



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

2005 Regional Business Retention Report

The Power of Partnership Helps Retain Our Most Important Customers

The No. 1 axiom in business: Your most important customer is the one you already have.

The Cincinnati USA Partnership believes this as well, and builds on the power of partnership by working to retain our existing businesses in the region. Existing firms

are the foundation of our success. Over generations, they have built a solid, diverse economy, and they will continue to be the building blocks for future growth.

That's why the Cincinnati USA Partnership — the regional economic development initiative directed by the economic development staff of the Cincinnati USA Regional Chamber — works to stay in tune with the needs of businesses within our three-state, 15-county region. One critical tool in that process is the business retention survey conducted by the Regional Business Retention Committee. The volunteer committee conducted surveys throughout the year during site visits. In addition, our retention team conducted community call blitzes with the City of Hamilton, the City of Sharonville and downtown Cincinnati in conjunction with Downtown Cincinnati Inc. and the City of Cincinnati's Economic Development Department.

In late May and early June the Partnership teamed with Fifth Third Bank's Madisonville Call Center for the third consecutive year to conduct a phone blitz, contacting 1,500 area businesses.

The results of this research are reported on the following pages. Consider the following, according to the 2005 surveys of more than 350 regional businesses:

- 76 percent of the companies reported increasing sales, up from 70 percent in 2004
- 60 percent of the companies indicated a company expansion is likely in the next three years, up from 55 percent in 2004

- Labor and workforce concerns are on the rise, with 53 percent of companies experiencing recruitment problems, up from only 38 percent in 2004
- For the second consecutive year the region's central location was the biggest strength of the community as a place to do business, while the region's political leadership and infrastructure were cited as weaknesses

The survey reflected a consistent willingness to invest in product development, an indication that our economy is pushing ahead. That's great news for our region. But ongoing success is not a sure thing. Many business leaders are concerned about barriers to future growth. They are concerned about the labor force, and they want strong political leadership.

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.

By retaining our best customers, we are forging progress for Cincinnati USA.



2005 Regional Business Retention Committee

Corporate Growth

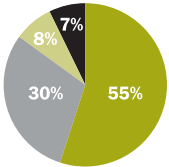
1. What is your company's greatest achievement in the last five years?

Staying in business	59
Growth in sales	75
Product and service development	68
New location/Facility expansion	27
Increase in market share	19
Merger/Acquisition	25
Award recognition	10
Employee growth	18
Opening new business	7



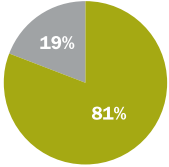
2. Where is the company's primary product/service in its life cycle:

Growing	172	55%
Maturing	94	30%
Emerging	23	8%
Declining	21	7%



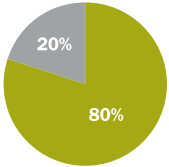
3. Has the company introduced new products/services/capabilities during the last five years?

Yes	242	81%
No	57	19%



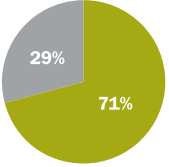
4. Are new products/services anticipated in the next two years?

Yes	223	80%
No	57	20%



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

Yes	296	71%
No	123	29%



If yes, please explain:

Advanced products and processes	58
Internet-based applications	13
More high-tech equipment	75

Research & Development

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

0%	81	38%
3%	70	32%
3-6%	33	15%
More than 6%	32	15%



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

New product development	43% on average
Product improvements	35% on average
Production improvements	38% on average

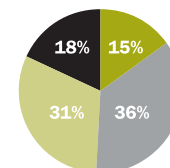
8. Where is the R&D facility located?

Cincinnati USA region	101
Ohio	3
United States	32
Outside the United States	6



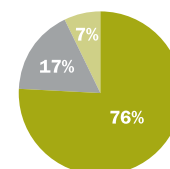
9. Is the company's primary market:

Local	51	15%
Regional	119	36%
National	100	31%
International	60	18%



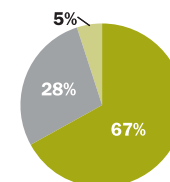
10. Are total sales:

Increasing	248	76%
Stable	55	17%
Decreasing	22	7%



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

Increasing	193	67%
Stable	82	28%
Decreasing	15	5%



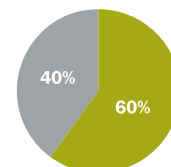
Expansion & Sales

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

Yes	186	60%
No	123	40%
Estimated dollar amount	\$218,115,010	
Average expansion cost	\$2,908,200	
Estimated number of jobs to be created	4,041	
Average number of jobs created	46	
Estimated additional space	1,629,100 square feet	
Average additional space	22,015 square feet	

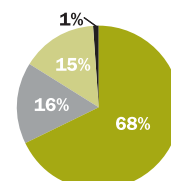
Approximate date of expansion:

2005	23 companies
2006	36 companies
2007	13 companies
2008	5 companies
2009	8 companies
2010	1 company



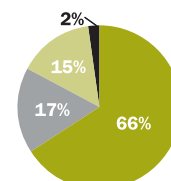
13. Are export sales as a percentage of total sales:

Increasing	41	15%
Stable	42	16%
Decreasing	2	1%
No Exports	181	68%



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

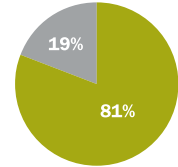
Increasing	45	17%
Stable	38	15%
Decreasing	5	2%
No Imports	171	66%



International Focus

15. Does the company have overseas production?

Yes	52	19%
No	221	81%



If yes, where is the overseas production located?

Europe	24
Asia	22
South America	3
Central America	4
Australia/Pacific Rim	9
Canada	3
Middle East	4



Is it contract production or company facility?

Contract production	5
Company facility	1

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

0%	101	49%
Under 20%	56	27%
21-50%	37	18%
More than 50%	13	6%



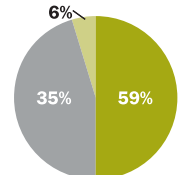
Where are the international competitors located?

Europe	35
Asia	25
Central America	5
Australia/Pacific Rim	11
South America	2
Canada	5



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

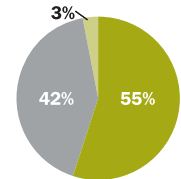
Increasing	74	59%
Stable	44	35%
Decreasing	7	6%



Mergers & Acquisitions

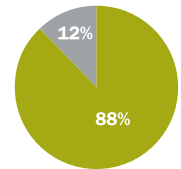
18. Is merger and acquisition or divestiture in your industry:

Increasing	137	55%
Stable	105	42%
Decreasing	9	3%



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

Yes	37	12%
No	266	88%

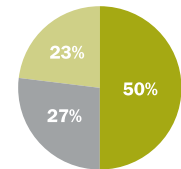


If yes, explain:

Acquisition/Merger	18
Internal promotion	7
Family transition	13

20. In your industry, is production:

Under capacity	68	27%
Balanced	122	50%
Over capacity	58	23%



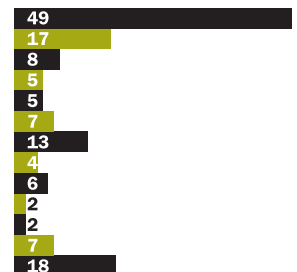
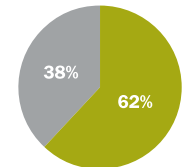
Anticipated Changes

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

Yes	113	38%
No	186	62%

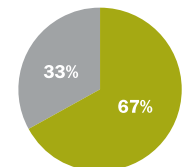
If yes, what changes:

Tax increases	49
Environmental regulations	17
Health care costs	8
Workers' compensation costs	5
Foreign trade policies	5
Labor laws	7
OSHA regulations	13
Homeland security regulations	4
Cuts in state spending	6
USDA/FDA regulations	2
HIPPA legislation	2
Cost of natural gas	7
Others	18



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

Yes	98	33%
No	197	67%

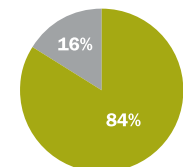


23. Has the company's top management changed or is it expected to change in the next 18 months?

Yes	52	16%
No	263	84%

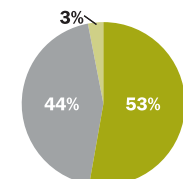
If yes, explain:

New management	27
Merger/Acquisition	6
Family transition	8



24. Are the projected employment needs for this facility:

Increasing	148	53%
Stable	122	44%
Decreasing	8	3%



Utilities & Facilities

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

Water:

Increasing	50	16%
Stable	249	81%
Decreasing	7	3%

Sewer:

Increasing	51	17%
Stable	247	82%
Decreasing	7	3%

Gas:

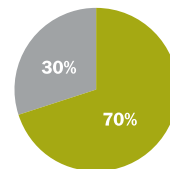
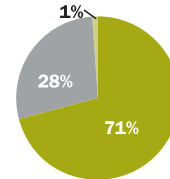
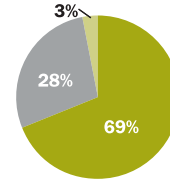
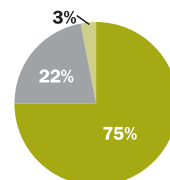
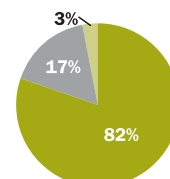
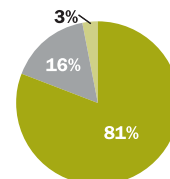
Increasing	65	22%
Stable	227	75%
Decreasing	9	3%

Electric:

Increasing	86	28%
Stable	208	69%
Decreasing	9	3%

Telecommunications:

Increasing	81	28%
Stable	210	71%
Decreasing	3	1%



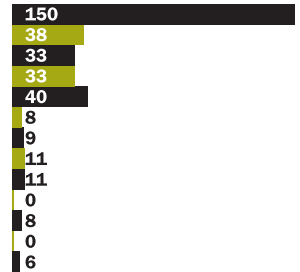
26. Are the company's current facilities adequate for anticipated future operations?

Yes	220	70%
No	93	30%

Community Outlook

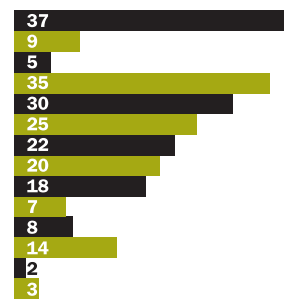
27. What are the community's strengths as a place to do business?

Central location	150
Support of local government	38
Strong, stable economy	33
Quality of life/Cost of living	33
Qualified labor	40
Low cost of doing business	8
Airport	9
Infrastructure/Utilities	11
Police and fire services	11
Available real estate	0
Public transportation	8
Schools	0
Low crime rate	6



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

Lack of political leadership	37
Crime/Safety issues	9
Deteriorating neighborhoods	5
Lack of infrastructure	35
Traffic congestion	30
Lack of qualified labor	25
Taxes	22
Negative image	20
Stagnant economy	18
Zoning/Permitting	7
Parking	8
Cost of doing business	14
Racial tension	2
Schools	3



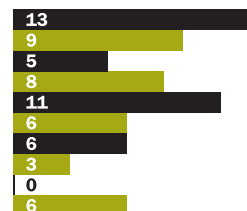
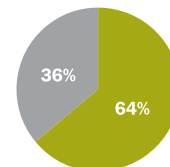
Community Outlook

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

Yes	105	36%
No	184	64%

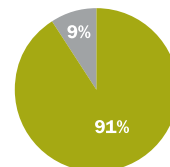
If so, what:

Lack of political leadership	13
Land locked	9
Crime/Safety concerns	5
Poor infrastructure	8
Lack of skilled labor	11
Taxes	6
Traffic congestion	6
Zoning/Permitting	3
Racial tensions	0
Negative image	6



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

Yes	21	9%
No	204	91%

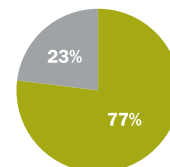


31. Are there any reasons the community may not be considered for future expansion?

Yes	66	23%
No	221	77%

If yes, please explain:

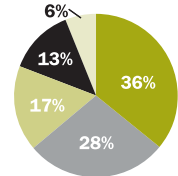
Crime/Safety issues	4
Land locked	14
Taxes	4
Cost of doing business	12
Lack of political leadership	5
Racial tensions	1
Closing business	0
Lack of parking	0
Zoning/Permitting	4



Workforce & Productivity

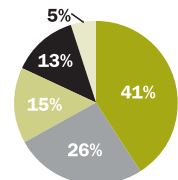
32. How do you rate the availability of workers in this area?

1 (Low)	19	6%
2	53	17%
3	85	28%
4	112	36%
5 (High)	39	13%



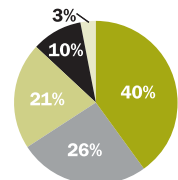
33. How do you rate the quality of the workforce in this area?

1 (Low)	15	5%
2	46	15%
3	79	26%
4	126	41%
5 (High)	41	13%



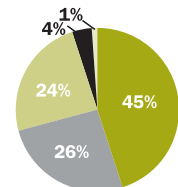
34. How do you rate the stability of the workforce in this area?

1 (Low)	9	3%
2	32	10%
3	83	26%
4	126	40%
5 (High)	67	21%



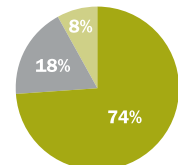
35. As compared to other company facilities, how would you rate productivity in this facility?

1 (Low)	3	1%
2	8	4%
3	59	26%
4	102	45%
5 (High)	54	24%



36. Is the number of unfilled positions:

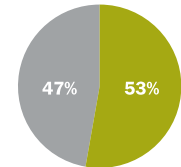
Increasing	52	18%
Stable	215	74%
Decreasing	24	8%



Workforce & Productivity

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

Yes	148	53%
No	132	47%



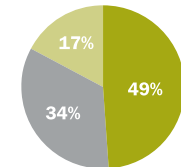
If yes, what problems, positions or skills?

Professionals	49
Unskilled labor	20
Skilled labor	66
Poor work ethic	9



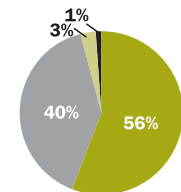
38. Do these recruiting problems relate to:

Industry	83	49%
Community	57	34%
Both	29	17%



39. Is the company investment in employee training:

Increasing	153	56%
Stable	111	40%
Decreasing	4	1%
No company training	7	3%

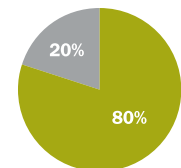


40. If investing in employee training, what percentage of the training budget is for:

New job skills training	47% average
Remedial skills training	34% average

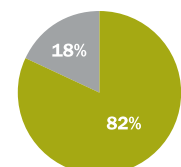
41. Are there suppliers or services that would benefit by being located closer to this facility?

Yes	57	20%
No	227	80%



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

Yes	51	18%
No	228	82%



Participating Companies

3-D Technologies	Chester Labs Inc.	FKI Logistex	KDI Precision Products Inc.
3M Precision Optics	Child Focus Inc.	Flavor Systems International Inc.	Kellogg Co.
A E G Photoconductor Corp.	Cholmondeley Industrial Assoc. Inc.	Flint Ink Corp.	Kendle International Inc.
Accenture	Chuck Vonderhaar CPA	FootWorks – Div. of Safety Shoe Distrib.	Kenworth of Cincinnati
Advanced Testing Laboratory Inc.	Cincinnati Business Courier	Ford Development Corp.	kforce.com Inc.
ADVICS Manufacturing Inc.	Cincinnati Magazine	Formica Corp.	Kirk & Blum – Division of CECO Environmental
Alfrebro Inc.	Cincinnati Paperboard Corp.	Fort Hamilton Hospital	KLH PSC Consulting Engineers
All Occasions Event Rental	Cincinnati State Technical & Community College	Foxtail Foods	The Kroger Co.
Allied Building Products	Cincinnati Sub-Zero Products Inc.	Frequency Marketing Inc.	Laboratory Corp. of America
Almost Family	Cintas – Milford Division	Frost Brown Todd LLC	Lackner Custom Sign Co. Inc.
Alpha Packaging Systems	Civil & Environmental Consultants Inc.	G & G Manufacturing Co.	Langue Precision Inc.
Alreddy Coffee & Cafe	Cliff Hardware & Paint Supply Inc.	G & M Metal Products Inc.	Language Logic
AluChem Inc.	Cobasys – Ovonics Energy Products	GBR Group LLC	LaRosa's Inc.
Aluminum Extruded Shapes	Colliers Turley Martin Tucker	GE Evendale Federal Credit Union	Leggett & Platt Inc.
American Micro Products Inc.	Columbus Equipment Co.	Gem City Tire Co. (Goodyear Dealer)	Liz Claiborne Inc.
American Printing & Lithograph Co. Inc.	Comco Machinery Inc.	General Data Co. Inc.	LOTH MBI
Amkotron	Continental Mineral Processing Corp.	Georgia-Pacific Corp.	Loveland Pet Products
Ampac Plastics LLC, Division of Amko Plastics	Contract Interiors	Gilkey Window Co. Inc.	Lykins Oil Co. Inc.
Anthem Blue Cross Blue Shield Inc.	Controlled Air Inc.	GL Services	M. Rosenthal Co.
ARI Metal Products	CORPOREX Companies Inc.	GMP Welding	Macsteel Service Centers USA
Arkay Plastics	Cummins Bridgeway LLC	Gold Medal Products Co.	Magellan Health Services
The Armrel Byrnes Co.	Cutting Edge Services Corp.	Goodwill Industries Rehab. Center	Makino
Arnold Printing Co.	d e Foxx & Assoc. Inc.	Gordon Bernard Co. Inc.	Mane Inc.
Ashley Ward Inc.	DeGeorge Ceilings of Southwestern Ohio Inc.	Grace Plastics Inc.	Matandy Steel & Metal Products LLC
Auto Temp Inc.	Degussa Coatings & Colorants	Graham Obermeyer and Partners Ltd.	Matrix Claims Management
A-Z Discount Printing	Diebold Inc.	Graphel Inc.	Maverick Corp.
B B S Corp.	Diversapack LLC	Graydon Head & Ritchey Attorneys	MC Mobility Systems
Barnes Dennig & Co. Ltd. CPAs	Douglas Machine & Tool Co. Inc.	Great American Insurance Co.	McGill Smith Punshon Inc.
Basco Manufacturing Co.	DuPont Specialty Chemicals	Gutter Toppers	Medicount Management Inc.
Batavia Transmissions LLC	Dynamic Control of North America Inc.	Hamilton Caster & Mfg. Co.	Mercy Clermont Hospital
BBS Tech	E i Ceramics	Hamilton Fairfield Dodge Jeep Eagle	Metalex Manufacturing Inc.
Becker Equipment Inc.	Eagle Coach Co.	Hamilton Industrial Knife & Machine Co.	Michael Lichtenberg & Sons Construction Inc.
Beiersdorf Inc.	Eaton-Cutler-Hammer	Hamilton Scrap Processors	Michel Tire Co.
Berenfield Containers Inc.	Eco Engineering Inc.	The Hamiltonian Hotel	The Midland Co.
BHDP Inc.	Effox Inc.	Harland Financial	Midwest Laundry Inc.
BHE Environmental Inc.	Elder-Beerman Stores Corp.	Harvest Land Co-Op	Mike Albert Leasing Inc.
Bickart Felton Associates Inc.	Elegant Fare Inc.	Hi-Tek Manufacturing Inc.	Miller Valentine Group
Bigg's	Elite Photography	Hobsons Digital Media Inc.	Mills Corp.
Blackhawk Automotive Plastics	ELS Human Resource Solutions	Holiday Inn Eastgate– Conf. Center	Mitsubishi Electric Automotive America Inc.
Blue Chip Mailing Services Inc.	Environmental Technologies & Communications	Holzmaacher Electric	MJ Nursing Registry
Borcherding Pride Pontiac Buick GMC Subaru	Etter's Golf	Honeymoon Paper Products Inc.	Modern Office Methods Inc.
BP Industries	Evendale E-Z Wash	Humana	Molecular Diagnostics Laboratory
Bramkamp Printing Co. Inc.	Evendale Pet Hospital	Hydrotech Inc.	Monti Inc.
Bryan Equipment Sales	Fabridigm	IBM Corp.	Morris Technologies Inc.
Buckhorn Inc.	Falcon Fabricators Inc.	IDG	MVD Communications LLC
Butler County Lumber Co.	Fanuc Robotics	Integra Life Sciences	National Occupational Testing Inc.
B-Way Corporation	Federal Express Corp. dba FedEx	Intelligrated Inc.	Netherland Rubber Co.
C & B Gridding	Ferguson Metals Inc.	Intercontinental Chemical Corp.	Neyra Construction Inc.
Can Am Express	Fiehrer Motors Inc.	International Paper	Nisbet Lumber Co.
CB Richard Ellis	Fifth Third Bank	Interstate Warehousing Inc.	Nixco Plumbing Inc.
CDR Pigments & Dispersions	FillTek – Fulfillment Technologies LLC	Isaacs Fluid Power	Norwood Hardware & Supply Co.
CDS Associates	Fin Pan Inc.	ITE–Integrated Technologies Engineering	Nova Systems Solutions
CDS Signs	Finn Graphics Inc.	The Jeff Wyler Dealer Group Inc.	NSG
Central Business Group	First American Title	John R. Jurgensen Co.	Oakley Die and Mold
Central Insulation Systems Inc.	First Clermont Bank	The Johnson Electric Supply Co.	Odom Industries
Central Tool Rental	First Financial Bank	K & G Men's and Women's Mart	Office Depot
Cheney Pulp & Paper Co.		Kadant Black Clawson Inc.	
		Kaffenbarger Truck Equip. Co.	

Ohio Hydraulics Inc.
Ohio Valley Wine & Beer Co.
Oil-Kraft Division
Oliver Chemical Co. Inc.
Osborne Coinage
Overhead Door Co. of Cincinnati
Paper Systems Inc.
Paragon Salon
Paramount Recovery Services
Paramount's Kings Island
Paycor Inc.
The Payne Firm Inc.
PCMS Datafit
PediaMed Pharmaceuticals Inc.
Pepsi-Cola Bottling Co.
Piker-Cresa
Planet Products Corp.
PNC Financial Services Group
Porter Precision Products Co.
Power Electric Co.
PPG Industries Inc.
Prestige Audio Visual
Prestige Delivery System
Pride Cast Metals Inc.
PrintManagement
Production Manufacturing Inc.
ProLift Industrial Equip. Co.
ProSource
Quality Publishing
Queen City Racquet Club
Queen City Reprographics
R. L. Custom Machining Inc.
Raffel's Catering Inc.
Red Bank Transport Inc.
RF Linx
Richard Goettle Inc.
Ritter & Randolph Attorneys
Riverbend Commercial Title
RL Industries
Rockwell Automation
Rockwell Automation Entek
Roland D. West & Assoc.
Roofing & Insulation Supply
RPC Mechanical
Ruetgers-Nease Corp.
S & S Health Care Strategies
Salon Urbanity
Saurber Construction Inc.
Sayer's Greenhouse
Scanner Applications
Schumacher Dugan Construction Inc.
Seapine Software Inc.
Security Collecting Assoc.
Sensus LLC
Sermatech-Lehr
Seven Up Bottling Group of Cincinnati
Shaw Environmental & Infrastructure
The Shepherd Color Co.
Sleepcare Diagnostics

Smart Papers LLC
Specialty Storage Co.
Spectra-Tech Manufacturing Inc.
SRI Surgical
Staples
State Auto Insurance Co.
Steed Hammond Paul Inc.
Steelcraft
Stratus Group
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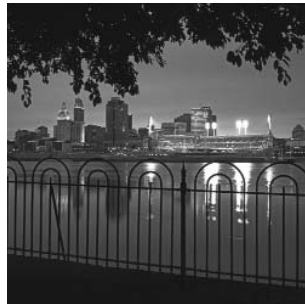
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