



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

Investment Attractiveness of Michigan

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MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

The Michigan Economic Development Corporation (MEDC) is the lead advocate for **business development, job awareness and community development** with the focus on growing Michigan's economy and promoting Michigan's reputation as a world-class business location and travel destination.

MISSION



Achieve long-term, economic prosperity for Michiganders by **investing in communities, enabling the growth of good jobs** and **promoting Michigan's strong image worldwide.**

VISION



- Achieving 'Top 10' status for:
 - Job growth in targeted sectors
 - Equitable job growth
 - Real median household income growth
- Attaching the largest net gain of talent in the Midwest

WHY MICHIGAN

- Population: **10,001,306**
- **Office of Future Mobility and Electrification**
- Located within **500 miles** (800 kilometers) of nearly half the U.S. and Canadian populations and commerce centers.
- **33** active deep-water ports
- **20.2%** of U.S. auto production – the most in the U.S.
- Tax Foundation ranked Michigan in the **Top 14 states** in its 2021 State Business Tax Climate Index.
- **More than 25%** of annual trade between U.S. and Canada crosses Detroit's Ambassador Bridge – the most active border crossing in North America.
- **20%** of globe's freshwater
- **3,200** miles of freshwater shoreline, **11,000+** lakes
- **10% below** the U.S. average cost of living, 4th most affordable state



PURE MICHIGAN. PURE ADVANTAGE.

Industry Dominance

Michigan provides a deep customer base, including 22 OEMs, 2,200 global suppliers (with nearly 200 EV suppliers), and a growing ecosystem of leading mobility companies. Michigan is also home to one third of the US battery production and development.

Robust Innovation Ecosystem

Michigan offers a truly diverse, statewide innovation ecosystem due to years of deliberate programmatic support from the state, including the launch of the Office of Future Mobility and Electrification. Additionally, 72% of all US automotive R&D takes place in Michigan and 50% of top OEMs and suppliers are working on autonomy, connectivity and EV technology.

Critical Mobility Assets

Michigan maintains the world's most diverse collection of mobility testing environments and assets for both early and later stage technologies, including the American Center for Mobility and the recently announced CAV Corridor. Michigan also has the largest US deployment of V2I technology with 500 miles of connected roadway.

Talent Pipeline

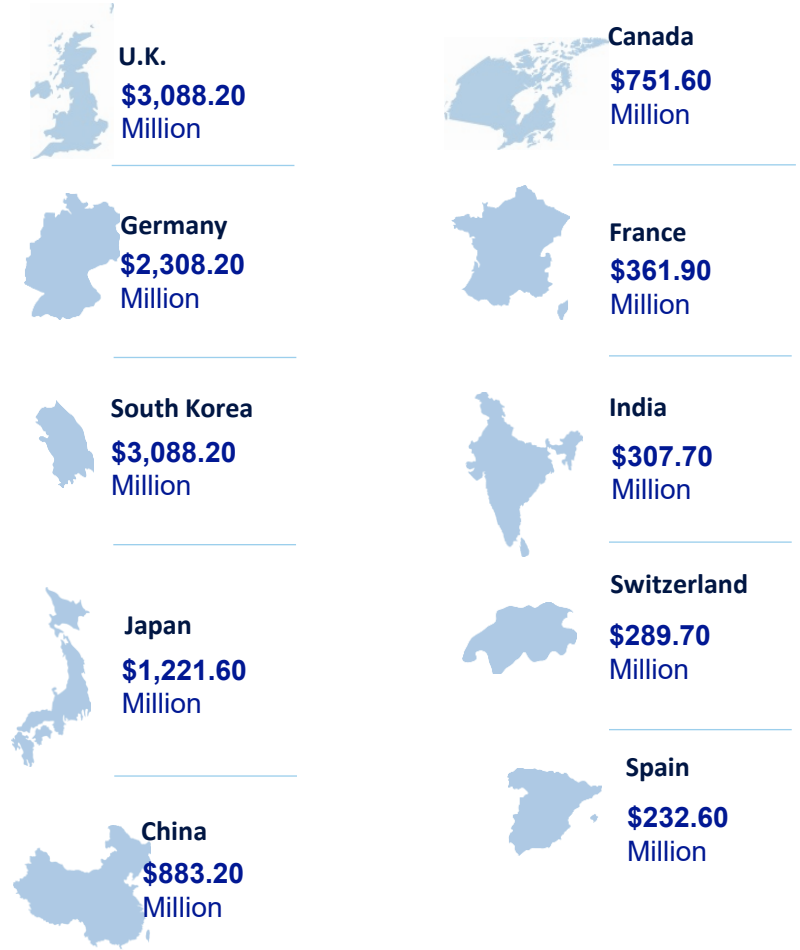
Michigan's top-notch universities are home to world-class research centers (e.g., UM Battery Lab), while its network of vocational and community colleges upskills the workforce to meet impending STEM demand. Michigan also ranks #1 in the US for the most engineers per capita.

FOREIGN DIRECT INVESTMENT IN MICHIGAN



Michigan is a top global destination for foreign direct investment with more than **1,460 foreign companies** with a total of **5,346 locations across the state**, totaling **\$11.3 billion in investments** since 2015.

Top 10 Countries Investing in Michigan (2015-2019)





Michigan put the world on wheels more than a century ago, and now the state is leading the charge into the next generation of transportation and manufacturing.

- **20.2% of U.S. auto production**

Michigan responsible for one-fifth of U.S. auto production—the most in the nation

- **Investments of more than \$41 billion**

Automakers announcements from 2009 through second quarter 2020, representing 27.5% of total investments announced for North America

- **73% R&D spending**

in automotive & mobility takes place in Michigan, a national leader

- **\$5 billion in foreign direct investment**

Automotive is the state's top investing industry

- **1.9 MILLION auto production**

From 10 Assembly Plants in Michigan, 2019

INDUSTRY DOMINANCE

22 OEMs & EV TECHNOLOGY CENTERS



2,200 GLOBAL EV & AV SUPPLIERS

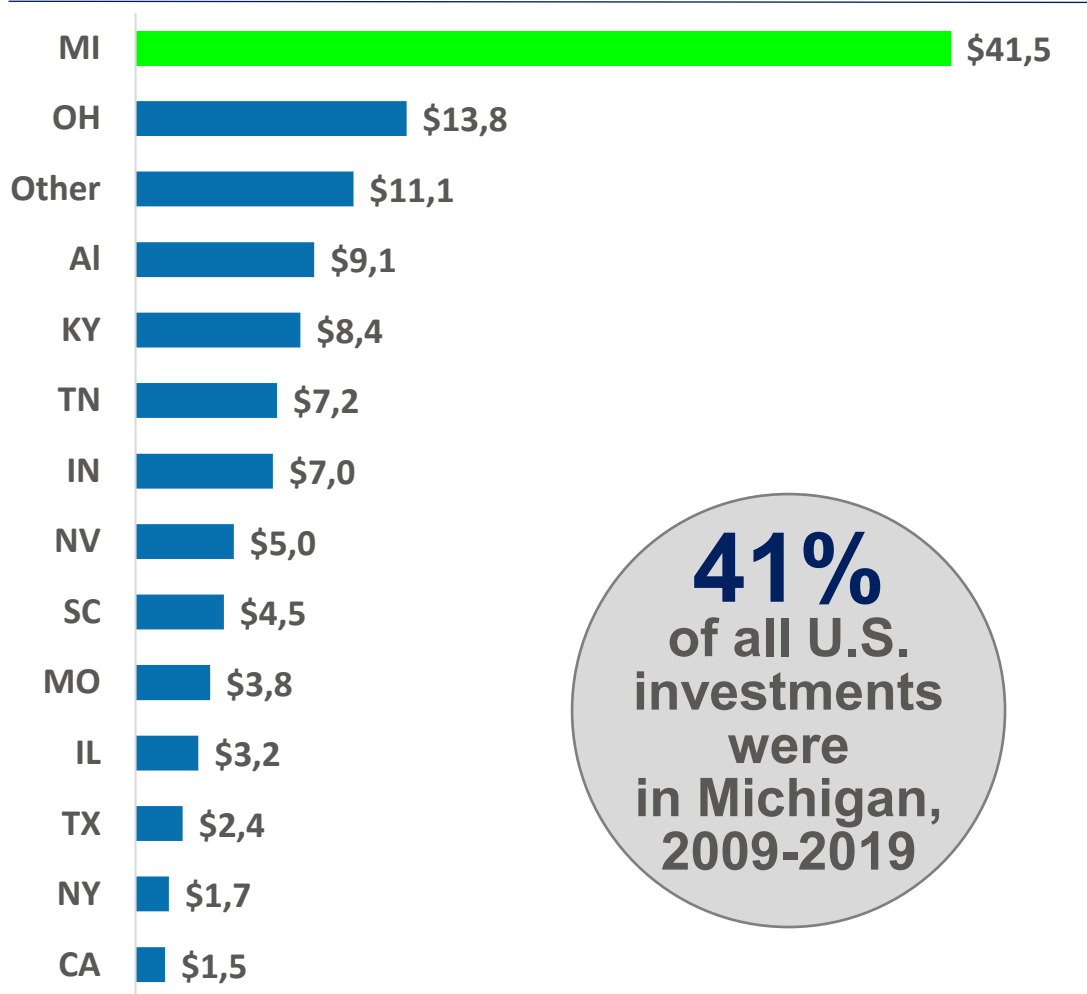


NEW MOBILITY COMPANIES



INDUSTRY DOMINANCE

Automotive Investment by State, Billions, 2009-2019



41%
of all U.S.
investments
were
in Michigan,
2009-2019

In 2019, the U.S. received \$23.3 billion, **98% of total North American, automotive investments from 85 announcements.**

TOP 2019 AUTOMOTIVE INVESTMENTS



General Motors: \$3 Billion investment at the Hamtramck location is to retool production for electric pickups, vans, and battery modules. The investment was the largest in 2019 and created / retained more than 2,200 jobs.



Fiat Chrysler Automotive (FCA): \$2.1 Billion investment at the Detroit location to aid in the current production and introduction of the Durango mHEV and next generation Grand Cherokee. The investment created and/or retained 1,100 jobs.



Ford Motor Company: \$700 Million investment at the Dearborn HQ is to produce the all new F-150, new F-150 BEV, F-150 BEV battery build up and all the new production of the Raptor. The investment created / retained 1,500 jobs.

Source: Center for Automotive Research

OFFICE OF FUTURE MOBILITY AND ELECTRIFICATION

Michigan's Vision for Mobility and Electrification: A stronger state economy through safer, more equitable and environmentally-conscious transportation for all Michigan residents.

Six Core Objectives:

1. Grow Mobility **Industry** in Michigan
2. Engage More Mobility **Startups**
3. Expand Michigan's Smart **Infrastructure**
4. Accelerate **EV** Adoption in Michigan
5. Enable Michigan's Mobility **Workforce**
6. Bolster Michigan's Mobility **Manufacturing** Core



MOBILITY PROGRAMMING AND POLICY

MICHIGAN OFFICE OF FUTURE MOBILITY & ELECTRIFICATION

Technology Activation Programming

- **MI Mobility Challenge Grants:** Grants to incent mobility companies to bring technologies to Michigan to solve mobility barriers.
- **Link Industry to Urban Mobility Opportunities:** Launch projects that focus on issues like parking and smart curbs.
- **Establish more EV Reskilling and Upskilling:** Retrain existing factory talent to build/assemble batteries and electric drivetrains.
- **Vehicle-To-Grid Pilots:** Programming for next-gen battery charging. Further leverage Volkswagen Diesel Settlement funds.

Policy

- **Interstate Partnerships:** Craft of an MOU between states for priority deployment of EV charging.
- **Make it easier to install chargers:** Refine permitting/installation processes for EV charging. With state and industry partners, develop mechanism for investing in charging on state properties.
- **Council on Future Mobility and Electrification Creation:** Topics could include 5G, FCC wireless spectrum, drones, post-pandemic transport, cybersecurity, traffic laws, etc.

TOP MOBILITY AND ELECTRIFICATION INVESTMENTS

Ford

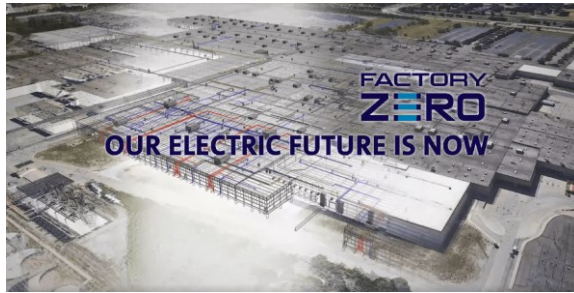
New Electric Vehicle Center



\$700M for new Electric Vehicle Center at the historic Rouge Complex in Dearborn.

GM

Factory ZERO



\$2.2B for Factory ZERO, Detroit-Hamtramck Assembly Center for retooling and upgrades will position the facility to build EVs at scale.

Norm Civata

Automotive fasteners



\$10 million Turkish fastener manufacturer and supplier to Tesla and John Deere. Launched distribution operations in Lansing in 2018 in a 20,000 square foot warehouse space.

Akasol AG

Battery Integration Center



400-person battery technology integration center in Michigan. AKASOL's new Michigan production facility will have a similar capacity.

THE INDUSTRY AND MICHIGAN

North American EV Production

Volume of EV/PHEV/HEV/MHEV Vehicles

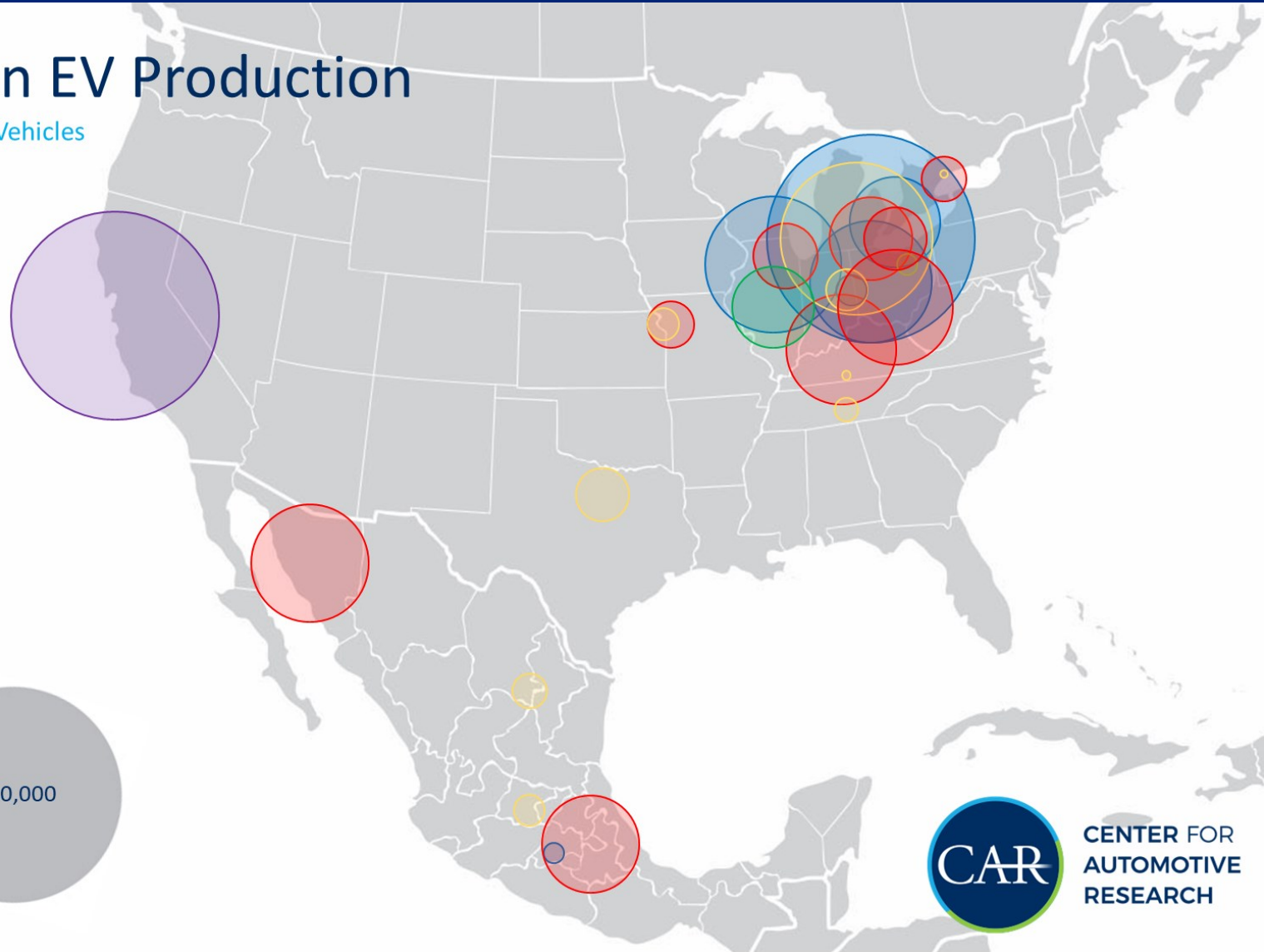
2025

- Faraday
- Fiat Chrysler Automobiles
- Ford Group
- General Motors Group
- Lordstown Motors
- Rivian
- Tesla Motors
- Workhorse

10,000

Legend

450,000



CENTER FOR
AUTOMOTIVE
RESEARCH

MEDC PROGRAMS & SERVICES

SITE SELECTION ASSISTANCE MEDC provides strategic business services to corporates expanding into Michigan. Including Greenfield & Brownfield analysis, infrastructure reviews, confidential site searches, and workforce labor studies.

PURE MICHIGAN BUSINESS CONNECT connects local and global purchasers to qualified Michigan commodity suppliers and partners at no cost. B2B platform that also provides industry insight.

MICHIGAN MANUFACTURING TECHNOLOGY CENTER (MMTC) is an organization dedicated to supporting small and medium-sized Michigan manufacturers to work smarter, to compete and to prosper.

SERVICE PROVIDERS MEDC partners with experts in the legal, accounting, taxation, and benefit plan professionals locally. Our team can connect you directly to key service providers on all matters.

MICHIGAN WORKS! partners with employers and educators to ensure local businesses have the talent they need now and in the future. Provides assistance for locating and recruiting potential employees, posting job openings, screening applicants, and providing training assistance.

STATE EDUCATION TAX ABATEMENT provides the MEDC with the ability to abate half or all of the 6-mill state education tax on new investment when the project presents significant economic benefits to Michigan.

MICHIGAN OFFERS PARTNERSHIPS

Automation Alley, including international landing zone for companies. Focus on industry 4.0. **MichAuto** offers access to Michigan's automotive assets. Access to Center of Automotive Research. Connections to local economic development partners – **Detroit Regional Partnership, The Right Place, Ann Arbor Spark, Southwest Michigan First**, and others.

MEDC PROGRAM INCENTIVES AND TAX INFORMATION

Through a wide variety of programs and resources, Michigan offers customized incentive packages for business attraction opportunities that create jobs and new investment

Michigan Business

Development Program Provides grants, loans and other economic assistance for highly competitive projects

State Essential Services Assessment Exemption

Exempts or reduces the assessment for projects that create jobs and/or private investment in Michigan

Jobs Ready Michigan

Provides funding for talent recruitment and job training for companies relocating to or expanding in Michigan

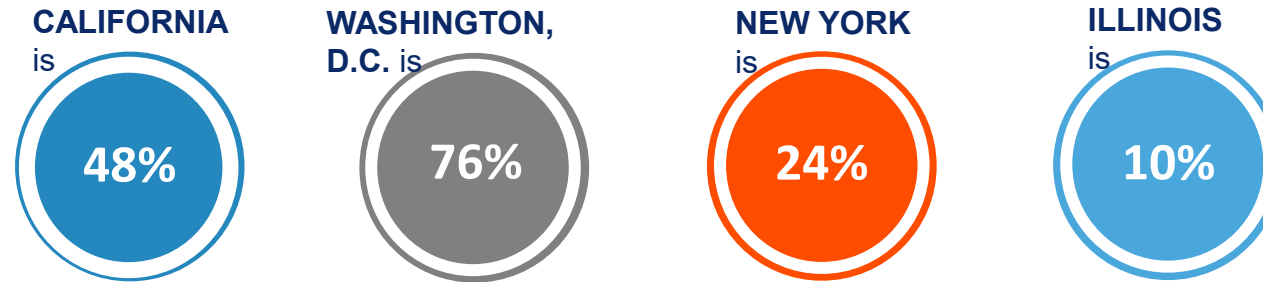
Michigan Tax Information

Michigan is continually finding ways to reduce and/or maintain low taxes to be a top choice for business opportunity. Michigan's business climate is ranked among the top 10 in the nation. Since 2014, global and U.S. companies have invested more than \$22.7 billion in capital projects across Michigan.

- 6% Corporate Income Tax
- 6% Sales Tax (+ no local sales tax)
- 4.25% Personal (flat) Income Tax
- 21% Federal Tax

A LIFESTYLE THAT OFFERS QUALITY AND AFFORDABILITY

Michigan's cost of living is **10 percent** below the national average and ranks as the **fourth most affordable state** in the country.



...more expensive than living in Michigan.

Not only is Michigan one of the most affordable states in the country, but our Pure Michigan way of life just can't be beat:

- **Grand Rapids** recognized as the **2nd best place to live** in the U.S.
- Michigan is **surrounded by four of the five Great Lakes**, boasting more freshwater coastline than California
- **Detroit's entertainment scene is unmatched** with year-round festivals and **four major pro sports teams**
- Michigan is home to more than **100 wineries** and is known as a **top 10 craft beer state** in the U.S.
- Michigan offers **award-winning communities, beaches, forests, parks and the most public golf courses in the country**