

# Forward-Thinking

ADVANCING THE LAKESHORE ECONOMY  
THROUGH RESEARCH & INNOVATION.

BUSINESS INTELLIGENCE REPORT



LAKESHORE  
ADVANTAGE

BUSINESS SERVICES GROUP

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The Lakeshore Advantage  
*Business Intelligence Report*  
is designed to inform  
our community about our  
greatest economic asset:  
**EXISTING BUSINESSES**

Each year, the Lakeshore Advantage team visits more than 200 CEOs, top managers and business leaders in Ottawa County. During each visit, our team gathers key business data using a formal survey process developed by a nationally-recognized firm, and used by over 400 economic development corporations in North America. Information gathered oftentimes leads to local company support via tax abatement assistance, export program participation, company expansion grants, and many other projects to help a company grow. Lakeshore Advantage is committed to using the data to be a catalyst organization that propels action to support the success of companies in our community. The data for this edition of the Business Intelligence Report was gathered from January 1, 2013 – December 31, 2013.

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# An Inside Look into the Lakeshore Region

Ottawa County has a rich history in manufacturing and new product development. In 2013, area companies continued to lead the Midwest and the nation in these areas, as they invested heavily in research and development, delivered new products and continued sales growth.

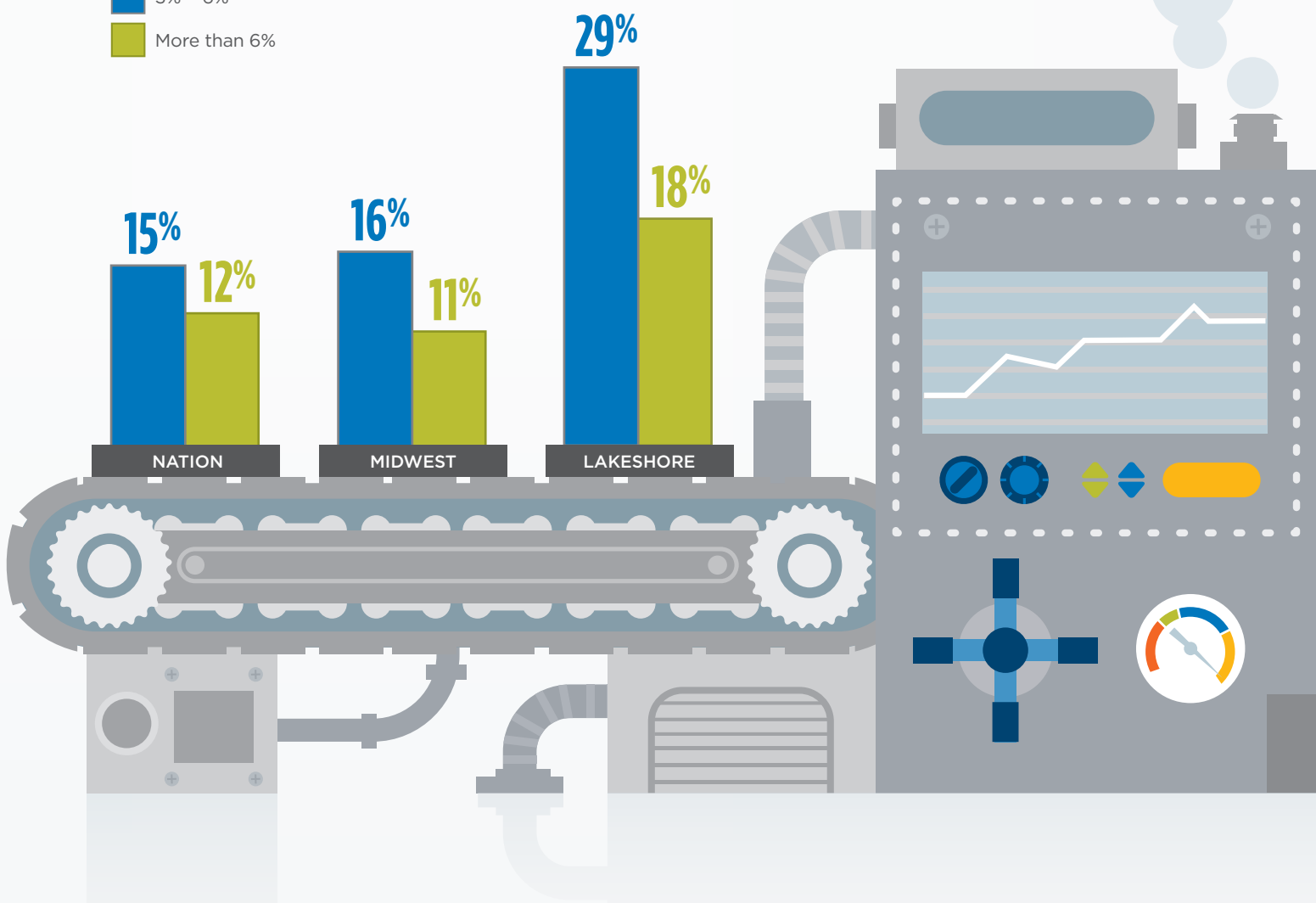
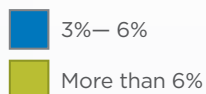
## LEADING IN INNOVATION

### Ongoing Investments in Research & Development Lead to Increased Sales

Lakeshore companies continued to invest in research and development at a higher rate than companies in either the Midwest or the Nation. While 11% of companies in the Midwest and 12% of companies nationwide have invested more than 6% of sales in R&D, 18% of Lakeshore companies have invested more than 6% of sales in R&D.

Additionally, 29% of Lakeshore companies are spending 3%-6% of sales on R&D compared to 16% in the Midwest and 15% nationwide.

#### COMPANY SALES SPENT ON RESEARCH & DEVELOPMENT



## Leveraging New Products, Services & Capabilities

Not only have area companies invested in R&D, but they have also developed new products, services and capabilities leading to increased sales. The Lakeshore leads both the Midwest and the Nation in the percentage of companies reporting they have introduced new products, services or capabilities in the past five years. 93% of Lakeshore companies report new products compared to 72% in the Midwest and 78% nationwide.

Lakeshore companies have introduced new products at a higher rate than the Midwest and Nation, and they also have plans to introduce new products at higher rates.

**88%** of Lakeshore Companies

anticipate new products in the next two years, which is **up 14% from 2012**. This is compared to **67% in the Midwest** and **72% Nationwide**.

NEW PRODUCTS

93%  
LAKESHORE

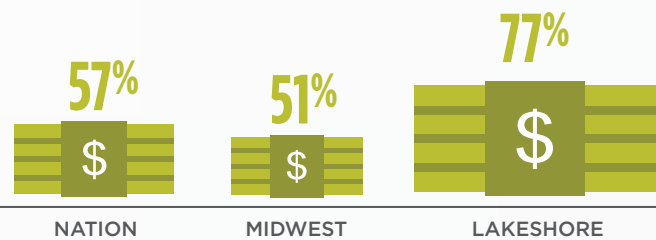
72%  
MIDWEST

78%  
NATION

## Continued Sales Growth

While Lakeshore companies have been investing in R&D and developing new products, they have also been growing. 51% of Midwest companies and 57% of companies nationwide saw an increase in sales, while 77% of Lakeshore companies saw an increase in sales in 2013, a 4% increase from 2012. Additionally, only 7% of Lakeshore companies saw a decrease in sales compared to 18% in the Midwest and 14% nationwide.

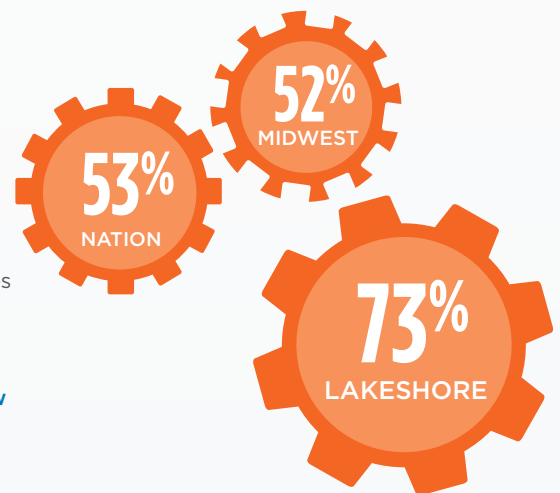
2013 INCREASE IN SALES



## Plans to Expand

Lakeshore companies will continue to grow and expand. 73% of Lakeshore companies have indicated that they have plans to expand in the next three years compared to 52% of companies in the Midwest and 53% of companies nationwide.

Estimated expansion for Lakeshore companies exceeds **\$900,000,000 for the next three years** with 72% of this expansion planned for equipment and technology. Additionally, Lakeshore companies anticipate **2,400 new jobs in the next three years**.



JOBS

2,400 NEW JOBS

WHAT'S NEXT?

## Selling our Community – Be Bold

Population and talent-related issues are of key concern to communities across the United States. Locally, area business leaders tell us that developing, attracting and retaining qualified talent is at the forefront of their agenda. Historically, Ottawa County has experienced double-digit population growth. However, with communities across the country now vying for talented professionals and skilled workers, we must be proactive, purposeful and bold when selling our community. To begin, Lakeshore Advantage partnered with Michigan West Coast Chamber of Commerce to produce [Living on the Lakeshore](#), showcasing West Michigan as a tremendous place to live, work, learn and play. Contact us for a free copy to post to your company's website or for printed copies. Watch for more bold talent activities in 2014.



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## Keeping our Eye on Innovation

As evidenced by the data in this edition, innovation is a significant driver of company sales growth and local economic prosperity. Leveraging area resources to foster innovation will be key to our community's future success. In October of 2013, the state of Michigan introduced a \$10 million Skilled Trades Training Fund. Companies and their employees in Ottawa County received more funding per capita than any other area in the State. Why?

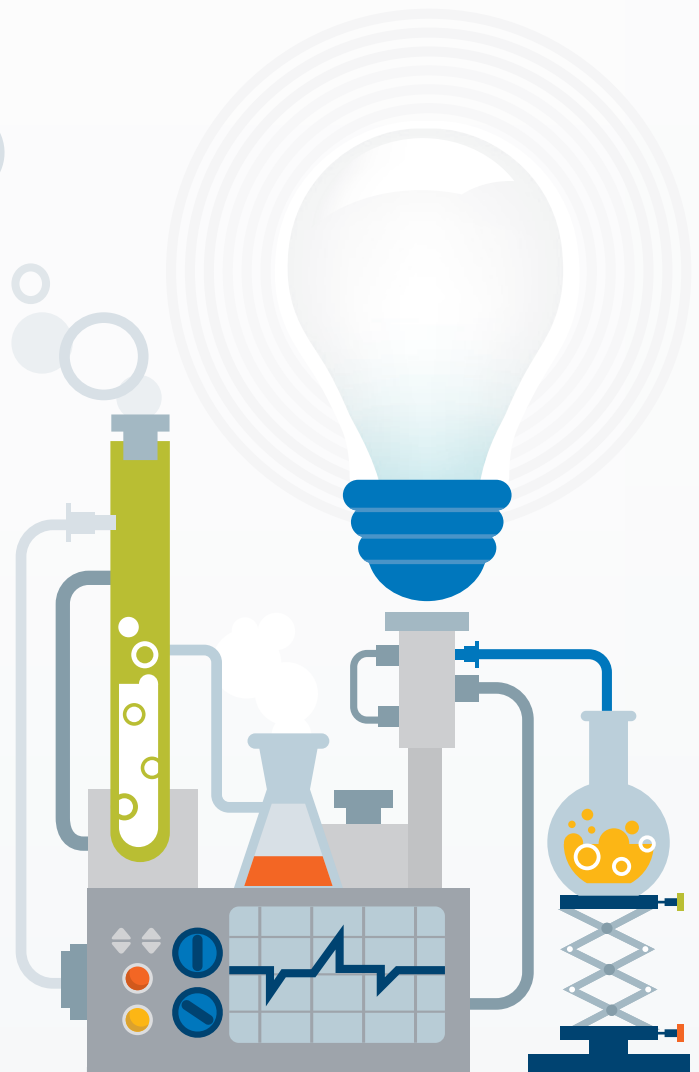
**We hustled  
and we worked  
together.**

The Fund is currently being reviewed in the Legislature for the coming year. Investment in employee training helps create a company culture of innovation, new ideas and process improvement. Connect with our team or the Business Services team at Ottawa County Michigan Works for further information.

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## Calling for Unique Business Solutions

Your unique business challenges call for creative business solutions. The Lakeshore Advantage team holds a distinct perspective — understanding the landscape of our local economic community, combined with the opportunities for companies to leverage local, state and federal programs. In 2013, we worked with more than 80 companies assisting with local growth projects. If your company has not yet been surveyed, or you have questions about how your company can benefit, contact a member of the Business Services team.





## DEDICATED TEAM

# Proven Advantage

Our team has extensive experience in all facets of business operations, and is available to help you. Whether you are considering an expansion, need assistance with workforce recruitment, or are looking to find resources to purchase new equipment, our team tailors solutions specific to your company. Contact any of the professionals in the Business Services Group today to set an appointment.

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