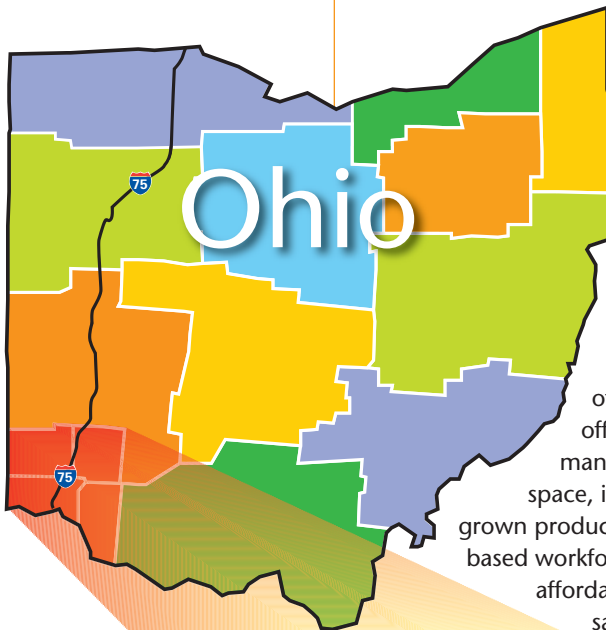


# Southwest Ohio: Highway to profitability

## Why national and international companies choose to locate in the region



This white paper provides an overview of the exceptional business location, expansion and relocation opportunities available in southwest Ohio—a region that includes Cincinnati and Middletown along the I-75 corridor.

The availability of reasonably priced office, commercial, manufacturing and industrial space, in addition to a home-grown productive and knowledge-based workforce to match, assures affordable choices for your sales, distribution and manufacturing operations in the region. It is key to being able to reach domestic and world markets especially in the aerospace, automobile and parts manufacturing, bioscience, corporate and professional services



and consumer goods industries.

The region is one of the largest industrial, distribution and manufacturing areas in the United States and is accessible to national and

international customers and suppliers. It is home to nine Fortune 500 global headquarters and an additional 360+ firms maintain operations in the area.

Located in the southwest quadrant of Ohio, the region shares borders with Kentucky and Indiana. It provides world-class industry access to corporate manufacturing customers and suppliers with its two major intersecting rail lines; three rivers for shipping; and major Interstate highways—all within 100 miles of other major Midwestern cities.

The region—that also serves Lexington and Louisville, Ky., Indianapolis, Ind., and Columbus, Ohio—benefits from the state's commitment to business development. It includes recent tax reform and business-friendly incentive packages; a diverse and educated workforce and proximity to the Great Lakes and the East Coast. These are additional incentives that make Southwest Ohio the most affordable choice for sales, distribution and manufacturing operations in North America—and worldwide.

According to *Site Selection* magazine, Ohio was awarded the coveted Governor's Cup four times (2006-2009) for being the U.S. state that achieved the greatest number of business expansions each year. It also placed in the top four among all 50 states in the last six years.

More companies have invested in Ohio than any other Midwest state, with more than \$30 billion invested in business expansions. It underlines the fact that successful companies around the world are choosing Ohio as the best location for their U.S. operations.

**“Southwest Ohio is the ideal location for manufacturing and distribution. It's centrally located to customers and suppliers; taxes are lower for manufacturers; the workforce is skilled and educated; and the state offers many incentives to attract and keep businesses in Ohio.”**

—Howard Jackson,  
Managing Partner,  
Midd Cities

## Why choose Southwest Ohio? The facts...

Ohio is the Midwest's powerhouse for economic growth and development and the southwest region is a key player in the process. National and international corporations like what Southwest Ohio has to offer:

### Southwest Ohio: Industry takes root

In 1837, William Procter and James Gamble combined their candle and soap business at Cincinnati, in the southwest corner of Ohio, to create Procter & Gamble—a company that is the nation's largest consumer goods company in the 21st century.

Traveling north to Dayton, Ohio, along the I-75 corridor, Wilber and Orville Wright invented the airplane in 1903. It was the beginning of Dayton's Wright-Patterson Air Force Base and a huge supporting business

complex. Six decades later, Neil Armstrong an astronaut from Wapakoneta, Ohio, became the first man on the moon.

Manufacturing and aviation. They tell the story of Southwest Ohio today. They have been the impetus for Ohio's premiere position in today's global economy. They set the foundation for the most progressive and innovative business and commercial development for the many of today's key industries that are clustered throughout the region.





## A strategic location

The region is nestled in the nation's heartland within a 600-mile radius of 43 percent of the entire U.S. population and 44 percent of all U.S. manufacturing facilities. It is home to more than 2.8 million people.

The quadrant supports a strong supply chain across numerous key industries that include information technology, polymer and advanced materials that support the aeronautic manufacturers and suppliers located there.

It's proximity to major interstate highways— I-75, I-71, I-70 and I-65—and access to air,

rail and river cargo transit attract corporations that want to expand their business facilities. The region's first-class transportation reduces the cost of doing business—and improves efficiencies and profits by providing easy access to profitable markets.

- Southwest Ohio is listed as one of the nation's "Top 10 Markets" for the number of "Fortune 500" headquarters-per-million residents located in the region. That's higher than New York, Boston, Chicago or Los Angeles.
- Access to major interstate highways is an important requirement for some of the region's heaviest industrial warehouse and distribution centers.

**"The business climate and quality of life are excellent in Ohio. Personally and professionally, I can find everything I want right here."**

—Al Wofford, president and CEO, CDO Technologies Inc.

## Nature's bounty

Southwest Ohio has something that few other areas have—an abundant, clean, fresh water supply—thanks to the glaciers that covered the region during the Pleistocene Epoch.

Deep underground, nearly 2,360 miles of rivers and streams underlie the stream valleys from the Great and Little Miami Rivers. It's called The Great Miami River Buried Valley Aquifer System and it's one of the most productive sources of potable water in the Midwest. It is one of the richest water sources in the country with yields to wells in the area as high as 3,000 gal/min. The aquifer stores a

total of 1.5 trillion gallons of groundwater! It is a valuable resource—an extra layer of security for the region.

- The aquifer insures against water emergencies for businesses that use large quantities of water in their daily manufacturing and production operations.
- In addition to the abundant water supply, the region is located in a part of the country that rarely experiences natural disasters such as earthquakes, providing an extra margin of economic security for companies locating in the area.

## Ohio leadership: A partnership that gets results

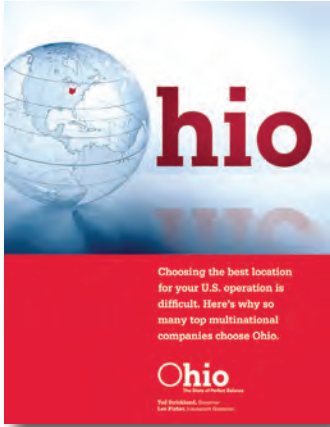
Ohio's business development traces its success to the business-government partnerships and infrastructure that have consistently grown since William Procter and James Gamble began to manufacture and sell their candles and soaps. The public-private relationship established then has been a mainstay of Ohio's progressive development.

As a result of that partnership, Ohio consistently leads the U.S. in business expansions and is an international manufacturing leader in today's global market. Decades of state commitment to public-private support have provided a healthy environment for businesses to innovate, grow and expand. The state works to help companies succeed by initiating services that help with everything from site identification to the construction-permitting process and pre-screening of

prospective employees. Most important, the state has collaborated with the private leadership to provide tax relief that will, in turn, grow the economy.

Ohio has also invested heavily in research and development to drive advances in critically important areas that will strengthen its attraction as a world leader. One of its most recent—and possibly its most successful—programs is Ohio Third Frontier, a 10-year, \$1.6 billion initiative to expand Ohio's high-tech research capabilities and to attract, create or assist early-stage companies to the state. It has already proven to be instrumental in building world-class capacity by financing manufacturing technologies in line with the changing global economy.





[Ohio Key Benefits Brochure](#)

**For further information visit:**

- [www.midcities.com](http://www.midcities.com)
- [www.cincinnatiusa.org](http://www.cincinnatiusa.org)
- [www.development.ohio.gov](http://www.development.ohio.gov)
- [www.OhioMeansBusiness.com](http://www.OhioMeansBusiness.com)
- [www.ohio.gov](http://www.ohio.gov)
- [www.development.ohio.gov](http://www.development.ohio.gov)

**Other Ohio supported development programs**

- **Foreign Trade Zones (FTZ).** A foreign trade zone in Cincinnati (and a proposed FTZ in Middletown) allow companies to reduce operating costs while increasing profits. Ohio's International Trade Assistance Centers provide help for businesses, offering marketplace support and links with offices worldwide to help Ohio companies target new customers to international markets.
- **Minority business growth.** The Ohio Minority Business Enterprise Division assists in the creation, growth, and development of minority- and women-owned business enterprises throughout the state. A key priority is to increase the level of services statewide that support socially and economically disadvantaged businesses and emerging entrepreneurs in the urban core.
- **Ohio Enterprise Zone.** The program offers local communities the opportunity to work directly with local companies to provide real estate tax incentives to encourage the retention and expansion of business in the region.

**Tax reform**

Ohio's new tax reform is going a long way toward attracting new business by offering the lowest new capital investment tax structure in the Midwest. Companies won't be taxed for investing in capital improvements necessary to be competitive, modernize manufacturing lines, or invest in machinery and equipment.

Bottom line, companies will be able to grow their talent base by eliminating high

tax burdens on individuals. It will foster new capital investment, broaden the base to include all sectors of the economy and stimulate entrepreneurial activity. The new tax code shifts the burden away from taxing investment, profitability and wealth creation—toward taxing consumption.

**Southwest Ohio: A transportation hub**



*RAIL=Fuel Efficiency. One gallon of fuel can move one ton 400 miles.*

The region has a first-class transit infrastructure that transports products, people and services domestically and worldwide. It gives Southwest Ohio superior access to profitable markets in major cities and ports throughout Ohio, the Midwest and the East Coast.

The diverse transit capabilities facilitate export to Canada, Mexico and the rest of the world. It also provides business access to North

American customers and suppliers located within 62 percent of all US and Canadian manufacturing locations. Strategic Foreign Trade Zones and sub-zones make importing and exporting feasible with duty-free, quota-free secured sites.

Two major rail lines serve the region. In addition, three rivers—the Ohio, Little Miami and Great Miami—are important arteries for barge traffic with linkages to other rivers across the Midwest.

Trucks move across the interstate highway systems—I-75, I-71, I-70 and I-65—connecting Ohio and major U.S. cities and the Cincinnati/Northern Kentucky

International Airport ships to air and over-ground markets. In addition, three regional public and private air cargo hubs facilitate export to ports in the U.S., Canada, Mexico and the rest of the world.





**“The Cincinnati Metro area’s strong performance in our ranking of U.S. metros means companies are finding what they need to grow and succeed.”**

—Mark Arend, editor-in-chief of *Site Selection* magazine.

## Transportation Highlights

**By air.** Global access to markets via the world’s largest public and private airports that can ship cargo to its destination quickly and efficiently.

- **Dayton International Airport**—Can transport by air in only 90 minutes to 55 percent of the country’s population, ideal for cargo distribution. Centrally located for serving both air and over-ground markets, the airport plans to expand its already outstanding capabilities as a cargo airport.

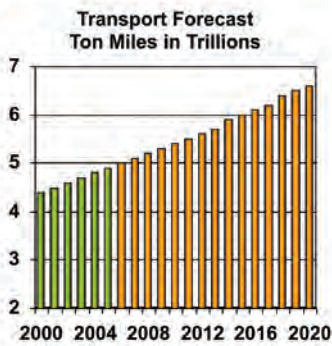
- **Cincinnati/Northern Kentucky International Airport**—Provides daily non-stop services to the 50 largest markets in the U.S. air courier hubs within 100 miles include DHL, FedEx and UPS. Corporate jet service is available through Cincinnati Municipal Lunken Airport.

**By rail.** Two major railroad systems—CSX and Norfolk Southern—serve the region. They provide rail service to all major cities and ports throughout Ohio, the Midwest and the East Coast including access to Great Lake ports and barge services on the Ohio River.

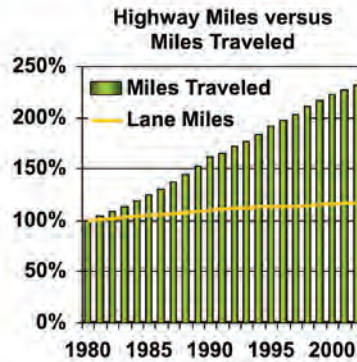
**By river.** Cargo shipping begins on the Ohio River and connects to rivers that lead in all directions such as the Gulf of Mexico and northward to the St. Lawrence Seaway. Nearly 13.4 million tons pass annually through Port Cincinnati. The city’s relatively mild climate allows year-round transport.

**By truck.** Four interstate highways—I-75, I-71, I-70 and I-65—connect to the labyrinth of highways that serve Ohio. Trucks reach 20 major metro markets within 400 miles and 30 other markets within 600 miles. A USPS Network Distribution Center is located in Cincinnati making it a major distribution center.

### Transportation demand is expected to grow.



Source: American Association of State Highway and Transportation Officials



Source: Department of Transportation

**There are 399 corporations based in the United States and around the world that chose to invest more than \$7.1 billion in Ohio for their business expansion. As a result, Ohio is now the top U.S. market for new and expanded business facilities.**

—Ohio Department of Development

## Education and training encourages investment and growth in Southwest Ohio

Every development effort that Ohio and the southwest region undertakes is dependent upon having an educated and viable workforce as well as skilled workers to maintain a competitive advantage in its nine key industries. It also assures that Southwest Ohio will continue to be ranked as one of the nation’s “Top 10” for the location of Fortune 500 headquarters in the region.

Providing education and workforce development is Southwest Ohio’s primary focus—from the university and college level degree programs to vocational schools and adult education programs that cover a broad range of careers and jobs that meet the requirements of major industries headquartered in the region.

- Dayton has world-renowned materials research institutions: University of Dayton Research Institute, ranked #2 in the nation and the Air Force Research Labs Materials Directorate that executes more than \$500 million yearly in materials research.
- Estimated workforce for the region: 1,547 million. Specialized skills workers are available from all three major cities in the area.
- More than 300 colleges and universities are located within a 200-mile radius. They add 100,000+ young professionals to the region’s workforce each year.

### Southwest Ohio: “At the heart of it all.”

America’s Midwest is all about its people and their way of life and is noted for its cultural and entertainment opportunities, its professional sports teams, institutions, parks, museums and all the things that makes the region very livable.

