

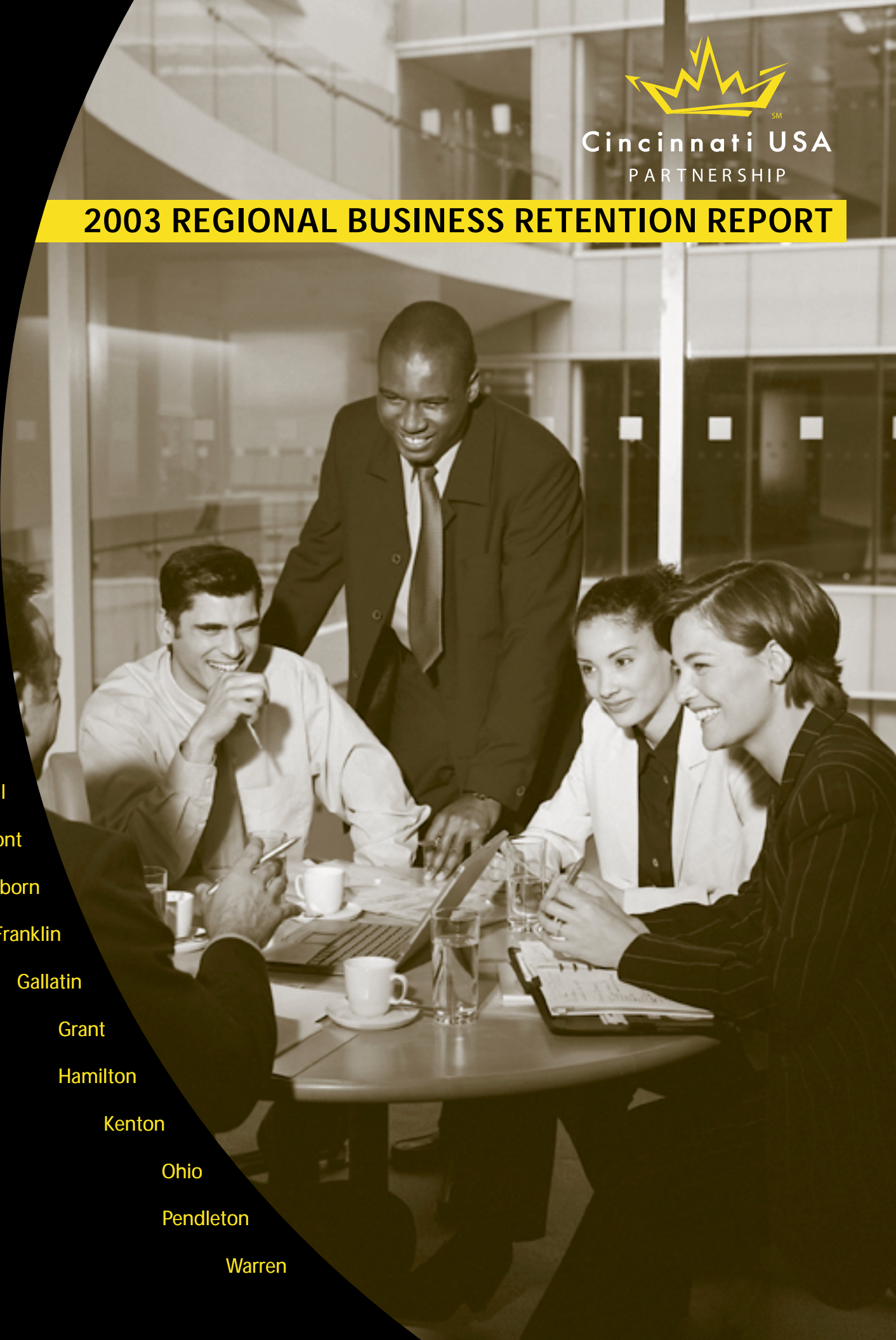


Cincinnati USA
PARTNERSHIP

2003 REGIONAL BUSINESS RETENTION REPORT

Ohio
Kentucky
Indiana

Boone
Bracken
Brown
Butler
Campbell
Clermont
Dearborn
Franklin
Gallatin
Grant
Hamilton
Kenton
Ohio
Pendleton
Warren



Working in partnership with our regional businesses is the key to our success.

Cincinnati USA's story of economic growth often is a homemade one, the result of expansion among the hundreds of businesses already operating in the region. Existing businesses are the foundation of our success. They built our solid economy and they will largely maintain it.

It is important, therefore, that the Cincinnati USA Partnership, the regional economic development initiative supported by the Greater Cincinnati Chamber of Commerce, is in tune with the needs of businesses within our region. One tool in that process is the annual survey conducted by the Regional Business Retention Committee and its partners, including the City of Forest Park, the Clermont Chamber of Commerce, the Hamilton County Office of Economic Development, and Northern Kentucky Tri-ED. The results of this survey comprise this report.

This survey gathers insight and information from business leaders on the challenges, opportunities and issues they face. The survey helps identify potential problems and also helps drive potential solutions.

Interestingly, the 2003 survey and this resulting report found a sense of accomplishment and optimism among business leaders. More than half of the nearly 300 companies surveyed report that both sales and market share are increasing, and most also plan to expand within the next three years.

That's great news for our region. It tells us that our economy is positioned to continue its upward trend, with more jobs and more opportunities on the horizon.

The report, however, also tells us that success is not a sure thing. Many business leaders are concerned about current and future barriers to their growth. They are concerned about competition. They are concerned about the labor force.

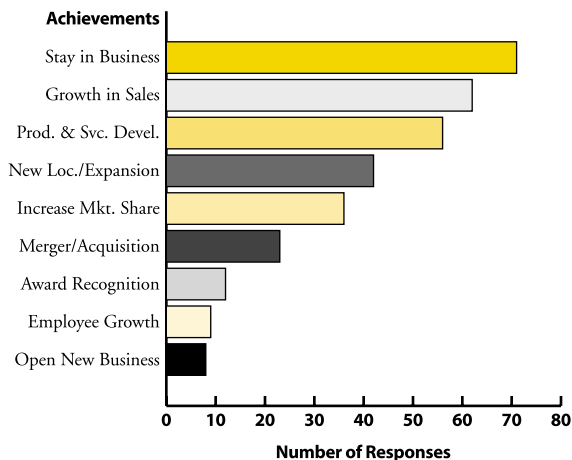
As a community, and as economic development professionals, we need to pay attention to these concerns and work together to address them. Informed, collaborative solutions to real-life business issues hold the key to our success. In the end, it is the power of partnership that turns a vision of optimism into a future of results.



2003 INTERVIEW RESULTS

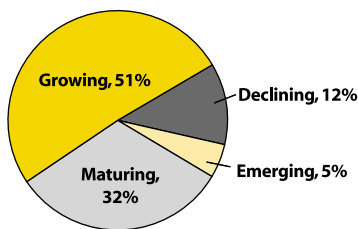
1. What is your company's greatest achievement in the last five years?

Staying in business	71
Growth in sales	62
Product and service development	56
New location/Facility expansion	42
Increase in market share	36
Merger/Acquisition	23
Award recognition	12
Employee growth	9
Opening new business	8



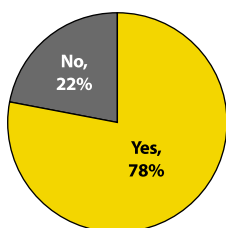
2. Where is the company's primary product/service in its life cycle?

Growing	146	51%
Maturing	91	32%
Emerging	14	5%
Declining	33	12%



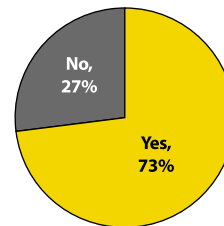
3. Has the company introduced new products/services/capabilities during the last five years?

Yes	228	78%
No	65	22%



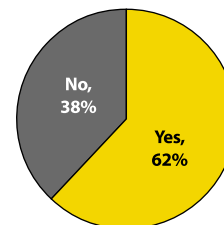
4. Are new products/services anticipated in the next two years?

Yes	202	73%
No	73	27%



5. Is there new technology emerging that will substantially change either your company's primary product or how it is produced?

Yes	166	62%
No	100	38%

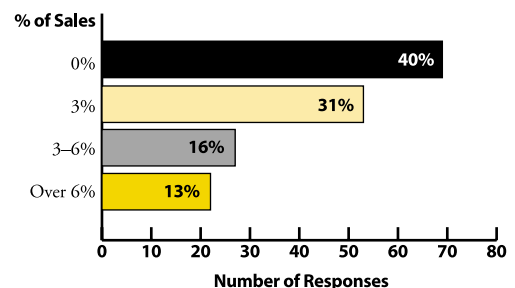


If yes, please explain:

Advanced products & processes	100
Internet-based applications	36
Investment in hi-tech equipment	21

6. As a percent of sales, how much does the company spend on R&D?

0%	69	40%
3%	53	31%
3-6%	27	16%
Over 6%	22	13%



7. As a percentage, approximately how is the R&D budget divided among:

New product development	49% on avg.
Product improvement	37% on avg.
Production improvements	38% on avg.

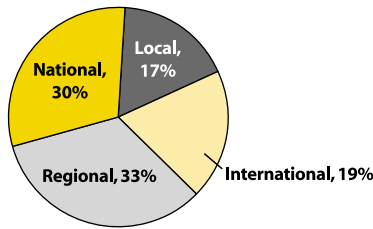
2003 INTERVIEW RESULTS

8. Where is the R&D facility located?

Cincinnati USA	74
Ohio	3
United States	11
Outside the U.S.	4

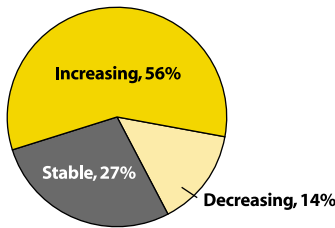
9. Is the company's primary market:

National	88	30%
Regional	90	33%
International	54	19%
Local	49	17%



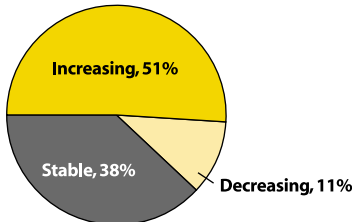
10. Are total sales:

Increasing	159	56%
Stable	76	27%
Decreasing	39	14%



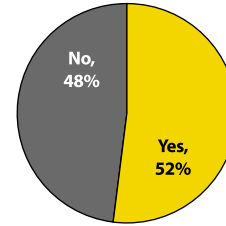
11. Is the market share of the company's key products:

Increasing	135	51%
Stable	101	38%
Decreasing	29	11%



12. Does the company plan to expand in the next three years?

Yes	138	52%
No	125	48%



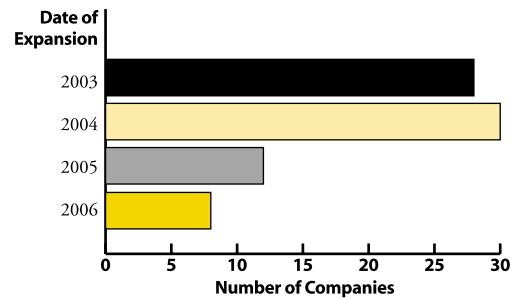
Estimated dollar amount \$190,520,000
 Average expansion cost \$3,464,000

Estimated number of jobs to be created 3,471
 Average number of jobs created 35

Estimated additional space 1,468,000 sq. ft.
 Average additional space 30,584 sq. ft.

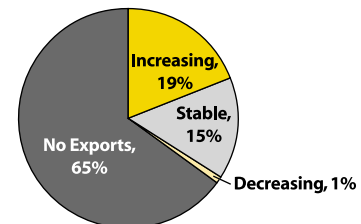
Approximate date of expansion:

2003	28 companies
2004	30 companies
2005	12 companies
2006	8 companies



13. Are export sales as a percentage of total sales:

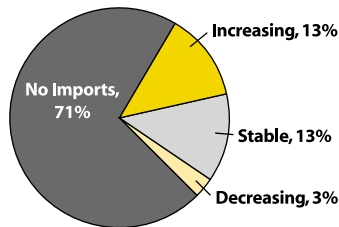
Increasing	36	19%
Stable	29	15%
Decreasing	1	1%
No Exports	121	65%



2003 INTERVIEW RESULTS

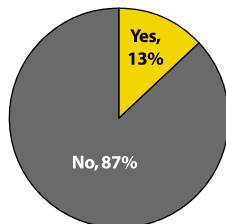
14. Is the percentage of products and/or components imported by the company:

Increasing	24	13%
Stable	23	13%
Decreasing	5	3%
No Imports	126	71%



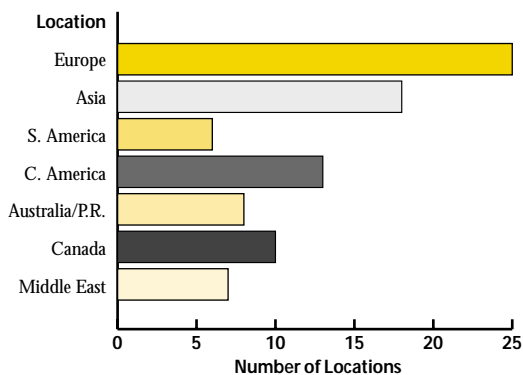
15. Does the company have overseas production?

Yes	25	13%
No	164	87%



If yes, where is the overseas production located?

Europe	25
Asia	18
South America	6
Central America	13
Australia/Pacific Rim	8
Canada	10
Middle East	7

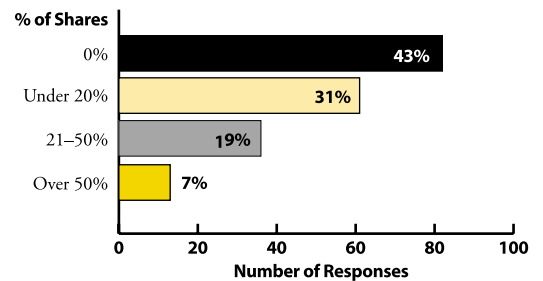


Is it contract production or company facility?

Contract production	7
Company facility	16

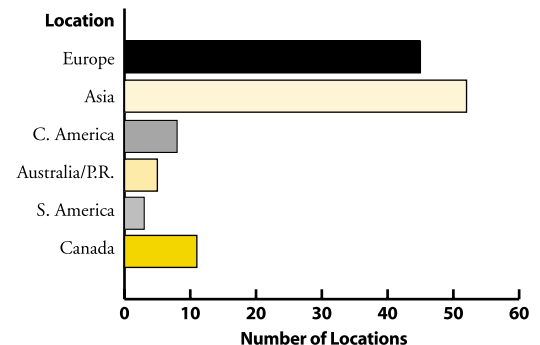
16. Approximately what percentage of U.S. market share do international competitors control for your company's primary product?

0%	82	43%
Under 20%	61	31%
21-50%	36	19%
Over 50%	13	7%



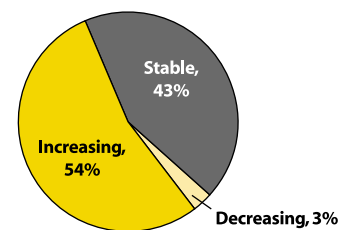
Where are the international competitors located?

Europe	45
Asia	52
Central America	8
Australia/Pacific Rim	5
South America	3
Canada	11



17. Is overseas production by U.S. competitors:

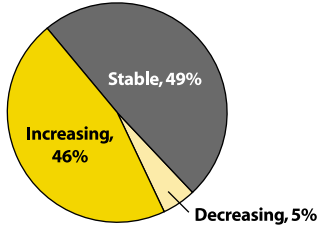
Increasing	68	54%
Stable	55	43%
Decreasing	4	3%



2003 INTERVIEW RESULTS

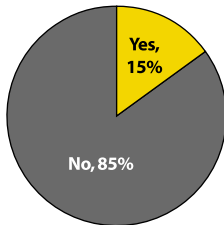
18. Is merger and acquisition or divestiture in your industry:

Increasing	100	46%
Stable	106	49%
Decreasing	11	5%



19. Has the company's ownership changed in the last 18 months or do you anticipate a change?

Yes	37	15%
No	215	85%

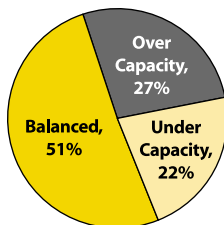


If yes, explain:

Acquisition/merger	22
Internal promotion	6
Family transition	7

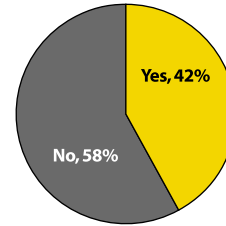
20. In your industry is production:

Under capacity	51	22%
Balanced	121	51%
Over capacity	63	27%



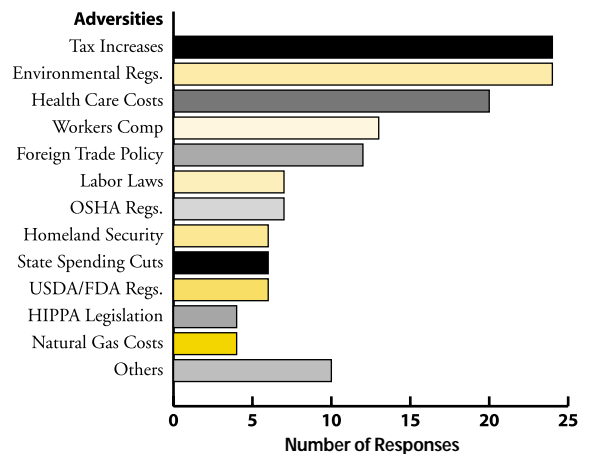
21. Do you anticipate any federal, state, or local legislation changes that will adversely affect your business in the next five years?

Yes	112	42%
No	153	58%



If yes, what changes:

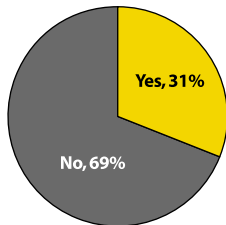
Tax increases	24
Environmental regulations	24
Health care costs	20
Worker's compensation costs	13
Foreign trade policies	12
Labor laws	7
OSHA regulations	7
Homeland security regulations	6
Cuts in state spending	6
USDA/FDA regulations	6
HIPPA legislation	4
Cost of natural gas	4
Others	10



2003 INTERVIEW RESULTS

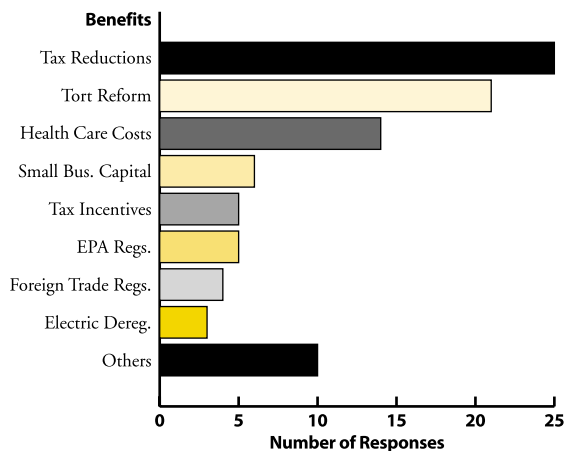
22. Do you anticipate any federal, state or local legislation changes that will benefit your business in the next five years?

Yes 78 31%
 No 173 69%



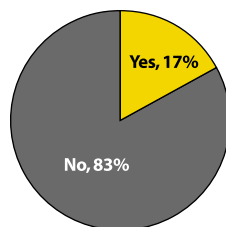
If yes, explain:

Tax reductions 25
 Tort reform 21
 Health care cost controls 14
 Working capital for small businesses 6
 Tax incentives 5
 EPA regulations 5
 Reduce foreign trade regulations 4
 Electricity deregulation 3
 Others 10



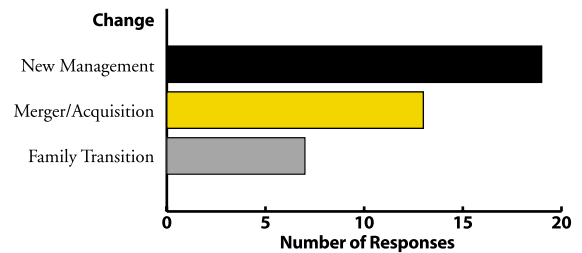
23. Has the company's top management changed, or is it expected to change, in the next 18 months?

Yes 48 17%
 No 236 83%



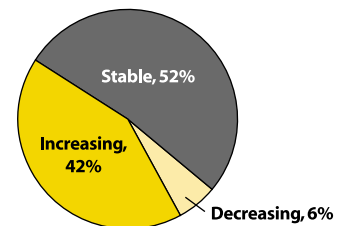
If yes, explain:

New management 19
 Merger/Acquisition 13
 Family transition 7



24. Are the projected employment needs for this facility:

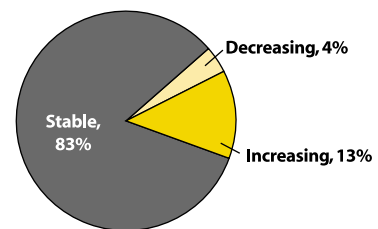
Increasing 90 42%
 Stable 111 52%
 Decreasing 13 6%



25. Will the following projected utility needs for this facility be increasing, stable or decreasing?

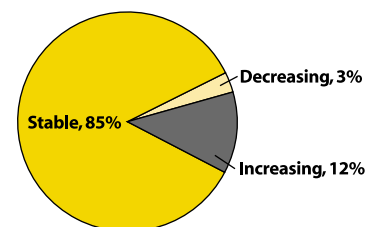
Water:

Increasing 35 13%
 Stable 225 83%
 Decreasing 11 4%



Sewer:

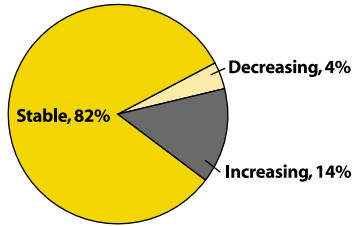
Increasing 32 12%
 Stable 229 85%
 Decreasing 9 3%



2003 INTERVIEW RESULTS

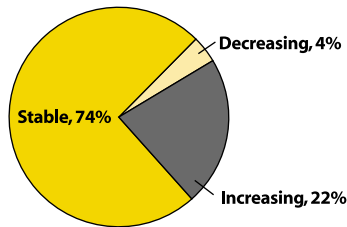
Gas:

Increasing	37	14%
Stable	222	82%
Decreasing	12	4%



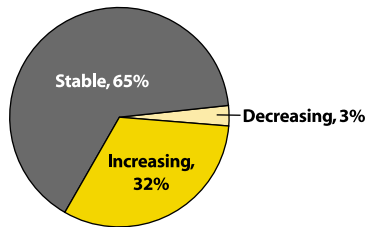
Electric:

Increasing	59	22%
Stable	200	74%
Decreasing	10	4%



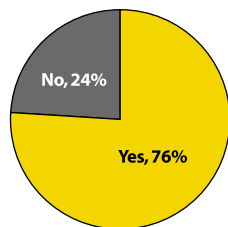
Telecommunications:

Increasing	86	32%
Stable	173	65%
Decreasing	7	3%



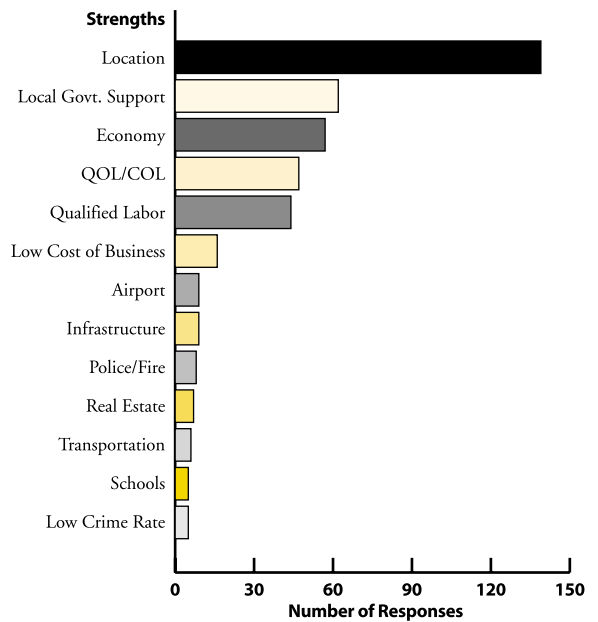
26. Are the company's current facilities adequate for anticipated future operations?

Yes	206	76%
No	66	24%



27. What are the community's strengths as a place to do business?

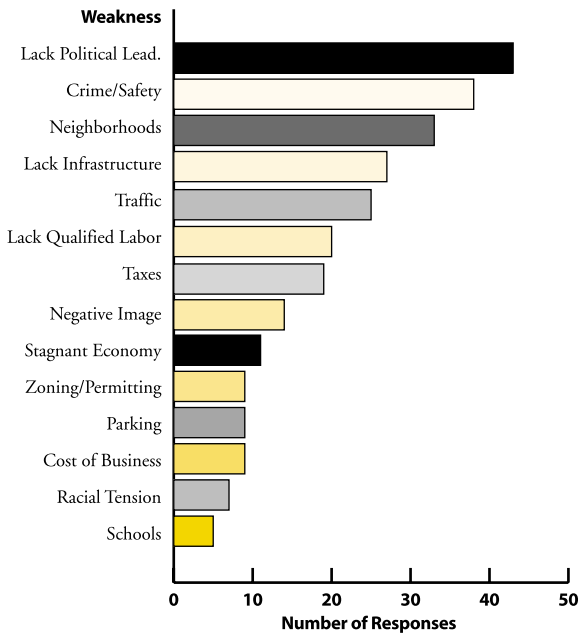
Central location	139
Support of local government	62
Strong, stable economy	57
Quality of life/Cost of living	47
Qualified labor	44
Low cost of doing business	16
Airport	9
Infrastructure/Utilities	9
Police and fire services	8
Available real estate	7
Public transportation	6
Schools	5
Low crime rate	5



2003 INTERVIEW RESULTS

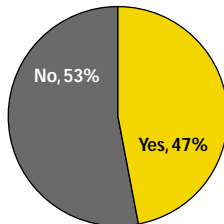
28. What are the community's weaknesses as a place to do business?

Lack of political leadership	43
Crime/Safety issues	38
Deteriorating neighborhoods	33
Lack of infrastructure	27
Traffic congestion	25
Lack of qualified labor	20
Taxes	19
Negative image	14
Stagnant economy	11
Zoning/Permitting	9
Parking	9
Cost of doing business	9
Racial tension	7
Schools	5



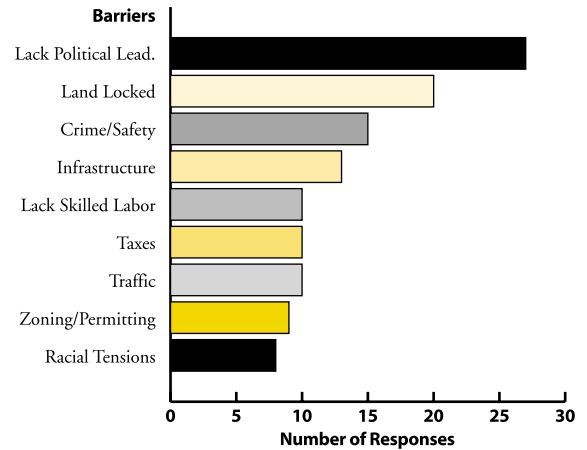
29. Are there any barriers to growth in this community?

Yes	117	47%
No	139	53%



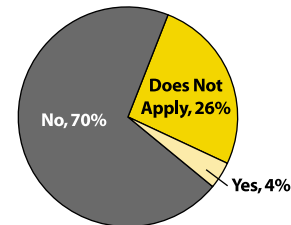
If so, what:

Lack of political leadership	27
Land locked	20
Crime/Safety issues	15
Poor infrastructure	13
Lack skilled labor	10
Taxes	10
Traffic congestion	10
Zoning/Permitting	9
Racial tensions	8



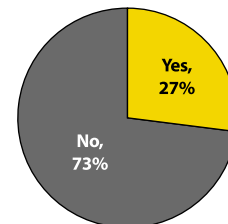
30. Does the attitude among executives at corporate headquarters toward this community as a place to do business differ from local management?

Yes	11	4%
No	170	70%
Does not apply	64	26%



31. Are there any reasons the community may not be considered for future expansion?

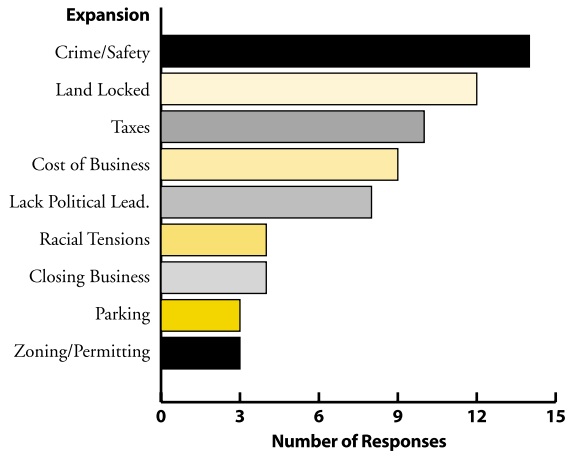
Yes	71	27%
No	182	73%



2003 INTERVIEW RESULTS

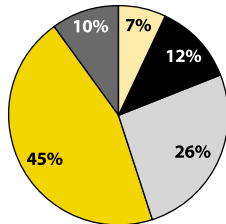
If yes, please explain:

Crime/Safety issues	14
Land locked	12
Taxes	10
Cost of doing business	9
Lack of political leadership	8
Racial tensions	4
Closing business	4
Lack of parking	3
Zoning/Permitting	3



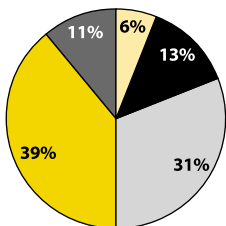
32. How do you rate the availability of workers in this area?

1 (Low)	18	7%
2	32	12%
3	70	26%
4	121	45%
5 (High)	28	10%



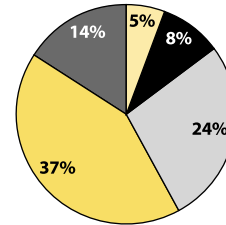
33. How do you rate the quality of workforce in this area?

1 (Low)	16	6%
2	35	13%
3	84	31%
4	103	39%
5 (High)	28	11%



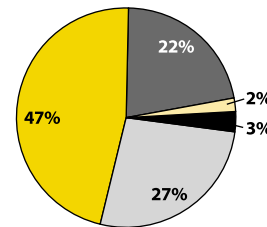
34. How do you rate the stability of workforce in this area?

1 (Low)	13	5%
2	22	8%
3	64	24%
4	99	37%
5 (High)	39	14%



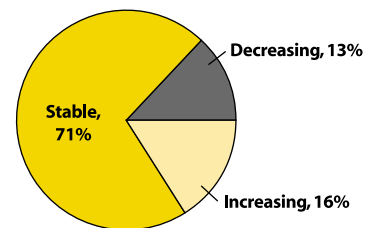
35. As compared to other company facilities, how would you rate productivity in this facility?

1 (Low)	3	2%
2	5	3%
3	43	27%
4	75	47%
5 (High)	35	22%



36. Is the number of unfilled positions:

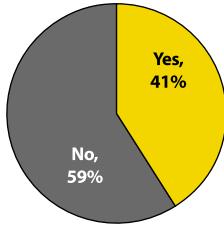
Increasing	39	16%
Stable	168	71%
Decreasing	31	13%



2003 INTERVIEW RESULTS

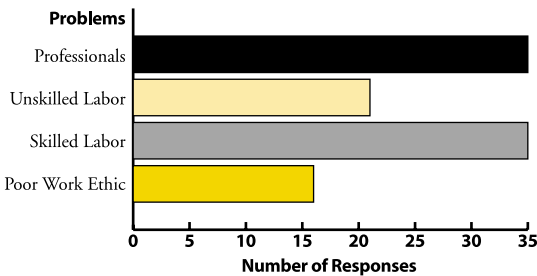
37. Is the company experiencing recruitment problems with any employee positions or skills?

Yes 99 41%
 No 145 59%



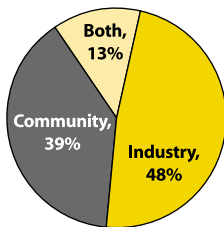
If yes, what problems, positions, skills?

Professionals 35
 Unskilled labor 21
 Skilled labor 35
 Poor work ethic 16



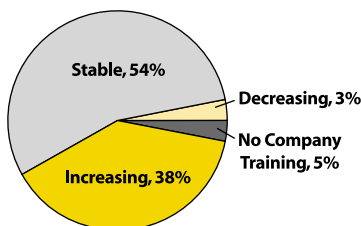
38. Do these recruiting problems relate to:

Industry 57 48%
 Community 47 39%
 Both 15 13%



39. Is the company investment in employee training:

Increasing 93 38%
 Stable 134 54%
 Decreasing 7 3%
 No company training 13 5%

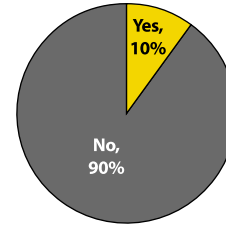


40. If investing in employee training, what percentage of the training budget is for:

New job skills training 78% average
 Remedial skills training 40% average

41. Are there suppliers or services that would benefit by being located closer to this facility?

Yes 25 10%
 No 215 90%

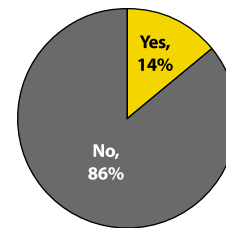


If yes, company and location:

Many specific businesses were listed as preferred suppliers that would benefit from being closer to the business' location in Cincinnati USA. The suppliers included both product and service supplier companies.

42. Are there customers that would benefit by being closer to this facility?

Yes 33 14%
 No 199 86%



Several companies mentioned individual customers that would benefit from being closer to their facilities. Trucking costs were the main reason that companies wanted to see their customers move closer.

PARTICIPATING COMPANIES

3M Precision Optics
 A R Industries Inc.
 A.R. Jester Co.
 A.B. Plastics, Inc.
 AAA Cincinnati
 Ace Reporting Services
 Adex Interational
 Advanced Fastener
 Aero Fulfillment Services
 Aeroserv
 Aerospace International
 Materials Inc.
 Air Clean Damper Vision
 of Mestek
 Alford Motors
 American Heating &
 Air Conditioning
 American Legal
 Publishing Corp.
 Anchor Flange Co.
 Archer Plumbing Co. Inc.
 Armstrong's Coffee &
 Vending Service
 Arsko Mfg. Co.
 Art Guild Binders Inc.
 Ashley F. Ward Inc.
 ATC Associates Inc.
 Atlas Distributing
 Automated Machinery Inc.
 Auxier Gas Inc.
 Ayer Electric Inc
 B & J Jacobs Co.
 Baerlocher USA
 Bakery Crafts
 Bartlett & Co.
 Batavia Heights Christian
 Child Care
 Bayer Becker Engineers Inc.
 Beaumont Machine Repair
 Beckman Environmental
 Services
 Bell Moving & Storage
 Berghausen Corporation
 Berman Printing
 Beuke Printing & Mailing
 Biz Com Electric Inc.
 BKD LLP
 Black Machining &
 Technology Inc.
 Blue Chip Cheese Co.
 Blue Chip Mailing
 Services Inc.
 Boyer Plumbing Company
 Bruce R. Robinson
 Architecture Design
 Buckhorn Inc.

Business Information
 Solutions Inc.
 CDS Associates Inc.
 CAE Ransohoff
 Campbell Group
 Cappel's Inc.
 Care Medical Inc.
 CB Richard Ellis
 Center Bank
 Check Mark, Inc.
 Cincinnati Air
 Conditioning Co.
 Cincinnati Business
 Printers Inc.
 Cincinnati Capital
 Properties Inc.
 Cincinnati Central
 Credit Union
 Cincinnati Control
 Dynamics Inc.
 Cincinnati Fan &
 Ventilator Co. Inc.
 Cincinnati Jobs
 Corps Center
 Cincinnati Musicians
 Association
 Cincinnati Newspaper Guild
 Cincinnati Paperboard Corp
 Cincinnati Pattern Co. Inc.
 Cincinnati Sign Supplies Inc.
 Cincinnati Stage Employees
 Cincinnati Training Terminal
 & Service
 Cindus Corp.
 CINTAS-Milford Division
 Clayton L. Scroggins
 Associates Inc.
 Clermont Counseling
 Center
 Clermont Distributing Co.
 Clermont Mercy Hospital
 Clermont Northeast
 School District
 CMC Electronics
 Connector Manufacturing Co.
 Controls & Sheet Metal Inc.
 Cork Equipment &
 Construction Co. Inc.
 COVAP
 Cross & Associates Inc.
 Croswell Bus Lines
 Curtis Papers Inc
 CW Zumbriel Co.
 D W F Wholesale
 Florist of Cincinnati

Deaconess Home
 Health Care
 Deerfield Press
 Deimling-Jeliho Plastics Inc.
 Dental Care Plus Inc.
 Downing Displays Inc.
 Droder & Miller Co. LPA
 Dunkin Donuts
 Dyer Service
 E E Drywall
 E. L. Epperson Co. Inc.
 Eagle Crusher Co.
 Eastern Area Specialty
 Transport
 Eberle Foods & Services
 Ellenbee Leggett Co. Inc.
 Ellis & Watts Inc.
 EMI Network Inc.
 Engineering Excellence Inc.
 Excel Logistics
 F & W Publications Inc.
 Falcon Fabricators Inc.
 Fin Pan Inc.
 Fisher Design Inc.
 Fisher Griffin Co.
 Flex Tech Packaging
 Flexoplate Inc.
 Forest Park Veterinary Clinic
 Frequency Marketing Inc.
 Fund Evaluation Group Inc.
 G. L. Nause Company
 GBBN Architects
 General Chain &
 Manufacturing Corp
 Gfroerer Rug Co. Inc.
 Giminetti Baking Company
 Global Cloud
 Gold Star Chili Inc.
 Goshen Local Schools
 Grabas LLC dba FUNacho
 Grace Plastics, Inc.
 Grange Claims Office
 Gray & Pape Inc.
 Greater Cincinnati
 Building Trades
 Greg G. Wright & Sons
 Grummich Enterprises Inc.
 GSF North American
 Janitorial Services Inc.
 H G C Inc.
 Haag-Streit Holding U.S.
 Harmon, Inc.
 Harrison Corporation
 Hartco Inc.
 HBC Radiomatic Inc.
 HealthSpan

Hi-Tek Manufacturing Inc.
 Hillside Maintenance
 Supply Co.
 Hill Top Research
 Hoffmann Sausage Co. Inc.
 Home City Ice Co.
 HSR Business to Business Inc.
 Hubert Co.
 Husky Injection Molding Inc.
 Inductive Components
 Manufacturing Inc.
 Industrial Sew Tech
 Infectious Disease Consultants
 of Cincinnati
 Infitech LLC
 Inland Container Corp.
 Integrated Research
 Associates
 International TechneGroup Inc.
 Isaacs Fluid Power
 J & R Coordinating Service
 J & S Soap & Supply
 Japlar/Schauer
 Johnstone Supply
 Jones Machinery Inc.
 Kaiser Foods Inc.
 Kanet Pol & Bridges Inc.
 Kenker Box Company
 Keystone Vehr Printing, Inc.
 Kreger Printing &
 Stationery Co.
 Krupp Bilstein of America Inc.
 Kutol Products Co. Inc.
 KZF Inc
 Lee Corp
 Lee Hecht Harrison
 Len Koogler Realtors-Better
 Homes & Gardens
 Libby's Gourmet Desserts
 Liberty Window Company
 Liebel -Flarsheim Co.
 LNS America Inc.
 Local Marketing Corp.
 Lockwood Greene
 Consulting
 Louis Meats Inc.
 Loveland Pet Products
 M & M Interiors Inc. dba
 M & M Drywall Supply
 Mann Bukvic & Gatch
 Partners
 Mapp Building Services
 Marsmallow Products Inc.-
 Marpro
 McGrath Group
 Management, Inc.

PARTICIPATING COMPANIES (continued)

Meridian Diagnostics Inc.	Pole Zero Corporation	Staubitz Sheet Metal Works Inc.	Toyobo Kureha Co. Ltd
Metaphor Studio LLC	Posterservice Inc.	Steelcraft	Transtar Industries dba
Miami Systems Corp	Praxair Inc.	Stelox Systems Inc.	Transmission Technology
Midland Company	Quebecor World	Stelter & Brinck Inc.	Tri Manufacturing & Sales Co.
Midwest Data	Queen City Forging	Stevenson Machine Inc.	Tri-State Fabricators
Midwest Specialty Products	Quest Engineers, Inc.	Stevenson Photo Color	Trian Marblene Co. Inc.
Millennium Business Systems	RB Tool & Manufacturing Co.	Stewart FilmScreen Corp.	Troyke Manufacturing Co.
Moellering Industries	R K Electronics Inc.	Stewart Industries	TSP Inc.
Mr. Label Company	R & M Grinding, Inc.	Stigler Supply Co.	U S Foodservice
Newman Brothers Inc.	R.C. Billiter Assoc. Inc.	Storey Machinery Co.	US Industrial Lubricants
Neyer Properties Inc.	Ramsay-Cohron Mechanical Equipment Inc.	Summit Investment Partners	Unger Distributing Co. Inc.
Nolte Screw Machine Products Inc.	Rhom & Haas Co.	Superior Label Systems Inc.	Univar USA, Inc.
Northbend Pattern Works Inc.	Rose Laminating & Mounting Co.	T.M. Gates Inc.	Valeo Climate Control
Nu-Blend Paints Inc.	S & S Beauty Supply	Take It For Granite	Valley Belting & Hose Co. Inc.
OPW Fueling Components/ A Dover Resources Co.	S & S Health Care Strategies	Teri Studios	Valve Related Controls, Inc.
O'Gara-Hess & Eisenhardt Armoring Co.	Sabo Design	The Albertson Network	Valve Services Group, Inc.
Office Depot	Samuel Adams Brewery Co. Ltd.	The Cincinnati Steel Treating Co.	Velvet Ice Cream Co.
Ohio Blue Print Co.	Shriver & Co. PSC	The Community Builders	Vertical Solutions Inc.
OKL Can Line Inc.	Solomon Smith Barney	The Consult Inc.	Victory Plating Co. Inc.
Osborne Coinage	Southern Ohio Fabricators Inc.	The F. L. Emmert Co	Vulcan Oil Company
P & T Industries of Ohio	Southern Ohio Health Services Network	The Franklin Savings & Loan Co.	Wagner Repro & Supply
Parrillo Performance	Southern Ohio Manufacturing Inc.	The G.A. Avril Co.	Waite Construction
Patheon, Inc.	Spectra-Tech Manufacturing, Inc.	The Great Frame Up	Walmart
Pax Corrugated Products Inc.	Sporty's Pilot Shop	The HoneyBaked Ham Co. of Ohio Inc.	William M. Mercer Inc.
People Working Cooperatively Inc.	Stable Step, Inc.	The Original Mattress Factory	Williamsburg Local School District
Petermann Ltd.	Stan Better Construction	The Ray Hamilton Companies	Wilson Moving & Storage Co.
Pic's Produce Top of the Crop	Starr Printing Services Inc.	The Wm. Lang & Sons Co.	Wipper Inc.
Picard Paper Processing Inc.		ThermalTech Engineering Inc.	Wonder Group
Planet Products Corporation		Thomas R. O'Shea Inc.	ZF Batavia
			Total 295

2003 REGIONAL BUSINESS RETENTION COMMITTEE

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Curtis Boggs Metlife Financial Services	Kenneth Jenkins HLB Rippe & Kingston	Sean O'Reilly Morgan Stanley	Raj Uttamchandani Ciber
James Danneman Fifth Third Bank	Joe Judge The Staubach Company	Chris Perrino Barnes, Dennig & Company	Leslie Weber <i>Business Courier</i>
David Dennerll Merrill-Lynch	Greg Kathman HCDC	Phillip Rosenzweig Peak Results	Wade Williams Cinergy
Debbie Dutton-Lambert Gateway Solutions Group	Lisa M. Knue CBS Companies, LLC	Bethany Rustic Turner SPD	John Vollbracht CRESA Partners
	Robert Lambert, CPCU USI Midwest		

The Cincinnati USA Partnership is the best first contact for businesses interested in relocating or expanding in Cincinnati USA. Our economic development professionals work in partnership with more than 150 other local public and private economic development teams, providing a unified response to business growth needs. To learn more, please call us at (513) 579-3120 or visit our Web site at www.CincinnatiUSA.org.

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