




Why **Michigan**

M E D C

MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION



To say that Michigan is undergoing an amazing transformation would be an understatement. Bold changes have made us more business-friendly than ever. According to CNBC, Michigan ranked as the “Most Improved State for Business” in 2016, rising from No. 22 to No. 7 from 2015–16.

Additionally, Michigan has ranked among the top seven states for major new and expanded facilities for three consecutive years according to *Site Selection* magazine.

No other state in the nation is making positive changes and hard decisions like Michigan. Reinvention is taking place across the state with corporate income tax relief, personal property tax reform, immediate and available incentives, the elimination of regulatory red tape, and a skilled, technically proficient workforce of makers and doers that is ready to go to work for you.

These changes, combined with our manufacturing leadership, world-class talent, geographic advantage, and Pure Michigan lifestyle, are fueling new economic growth and new business opportunities. And Michigan isn't just a great place to do business; it's about a lifestyle that offers everything from urban excitement to the great outdoors. It's a state with an affordable cost of living and award-winning communities, beaches, forests, parks, museums, and hundreds of cultural and historic attractions surrounded by four of the five Great Lakes.

Ours is the best comeback story in the nation. We invite you to help us write the next chapter.

MICHIGAN MEANS BUSINESS

Michigan's business climate is strong than ever with streamlined regulations, the elimination of industrial personal property taxes, and a low 6 percent corporate tax rate. Michigan is the world headquarters, and North American headquarters to many of the world's largest and most influential corporations and the individuals who run them.

BUSINESS CLIMATE

- The Tax Foundation's 2017 Business Tax Climate Index ranks Michigan overall 12th in the nation.
- Michigan has a flat 4.25 percent personal income tax rate.
- Michigan has a flat 6 percent sales tax rate and no local sales taxes are allowed.
- \$150 million is available in incentives and assistance each year for businesses. Additionally, there is \$100 million available in loans for small to mid-sized businesses.
- Unemployment has been reduced by more than half since January 2010.
- In 2015, Michigan current-dollar GDP was \$468.3 billion and ranked 13th in the United States.

MEDICAL

Michigan's manufacturing prowess and core of world class medical device companies make it a top-tier location for medical device development and manufacturing. With more than 140 medical device manufacturers supported by a robust manufacturing supply chain throughout the state, Michigan is well equipped to meet all medical device needs. Michigan's medical device industry has a unique strength in development and manufacturing with core focuses in:

- Surgical and medical tools and implants
- Contract manufacturing
- Medical appliances and equipment
- Prosthetics, orthotics, and mobility

AUTOMOTIVE

Michigan's density and quality of automotive industry resources offers the proximity and access to engineering, automation, and components expertise that will ensure that manufacturers maintain a competitive edge.

- Michigan has added 59,000 jobs in automotive manufacturing since 2009, which is a 53 percent increase.
- Michigan is No. 1 in automotive R&D with 75 percent of related spending nationwide coming from 375 research centers.
- Forty-six of the 50 top global automotive suppliers have research facilities located in Michigan.
- 643 percent more jobs in motor vehicle parts manufacturing than the national average.
- Home to the headquarters of 63 of the top 100 North American automotive suppliers and 27 OEM assembly plants — more than any other state.
- Michigan has captured 24 percent of North America's automotive investments since 2009 with more than \$26 billion worth of announced investments here from 2010–2015.

AGRIBUSINESS

The food and agriculture industry contributes \$101.2 billion annually to the state's economy. Agriculture is the second largest industry in the state and growing.

- Michigan has over 52,000 farm operations.
- Michigan's food processing industry employs nearly 134,000.
- Michigan is a world leader in the production of several commodities, including blueberries, tart cherries, cucumbers and dry beans.
- Michigan dairy processors and producers have invested hundreds of millions of dollars in new facilities and productive capacity to provide greater flexibility in the dairy processing sector.
- Because of Michigan's diverse agribusiness and food processing capabilities, state and local developers are adept at connecting food processors to vital distribution channels.
- Michigan is home to 2,166 licensed food processors generating nearly \$25 billion in economic activity — making the state 19th in the nation for food processing.

EDUCATION AND WORLD-CLASS TALENT

Michigan has an outstanding and diverse set of universities and colleges, being home to five universities that rank in the top 300 nationally, and two that rank in the top 50 of total R&D expenditures.

Overall, Michigan has more than 55 independent universities and colleges, 28 community colleges, and 15 public universities. Three of those schools (University of Michigan, Michigan State University, and Wayne State University) make up Michigan's University Research Corridor, representing more than \$1.6 billion in federal research dollars annually.

2015 COMPLETIONS BY INSTITUTION	
Institution	Total
University of Michigan–Ann Arbor	14,186
Michigan State University	11,920
Central Michigan University	6,665
Wayne State University	6,299
Grand Valley State University	6,118
Western Michigan University	5,585
Baker College	5,308
Eastern Michigan University	5,063
Oakland University	3,826
Ferris State University	3,817
Lansing Community College	3,452
Macomb Community College	3,115
Oakland Community College	2,954
Wayne County Community College District	2,771
Washtenaw Community College	2,759
Grand Rapids Community College	2,427
Mott Community College	2,201
Delta College	2,103
Davenport University	1,921
University of Michigan–Dearborn	1,917

Michigan companies grow and increase productivity by leveraging our hardworking and highly skilled workforce. With a workforce of more than 4.8 million, it's clear to see why Michigan has one of the greatest and most diverse workforces in the country.

Business success requires talent—engineers, machine tool designers, line workers, and support services such as automation, logistics and supply chain providers. Michigan is the center of the greatest concentration of skilled and engineering talent in the world. Specifically, Michigan has access to 100,000 engineers, 130,000 people working in R&D occupations, and 216,000 skilled trades people.

- 88 percent of Michigan's population has received at least a high school diploma and 36 percent has completed at least an associate degree.

WORKFORCE AVAILABILITY

Occupation	2017 Jobs	Median earnings
Chief executives	9,613	\$71.90
Advertising and promotions managers	773	\$44.46
Marketing managers	4,626	\$53.36
Sales managers	11,292	\$36.82
Administrative services managers	6,120	\$49.68
Computer and information systems managers	9,663	\$48.28
Financial managers	14,547	\$43.87
Compensation and benefits managers	414	\$42.81
Human resources managers	4,315	\$43.07
Training and development managers	622	\$29.20
Buyers and purchasing agents, farm products	364	\$29.58
Wholesale and retail buyers, except farm products	2,763	\$32.11
Purchasing agents, except wholesale, retail, and farm products	12,472	\$27.85
Claims adjusters, examiners, and investigators	6,036	\$27.19
Insurance appraisers, auto damage	140	\$38.94
Compliance officers	5,616	\$28.37
Cost estimators	6,955	\$24.31
Human resources specialists	13,480	\$28.72
Farm labor contractors	37	\$30.04
Labor relations specialists	3,688	\$32.64
Logisticians	6,740	\$33.29
Compensation, benefits, and job analysis specialists	1,700	\$40.30
Training and development specialists	6,037	\$23.08
Market research analysts and marketing specialists	14,386	\$27.77
Accountants and auditors	31,478	\$23.66
Budget analysts	2,034	\$14.97
Personal financial advisors	6,319	\$71.90
Insurance underwriters	1,882	\$44.46
Computer systems analysts	15,489	\$53.36
Information security analysts	2,276	\$36.82
Computer user support specialists	22,438	\$49.68
Computer network support specialists	6,992	\$48.28
Sales representatives, wholesale and manufacturing, technical and scientific products	9,328	\$43.87
Sales representatives, wholesale and manufacturing, except technical and scientific products	59,132	\$42.81
First-line supervisors of office and administrative support workers	34,766	\$43.07
Customer service representatives	89,281	\$29.20

CROSSROADS OF NORTH AMERICA

Michigan is only 500 miles (804 kilometers), or a day's drive, from half of the population of the U.S., providing the infrastructure needed to transport products and people there and across the world.

Road

Michigan is among the top 10 in the nation for road infrastructure with 1,244 miles (2,002 kilometers) of interstate highway and 8,480 miles (13,647 kilometers) of U.S. and state highways. It is also one of only three Great Lakes states with toll free highways. Over 10,000 trucks cross the Ambassador Bridge from Detroit into Canada daily, making it the busiest border crossing in North America.

Air

Michigan has 18 commercial airports, including Detroit Metropolitan Wayne County Airport (DTW), the 17th busiest airport in the United States. DTW airport is consistently

ranked as one of the top international airports in the world, offers 280 international flights weekly, and also ranks top 25 for cargo movement in North America.

Rail

Michigan is served by 26 freight railroads (eighth in the country), which cover 3,634 miles of rail (12th in the country). The Detroit region is served by four of the seven national Class I railroads in the U.S., unique to only one-third of the nation, and three of the four railroads have intermodal terminals in regional Detroit.

Ports

Michigan has 40 commercial ports, 38 of which are deep-water ports, and the Port of Detroit is the third largest international gateway in the U.S. It connects the Great Lakes and the entire Midwest to the St. Lawrence Seaway, and by extension, the rest of the world. The Port of Detroit imports over 750 million tons of steel annually.





PROGRAMS AND INCENTIVES

Michigan provides millions of dollars in support each year for business expansions and growth through its resources, incentives and loans.

Michigan Business Development Program

The MBDP is designed to provide a grant, loan, or other economic assistance to qualified businesses that make qualified investments, create qualified new jobs, or both, in Michigan. While the program is operated and funded through the MSF, recommendations for awards under the program are presented by the MEDC to the MSF board.

Property Tax Abatement under PA 198 of 1974

Local units of government have the ability to reduce property taxes on new investment by 50 percent for manufacturers and high-tech businesses. These abatements can last up to 12 years and can provide relief on real property taxes. The local unit of government is responsible for approving these abatements and their duration.

Pure Michigan Business Connect (PMBC)

Through economic gardening initiatives, Michigan businesses have new ways to buy and sell, raise capital, and connect with each other. Pure Michigan Business Connect is a \$3 billion public/private initiative that strengthens our economic gardening philosophy through an alliance of the

MEDC, Michigan companies and other Michigan organizations. Pure Michigan Business Connect matches people with resources including venture capital, debt financing, collateral support, and other funding assistance; business support services like customized market research, executive and professional talent search assistance, training support, customized site searches, and ombudsman services; and additional public/private support such as entrepreneur services, export assistance, legal services, and matchmaking with Michigan suppliers.

Michigan Works!

Michigan Works! partners with employers and educators to ensure local businesses have the talent they need now and in the future. Your local office can provide assistance for everything from locating and recruiting potential employees, posting your job openings, screening applicants, and providing training assistance. In some instances, there may be wage subsidies, tax credits or other incentives available to you

Site location/real estate

Michigan operates an electronic site location network that allows for confidential, customized site information tailored to a company's needs. This system allows us to provide immediate information on available buildings, certified industrial parks, and greenfield sites in any area of Michigan.