Minnesota Power](#), [WSB & Associates, Inc.](#), [IEDC](#) and Island Investments sponsored activities with two current APEX deal sheet prospects and a leading site selection firm. The day-long activities provided the opportunity to build meaningful relationships and discuss critical factors that impact the prospects' decision to locate in the APEX region. APEX President and CEO, Brian Hanson, will provide further updates on the prospects at the November Board of Directors meeting.



*Minnesota Marketing Partnership Tent*



*Left to right: Craig Wainio, Mountain Iron City Administrator; Brian Hanson, APEX; Rockie Kavajecz, Island Investments; Clint Miller, Cushman & Wakefield/NorthMarq; Scott Utley, Island Investments*

## **FALL APEX PREVIEW**

### *November APEX Board of Directors Meeting*

Mark your calendars for the upcoming APEX Board of Directors meeting on Thursday, November 3, 2016, at the [Inn on Lake Superior](#). The meeting will feature leaders from [Essentia Health](#) and [St. Luke's](#) as they present "Advance Care Planning: Past, Present & Future".

The APEX team will provide an overview of our new website along with an update on our deal sheet and dashboard. Future action plans will also be shared in response to our manufacturing group discussions held at the September Board meeting.

Please contact [Sandy Johnson](#) or 218-740-3667 if you have any questions about APEX activities.