



Teamneo



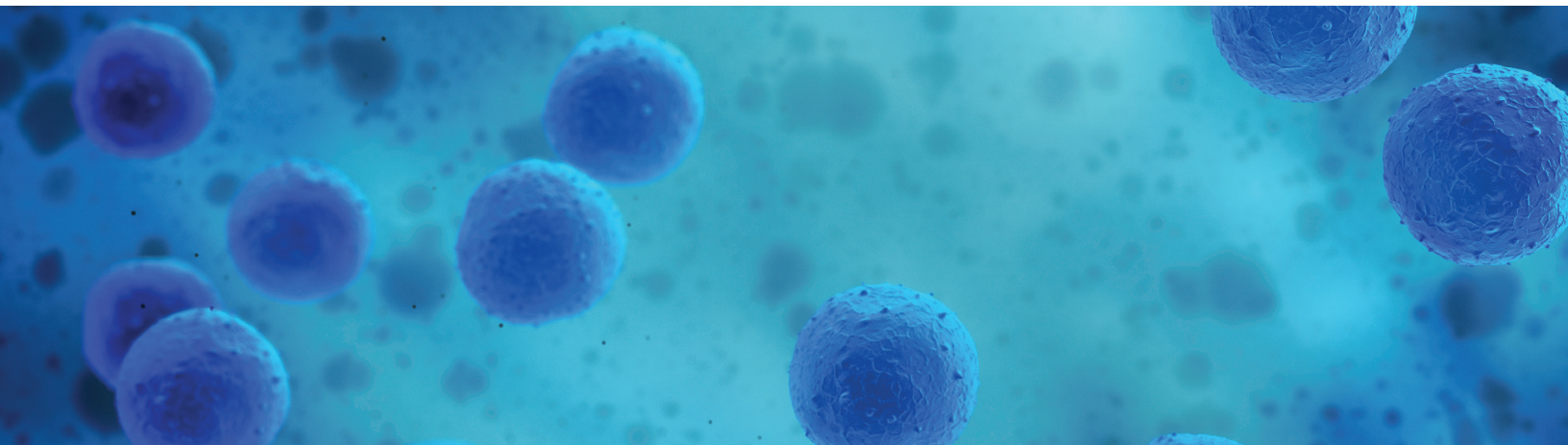
NETWORK
REGIONAL PARTNER

PLUS REVIEW JULY 2014

Quarterly Economic Indicators
18 Counties of Northeast Ohio

The Cleveland Plus economy continues to see moderate growth, with most economic indicators trending up year-over-year. For example, employment in Northeast Ohio continues to grow, up 9,700 jobs from Q4 2012 to Q4 2013.

This report also takes an in-depth look at the healthcare sector. It has become a more important contributor to the region's employment and gross product. In 2000, healthcare was 7% of regional employment. In 2014, it accounts for 9%. Similarly, in 2000 healthcare output contributed 5.5% to the region's gross product. Today its share is greater than 7%.



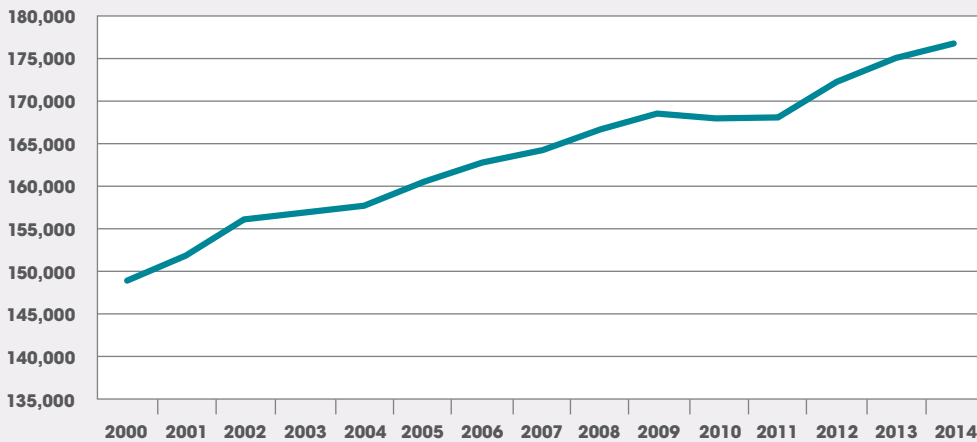
NORTHEAST OHIO IS A HEALTHCARE HUB

with **more than 60 hospitals**, including the world-renowned Cleveland Clinic and University Hospitals.

The very best healthcare means a healthier community. Our world-class hospitals attract acute care patients worldwide, which adds to our economy. Essential research and development taking place throughout the region fuels innovative products and services that create jobs and builds the economy.



TOTAL HEALTHCARE EMPLOYMENT IN NEO: 2000 - 2014

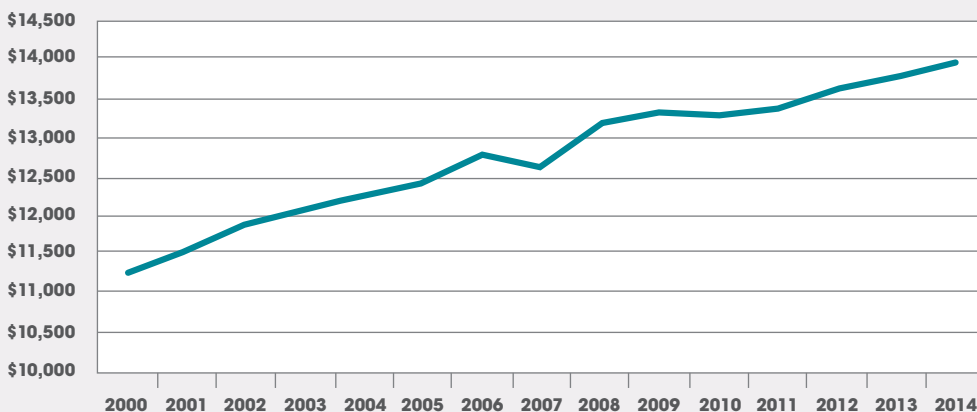


HEALTHCARE LARGEST EMPLOYMENT GROWTH SECTOR IN ECONOMY

Northeast Ohio healthcare employment is climbing steadily, growing from almost 149,000 employees in 2000 to nearly 177,000 employees in 2014. This represents a 20% increase, making it the largest employment growth sector in the region's economy. The sector makes up 8.5% of the region's employment, one of the largest employment sectors in Northeast Ohio.

Source: Moody's Economy.com

TOTAL HEALTHCARE GRP IN NEO: 2000 - 2014

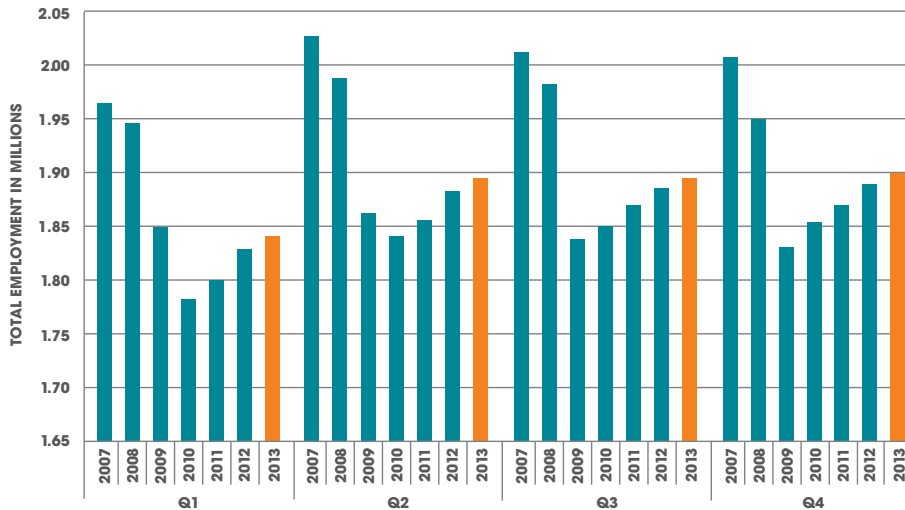


HEALTHCARE GRP GROWS 25% FROM 2000 - 2014

Healthcare GRP grew steadily from 2000 – 2006, then experience a slight drop during the 2007 recession. It recovered and continues on a steady growth trajectory. Today the GRP is nearly \$14B, representing 25%, or \$3B, growth from 2000 – 2014.

Source: Moody's Economy.com

NORTHEAST OHIO TOTAL EMPLOYMENT (NOT SEASONALLY ADJUSTED)

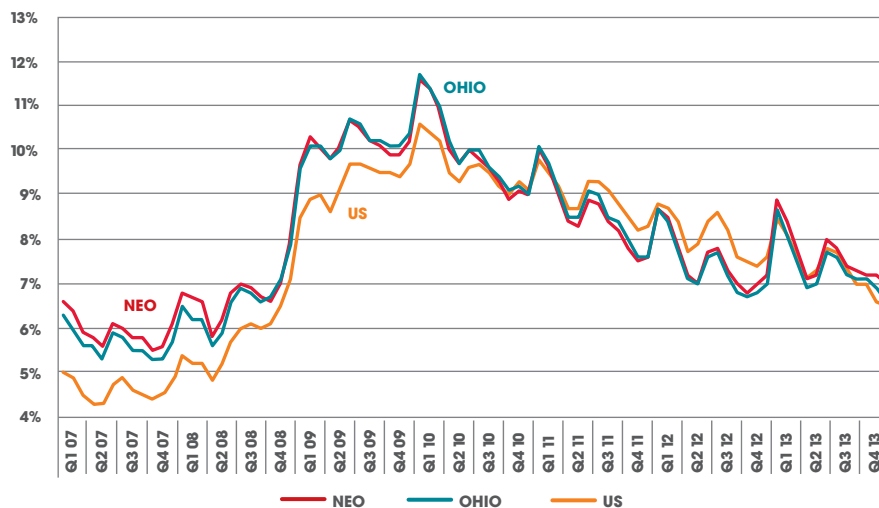


TOTAL EMPLOYMENT GROWS YEAR-OVER-YEAR

Total employment averaged 1.9 million workers in Q4 – an increase of approximately 9,700 jobs year-over-year, and more than 6,000 from Q3 2013. This marks the 14th consecutive quarter of year-over-year employment growth.

Source: Quarterly Census of Employment and Wages (QCEW). This is the most current, reliable data available for total jobs in Northeast Ohio.

UNEMPLOYMENT RATES THROUGH DECEMBER 2013

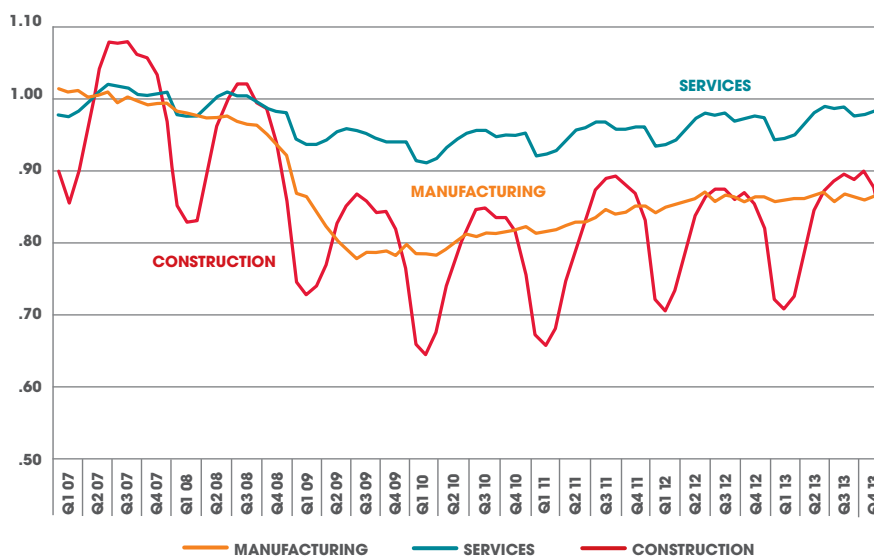


NEO UNEMPLOYMENT INCREASES SLIGHTLY

Year-over-year the unemployment rate increased slightly – from 7.0% in Q4 2012 to 7.1% in Q4 2013. While the state unemployment rate also experience a slight increase year-over-year (from 6.8% to 6.9%), the US rate declined from 7.5% to 6.7%.

Source: Current Population Survey (CPS), a survey of 60,000 households nationwide.

CHANGE IN EMPLOYMENT BY SECTOR THROUGH DECEMBER 2013 1.0 = 2007 AVERAGE

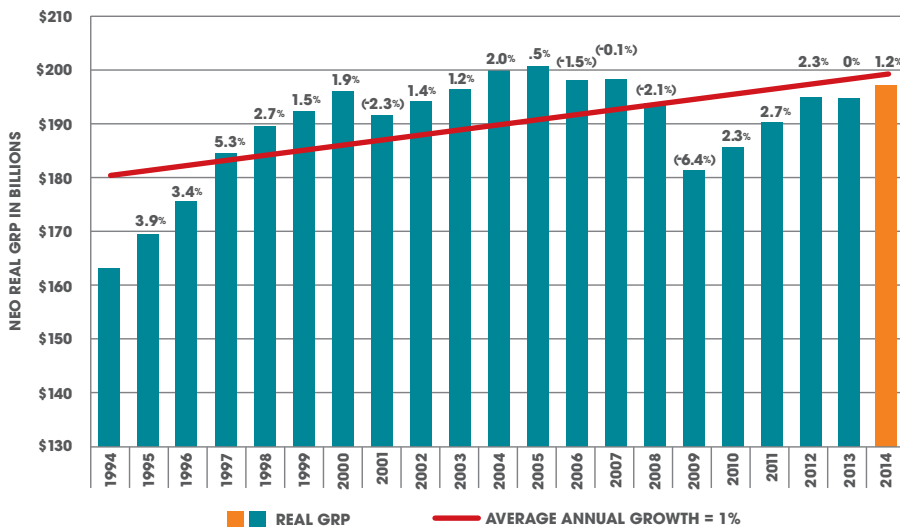


CONSTRUCTION, SERVICE SECTORS CONTINUE TO GROW

Construction employment continues to improve, adding nearly 1,200 workers year-over-year. At 1.3 million jobs, the service sector added more than 9,000 workers year-over-year, while the manufacturing sector remained flat, adding just over 200 jobs.

Source: Quarterly Census of Employment and Wages (QCEW). This is the most current, reliable data available for total jobs in Northeast Ohio.

NEO REAL REGIONAL GROSS PRODUCT (GRP) IN BILLIONS

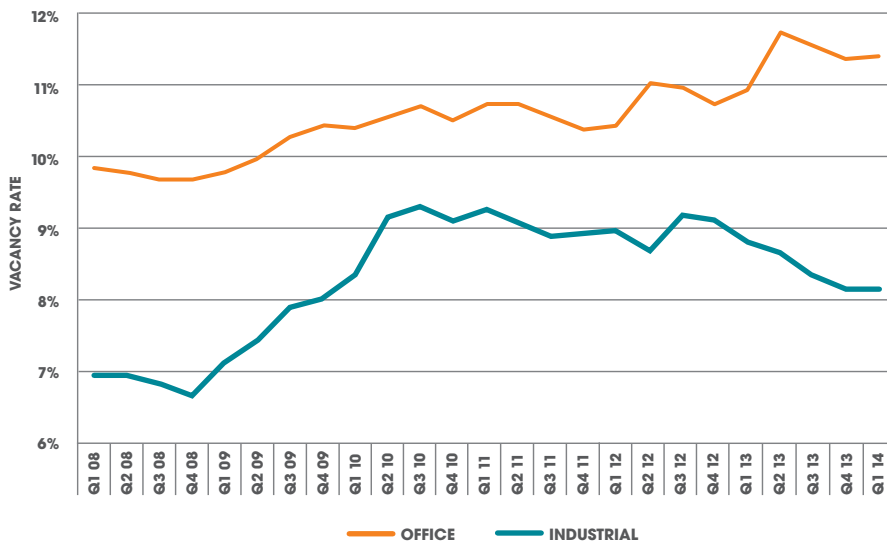


MODEST GROWTH PROJECTED FOR NEO GRP

Moody's Economy.com continuously updates projections for GRP. For the 18-counties of Cleveland Plus, the projection was adjusted to approximately 1.2% growth, or a GRP of \$197 billion, in 2014.

Source: Economy.com

NORTHEAST OHIO INDUSTRIAL AND OFFICE VACANCY

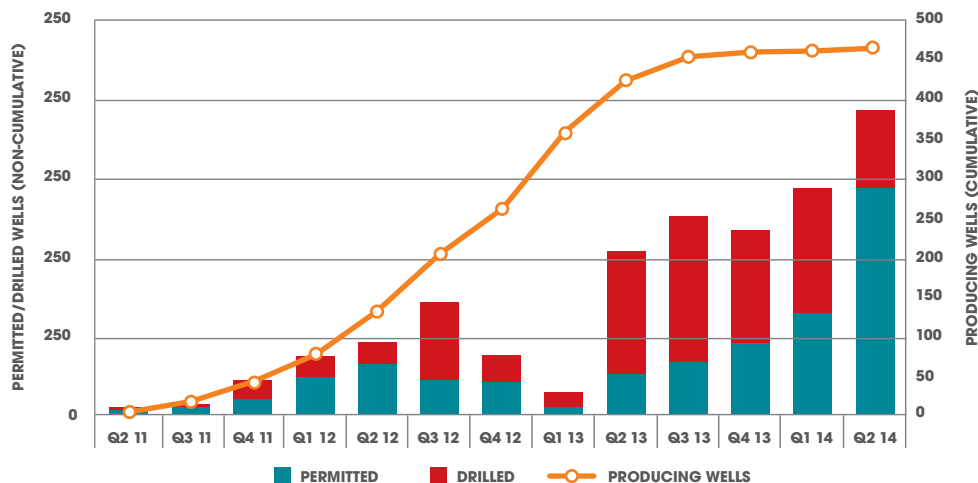


INDUSTRIAL VACANCY RATE AT LOWEST RATE IN FOUR YEARS

The vacancy rate for industrial space is at 8.1%, the lowest rate since Q3 2009. Occupied space is currently at more than 519 million square feet. Office vacancy has seen some ebb and flow due to more available space coming online. However, it has remained steady at 11.4%, down slightly to Q3's 11.5%. Occupied space is currently at more than 146 million square feet.

Source: CoStar

OHIO UTICA WELL ACTIVITY

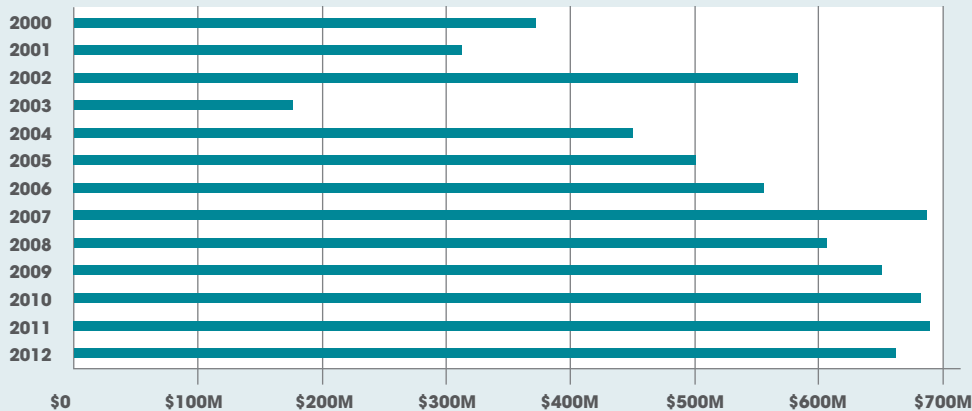


WELL PRODUCTION ACTIVITY GROWING

This graph shows the status of Utica shale wells originally permitted and drilled in each quarter. The number of producing wells is cumulative, exhibiting that this activity has grown aggressively as mid-stream infrastructure projects are brought online. Since tracking results in Q2 2011, there have been 1,340 total permits issued of which 899 have been drilled. Of the 899 drilled, there are 462 currently in production in the state.

Source: Ohio Department of Natural Resources

TOTAL RESEARCH EXPENDITURES BY NEO MEDICAL INSTITUTIONS: 2000 – 2012



Since 2000, NEO hospitals and colleges have generated:

- + 4,788 invention disclosure requests
- + 3,317 patent applications
- + 715 patents
- + 800 transactions
- + \$250 million in revenue

RESEARCH EXPENDITURES GROW, GENERATING REVENUE AND INNOVATION FOR THE REGION

Since 2000, total research expenditures by medical institutions and universities have nearly doubled, growing from \$370 million to more than \$660 million in 2012.

This research is essential as it leads to invention disclosures, a precursor to patents. Invention disclosures signal a new product or process on the path to development. In 2000, 179 of these disclosures were filed by Northeast Ohio medical institutions. In 2012, 530 requests were filed, indicating that the significant investment in research is generating new ideas. Over the same period of time, more than 3,000 patents were applied for with more than 700 new patents having been issued.

Patents eventually lead to new licensing activity for hospitals and universities, which generate revenue for the institutions and potentially new business opportunities for the region. Since 2000, more than 800 transactions have been signed, and nearly \$250 million in gross revenue has been generated.

Source: Association of University Technology Managers (AUTM)

DEVELOPMENT ACTIVITY

MARATHON CONTINUES TO FUEL OIL AND GAS INDUSTRY IN CANTON

Marathon Petroleum will start work this year on building a condensate splitter at its Canton refinery.

Condensate is a liquid (or wet) natural gas that generally carries a greater value than dry natural gas. With early results indicating several Utica Shale wells are producing large volumes of condensate, in addition to dry natural gas, Marathon plans to send condensate produced by Utica wells to the Canton refinery through a 49-mile pipeline. The oil giant already has added equipment at the Canton refinery that allows trucks to bring condensate from Utica well fields for processing. Work on the \$140 million pipeline is expected to start early in 2016 and be completed during that year.

HYNES INDUSTRIES CONSOLIDATES OPERATIONS IN AUSTINTOWN

Hynes Industries, a leading North American supplier and processor of strip steel, roll formed shapes, and flat wire, has been operating in multiple facilities in the Mahoning Valley for almost ninety years. In order to expand its strip steel, flat wire and engineered roll formed product capacity, the company has consolidated all of its local operations into one new location in Austintown. The new 264,000-square-foot facility on 33 acres will accommodate its projected growth.

OPPORTUNITY CORRIDOR PLANS ARE UNDER WAY IN CLEVELAND

Designed as a 3.2 mile urban boulevard, the Opportunity Corridor will connect the Fairfax Neighborhood and University Circle, the fastest-growing job center in the region. In addition, the corridor will stimulate economic opportunities in the more than 300 acres of land adjacent to the boulevard that is now vacant and underutilized.

Following the announcement of funding in 2013 through Governor John Kasich's Jobs and Transportation Plan, the Opportunity Corridor received formal approval from the Federal Highway Administration this past May. The first phase of the project will break ground by the end of 2014 followed by the second phase in 2016. The Opportunity Corridor is expected to open to traffic by 2019.

LAIRD TECHNOLOGY MOVES WIRELESS AUTOMATION AND CONTROLS BUSINESS TO WARREN

Laird Technologies, a world leader in electronics and technology, recently announced plans to move its Wireless Automation and Controls business, currently based in Sharpsville, PA, to a new facility in Warren, OH. The company will bring 150 jobs to Warren, and estimates that it will add more than 50 new jobs to the area within the next three years.

GENEROUS SUPPORT PROVIDED BY:



DATA SOURCES

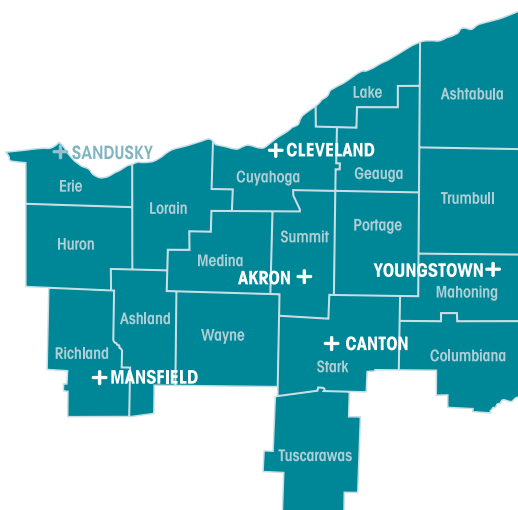
Team Northeast Ohio uses a number of data sources for the Regional Economic Review. One of the primary sources is Moody's Economy.com (economy.com) data for Northeast Ohio.

Moody's Economy.com county-level output, employment and payroll historical data are estimated from several publicly available sources and are summarized into the Team NEO regional footprint. It is important to understand data provided by Economy.com are estimates of economic activity.

Team NEO also uses data from federal and state sources as part of the report. We rely heavily on data from the U.S. Bureau of Labor Statistics (bls.gov) and Ohio's Labor Market Information (lmi.state.oh.us) for information on wages, unemployment and both general and industry-specific employment.

Industrial and office real estate data for this edition were derived from the CoStar Group. Due to market limits within the CoStar database, historic trend data for the Team NEO region are reflective of 14 of the 18 counties forming the regional footprint. These counties include: Ashtabula, Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit and Trumbull.

ABOUT TEAM NEO AND THE CLEVELAND PLUS 18-COUNTY REGION



Team NEO is a regional, private-sector organization that markets Northeast Ohio to the world and collaborates with its partners and others to attract new businesses and help those that are here grow. We are the Northeast Ohio regional partner for JobsOhio, a private, nonprofit corporation that drives economic development and job creation for the state. As the JobsOhio regional partner, we support the retention and expansion work of our 18 county partners by connecting them, and their client companies, with both state and JobsOhio support as well as resources across Northeast Ohio. Since 2007, we have attracted 86 new company operations, more than 7,400 new jobs and \$330 million in annual payroll to Northeast Ohio. Since becoming a JobsOhio regional partner in 2011, we also have helped 216 companies within Northeast Ohio create or retain almost 59,000 jobs and add almost \$3 billion in capital investment. For more information, visit www.clevelandplusbusiness.com.

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