THE POWER OF UNIFIED VISION IS STARTING TO SHOW IN OUR REGION. Thanks to the efforts of private and public leadership, the region’s first coordinated regional economic development strategy is changing the Greater MSP region’s course.

The region’s low brand awareness and lack of a cohesive economic development strategy sparked this region’s leaders to come together behind the Minneapolis Saint Paul Regional Economic Development Partnership. Now, GREATER MSP is open for business, hitting goals, and achieving some significant wins. That’s because of the partnership from many companies and from our cities and counties behind this coordinated strategy.

This vital partnership is achieving success, resulting in more jobs and capital investment in the Greater MSP region. Our outstanding regional assets, including our talented workforce, diverse private sector, and strong research and development ecosystem, are getting more recognition nationally and globally. Foreign direct investment is coming to the region from companies in Brazil, Canada, China, Denmark and India. Momentum is building, and we are seeing more interest in the region than ever before.

The GREATER MSP partnership is helping move our region from its long-standing position as the best-kept secret in business to a globally competitive region. We’ve made strides, but we still have much work to do to continue to make ours a region where Business and People Prosper.

Thank you for all that you do to keep the economic momentum building.

Sincerely,

Douglas Baker, Jr.
Chairman of the Board
TOGETHER, WE’RE WORKING TOWARD COMMON GOALS.

GREATER MSP is more than an organization. It’s a private-public partnership of more than 150 investors, 200 municipalities and counties, and over a dozen institutions and business organizations, working together to build prosperity for our region.

OUR VISION
The Greater MSP region will be recognized as a globally leading economy where business and people prosper.

OUR MISSION
To accelerate job growth and capital investment in the Greater MSP region.

- Lead regional economic strategy development, aligning with regional partners to target key industry sectors for growth.

- Brand and market our region to key audiences, including business decision makers, site location consultants, workers and residents.

- Serve business clients as the region’s first stop for retention, expansion and recruitment projects, where they’ll find project management, resources, and opportunities to prosper in Greater MSP.
“When you look at the continuum of all the things that go into making a region or a city the best place to invest, I don’t think there’s a better place in the country than the Twin Cities.”
- Scott W. Wine, CEO, Polaris

FOOD & AGRIBUSINESS Greater MSP is home to a wide variety of national and global companies engaged in growing, creating and selling food. From seed technology to food production and processing, to marketing, selling and distribution, Greater MSP is an important part of the world’s food chain.

INNOVATION & TECHNOLOGY Strength in R&D, software and IT, advanced manufacturing, and energy and renewables drives our reputation for innovation. Greater MSP has 72% more software engineers, and 124% more consumer and electronic product manufacturing than the national average.

FINANCIAL SERVICES & INSURANCE We have one of the highest concentrations of financial professionals in the country and host some of the country’s largest financial institutions, including the Ninth Federal Reserve Bank. From banking to insurance to planning, Greater MSP is the place where financial businesses prosper.

“This region is blessed with great assets in terms of transportation. To me, broadband is part of great transportation. The goods and services of the future aren’t necessarily hard goods, there’ll also be data—soft goods that can be sent through broadband technology.”
- Rick King, COO of Technology, Thomson Reuters
RESEARCH AND FEEDBACK GUIDE OUR MOMENTUM.

RESEARCH STUDIES

Last year, GREATER MSP commissioned and completed two regional studies, the data from which will guide us as we strive to make our region an outstanding choice for business.

- A national perception analysis among C-Suite executives and site selectors provided feedback on our business climate and our region as a potential location for expanding operations. We confirmed that when it comes to a highly qualified workforce and quality of life, we excel. However, we need to continue to improve executive perceptions in the areas of incentives and business costs.

- A “latency” study assessed the data transmission speed profile of the region compared to other markets across the U.S. Our metro is considered excellent and able to support a wide variety of vertical markets that require data, voice or video services.

GLOBAL COMPETITIVENESS FRAMEWORK

Continuing our tradition of economic success requires us to sharpen our competitive edge. The GREATER MSP partnership also developed a Global Competitiveness Framework to assess our regional competitive position relative to peer regions, and improve our state’s job creation toolkit. The Framework reflects feedback collected from clients, public and private sector partners and our region’s economic development practitioners, and will inform initiatives in our region over the next few years.

Top: Brazilian steelmaker Gerdau planned a $47 million expansion to its Saint Paul facility, retaining 330 jobs. Below: Aggressive Hydraulics broke ground on a 60,000 square foot facility in East Bethel. The hydraulic cylinder manufacturer plans to employ 25 workers at the site.
GREATER MSP and its partners traveled to 17 domestic markets, resulting in 14 active projects and more than 200 new opportunities. We also attended nearly a dozen trade shows to identify businesses that could prosper in our region.

INTERNATIONAL OUTREACH
To take our place as a leader in the global economy, we must create international visibility. In 2012, we realized several exciting milestones:

TRADE MISSIONS: CHINA AND SAUDI ARABIA
GREATER MSP accompanied Minnesota Governor Mark Dayton to China. In June, partnering with the Minnesota Trade Office, we opened GREATER MSP China Center in Shanghai. This presence will help us increase regional foreign investment and promote trade exports between Minnesota and China.

We also were part of Congressman Keith Ellison’s mission to Saudi Arabia, a country that represents significant opportunity for investment in our region’s future.

MARKET VISITS: JAPAN, BELGIUM AND DENMARK
In November, GREATER MSP established a permanent presence in Osaka Japan through a partnership with Life Science Alley, focused on Japanese corporate investment in our region and our state.

We also represented our region on visits to Belgium and Denmark, high opportunity countries we look forward to exploring and developing further in 2013.

“Entering a new foreign market or expanding existing operations requires sound market intelligence, experienced technical expertise and key business connections. We are thrilled to announce this new China Trade Office and partnership with the GREATER MSP China Center, which will maximize our efforts and guide companies looking for new growth opportunities in the China market.”
- Commissioner Katie Clark Sieben,
  Minnesota Department of Employment and Economic Development

Top: The Indian company TCS opened an office in Bloomington to service its corporate clients. The office will house 300 new software engineering and consulting employees. Bottom: IMRIS, a Canadian manufacturer of MRI guided surgical devices, expanded operations in Chanhassen to leverage our market’s med tech talent pool and proximity to its customers.
This weekly, televised news program highlights the great business stories of our region. Twin Cities anchor Cyndy Brucato hosts the show, which is sponsored by U.S. Bank, Carlson School of Management and PwC. Greater MSP Business will be one of the most visible ways we brand our region and create thousands of new ambassadors.
<table>
<thead>
<tr>
<th>PROJECT DESCRIPTION</th>
<th>SUCCESS IS DUE TO THE COLLABORATION OF MANY ORGANIZATIONS INCLUDING:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expansion of electronic integrated circuitry components</td>
<td>DEED-MTO, City of Bloomington, Bloomington Port Authority, Shakopee Mdewakanton Sioux Community, Metropolitan Council</td>
</tr>
<tr>
<td>Acquired manufacturing/HQ building for commercial/industrial HVAC production</td>
<td>City of Minneapolis, Cresa, Deloitte</td>
</tr>
<tr>
<td>Development of multi-tenant data center</td>
<td>City of Eagan, Dakota Electric Association, McGough Construction</td>
</tr>
<tr>
<td>HQ expansion, site selection, workforce assessment</td>
<td>Dakota County HRA, City of Eagan, CBRE</td>
</tr>
<tr>
<td>Consolidation of HQ and showroom space</td>
<td>Cushman-Wakefield/NothMarq</td>
</tr>
<tr>
<td>New propane tank manufacturing facility/expansion of operations in New Prague</td>
<td>DEED, City of Owatonna, City of New Prague, CBRE</td>
</tr>
<tr>
<td>Distribution facility for clothing/licensed products</td>
<td>City of Shakopee, Scott County, MN Chamber of Commerce/Grow Minnesota!, UPS, Cassidy Turley</td>
</tr>
<tr>
<td>HQ relocation from Boston to Apple Valley, later moved to Eagan</td>
<td>Dakota County HRA, City of Apple Valley, City of Eagan, Braman &amp; Associates</td>
</tr>
<tr>
<td>Expanded food prep manufacturing facility by adding facility in Mendota Heights</td>
<td>City of Mendota Heights, Xcel Energy, Cassidy Turley</td>
</tr>
<tr>
<td>Expansion of manufacturing facility</td>
<td>DEED, City of White Bear Lake Township, Connexus Energy, Xcel Energy</td>
</tr>
<tr>
<td>New data center</td>
<td>Carver County CDA, City of Chaska</td>
</tr>
<tr>
<td>Additional expansion of propane tank manufacturing facility in New Prague</td>
<td>City of New Prague, CBRE</td>
</tr>
<tr>
<td>Expansion of manufacturing facility</td>
<td>City of Forest Lake, Connexus Energy, Cushman-Wakefield/NothMarq</td>
</tr>
<tr>
<td>Retention effort of Brazilian-based steelmaker in Saint Paul</td>
<td>DEED, City of Saint Paul, Saint Paul Port Authority, Dakota County Technical College, MN Chamber of Commerce/Grow Minnesota!, Xcel Energy</td>
</tr>
<tr>
<td>New distribution center for pharmaceutical products</td>
<td>DEED, City of Eden Prairie</td>
</tr>
<tr>
<td>Relocation of data center to Eagan</td>
<td>City of Eagan, Cushman-Wakefield/NothMarq</td>
</tr>
<tr>
<td>Additional data center for Allina in Anoka</td>
<td>City of Anoka</td>
</tr>
<tr>
<td>HQ expansion, building west metro campus</td>
<td>Hennepin County, City of Plymouth, Shakopee Mdewakanton Sioux Community, Metropolitan Council, McGough Construction</td>
</tr>
<tr>
<td>Opening of a software engineer consultant office for this global company</td>
<td>DEED, City of Bloomington, Bloomington Port Authority</td>
</tr>
<tr>
<td>Add/expansion of R&amp;D center</td>
<td>Chisago Country HRA-EDA, City of Wyoming, Deloitte</td>
</tr>
<tr>
<td>Relocation of facility from Wisconsin to Minnesota</td>
<td>DEED, City of Plymouth, LSA</td>
</tr>
<tr>
<td>HQ relocation from Winnipeg</td>
<td>Office of Senator Amy Klobuchar, City of Plymouth, LSA</td>
</tr>
<tr>
<td>Added U.S. office of Winnipeg-based company</td>
<td>City of Plymouth, LSA</td>
</tr>
<tr>
<td>Consolidation and relocation of hydraulic manufacturing operations</td>
<td>DEED-Business Development, City of East Bethel, Connexus Energy</td>
</tr>
<tr>
<td>Retention effort in partnership with Grow Minnesota! for semi-conductor chip manufacturing</td>
<td>City of Bloomington, Bloomington Port Authority, MN Chamber of Commerce/Grow Minnesota!, Xcel Energy</td>
</tr>
<tr>
<td>Veterinary supply distribution center consolidating operations from Wisconsin and South Dakota</td>
<td>Scott County, City of Shakopee, CBRE</td>
</tr>
<tr>
<td>Danish technology security company opening North American HQ</td>
<td>City of Minneapolis, City of Minnetonka</td>
</tr>
<tr>
<td>HQ relocation from Winnipeg</td>
<td>DEED, City of Minnetonka, LSA, Xcel Energy, C Chase, CSM</td>
</tr>
<tr>
<td>New data center</td>
<td>City of Woodbury</td>
</tr>
<tr>
<td>New plastic sheet manufacturing facility</td>
<td>City of Bloomington, Bloomington Port Authority, Xcel Energy</td>
</tr>
<tr>
<td>Consolidation of business services from 20 locations to 6, Eden Prairie now has largest office in region.</td>
<td>City of Eden Prairie, Cresa</td>
</tr>
</tbody>
</table>
2012 SCORECARD: PERFORMANCE VS. GOAL

<table>
<thead>
<tr>
<th>DELIVERABLE</th>
<th>2012 GOAL</th>
<th>2012 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER OF JOBS</td>
<td>4,000</td>
<td>4,816</td>
</tr>
<tr>
<td>CAPITAL INVESTMENT</td>
<td>$400 M</td>
<td>$451 M</td>
</tr>
<tr>
<td>ANNUAL INVESTMENT INTO GREATER MSP</td>
<td>$4.0 M</td>
<td>$5.0 M</td>
</tr>
<tr>
<td>NUMBER OF NEW BUSINESS EXPANSION / ATTRACTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEADS</td>
<td>N/A</td>
<td>2,857</td>
</tr>
<tr>
<td>OPPORTUNITIES</td>
<td>167</td>
<td>200</td>
</tr>
<tr>
<td>PROJECTS</td>
<td>67</td>
<td>72</td>
</tr>
<tr>
<td>WINS</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>AVERAGE SALARY OF NEW JOBS</td>
<td>$53,716</td>
<td>$53,812</td>
</tr>
</tbody>
</table>

INVESTMENT BY AREAS OF STRENGTH

- **$243.2 M** IT and Technology
- **$168.5 M** HQ and Business Services
- **$36.5 M** Health and Life Science
- **$2.4 M** Food & Agriculture

TOTAL INVESTMENT: $451.1 M

JOBS BY AREA OF STRENGTH

- **2,358** IT and Technology
- **1,377** HQ and Business Services
- **731** Health and Life Science
- **50** Food & Agriculture

TOTAL JOBS: 4,816
“GREATER MSP got us in touch with the right people. And once you get a hold of the right people, there’s a lot of opportunity out there for partnering and reducing costs.”

- Rick Williamson, Managing Director, Cypress Semiconductor

“We found a strategy with the help of Xcel Energy to make some changes in the way Cypress buys electricity, [which saved the company about $200,000 a year], making that plant competitive with similar plants in Asia.”

- Bill Blazar, Senior VP, Public Affairs and Business Development for Grow Minnesota!
2012 REGIONAL INITIATIVES LOOK TO THE FUTURE.

GREATER MSP is actively partnering with other initiatives to ensure our region is vital and globally relevant now and in the future. Building our region’s long-term prosperity relies on the talent and perspectives of many regional leaders, and GREATER MSP is proud to join these teams to bring our vision to life.

MSP EXPORT INITIATIVE

With 87% of world market growth expected to occur outside the U.S. in the next century, our region must position itself to compete in the global marketplace. Leveraging a grant from the Brookings Institution, members of GREATER MSP, the Minnesota Trade Office, the City of Minneapolis and other regional partners developed the MSP Export Initiative, which seeks to double state exports within five years through four core strategies:

- **Connect** companies to global opportunities through a unified export team
- **Target** the intersection of local products and global demand
- **Promote** global advantages starting with Health and Wellness
- **Sell** MSP to the world

FUTURE WORKFORCE ASSESSMENT

For companies considering expansion and relocation here, our workforce is our region’s most critical asset. Keeping a full pipeline of educated and highly skilled workers is key to maintaining this advantage. In 2012, we supported the Minnesota State Colleges and Universities (MnSCU), the Minnesota Department of Employment and Economic Development (DEED), the Itasca Higher Education Project, and the Minnesota Chamber of Commerce in a comprehensive assessment of current and future workforce needs. The results of this assessment will help align workers and employers for years to come and allow GREATER MSP to leverage the talented workforce for future economic growth.

“We’ve heard loud and clear the kind of capabilities employers want from our students and so we’ve done a lot of retooling of our academic programs to make sure the capabilities of our graduates are matching the needs of business and industry.”

- Steven Rosenstone, Chancellor, MN State Colleges and Universities (MnSCU)
GREATER MSP INVESTORS

THANK YOU

With the commitment and vision of more than 150 GREATER MSP investors, we concluded a successful investment campaign that raised $15 million to ensure three years of solid funding for continuing operations. We extend a heartfelt thank you to these partners, who believe as we do, that our Greater MSP region is a worthy investment.

Aerotek
Amerect Inc.
Ames Construction
Andersen Corporation
Anoka County
API Group, Inc.
AREA Corporate Real Estate Advisors
Associated Bank
B&D Masonry
Baker Tilly Virchow Krause, LLP
Barr Engineering Co.
BMO Harris
BOMA – Minneapolis
BOMA - St. Paul
Braun Intertec Corporation
Bremer Bank
Briggs and Morgan P.A.
BWBR Architects, Inc.
C.H. Robinson Worldwide
Cargill, Inc.
Carl Bolander & Sons Company
Carlson & The Carlson Family Foundation
Cassidy Turley Midwest, Inc.
Catholic Charities of St. Paul & Minneapolis
CBRE
CenterPoint Energy
CenturyLink
Chisago County
CHS Inc.
City of Apple Valley
City of Belle Plaine
City of Bloomington
City of Burnsville
City of Chaska
City of Eagan
City of Edina
City of Elko New Market
City of Jordan
City of Lake Elmo
City of Minneapolis
City of Minnetonka
City of New Prague
City of Prior Lake
City of Rosemount
City of Saint Paul
City of Savage
City of Shakopee
City of West Saint Paul
City of Woodbury
Corval Group
Comcast
Cresa Minneapolis
Cunningham Group Architecture, Inc.
Dakota County
Deloitte
Delta Air Lines Inc.
Deluxe Corporation
DHR International
District Energy St. Paul
Donaldson Company, Inc.
Dorsey & Whitney, LLP
Ecolab
Ernst & Young
Experis
Faegre Baker Daniels
Frattaloni Companies, Inc.
Frauenshuh Inc.
Fredrikson & Byron, P.A.
General Mills
Great River Energy
Haberman
HealthPartners
Hennepin County
Hubbard Broadcasting, Inc.
Hunt Electric Corporation
HyperData, LLC
Imation
Isanti County
Jefferson Lines
KPMG
Kraus-Anderson Companies
Land O’ Lakes, Inc.
Larson • King, LLP
Lindquist & Vennum PLLP
McGladrey LLP
McGough
McGrann Shea Carnival Straughn & Lamb, Chartered
McKinsey & Company
Medtronic, Inc.
Metropolitan Airports Commission
Metropolitan Council
Minneapolis Area Association of REALTORS®
Minneapolis St. Paul Business Journal
Minnesota Association of Realtors
Minnesota Chamber of Commerce
Minnesota Timberwolves/Lynx
Minnesota Vikings
Minnesota Wild
MnSCU
Mortenson Construction
Nelson Tietz & Hoye, Inc.
Northland Securities, Inc.
Olympic Companies, Inc.
Oppenheimer Wolff & Donnelly LLP
Opus Holdings LLC
Padilla Speer Beardsley
Parsons Electric
Patterson Companies, Inc.
Pentair, Inc.
Perkins + Will
Pioneer Press/TwinCities.com
Pohlad Companies
- AvTex
- Cushman & Wakefield
- JB Hudson
- Marquette Financial Companies
- Minnesota Twins
- Northern Lights Broadcasting
- NorthMarq Capital
- NorthMarq Real Estate Services
- River Road Entertainment
- RJM Construction
- Twin Cities Automotive
- United Properties
- Polaris Foundation
- Pro-Health Care, Inc.
- Pro Staff
- PwC
- Ramsey County
- RBC Wealth Management
- RSP Architects
- Russell Reynolds Associates
- Ryan Companies US, Inc.
- Saint Paul Area Association of REALTORS®
- Saint Paul Port Authority
- Scott County & SCALE
- Securian Financial Group
- Select Comfort Corporation
- Shingobee Builders
- SKB Environmental
- Spencer Stuart
- Star Tribune Media Company
- Steven Douglas Associates
- Sullivan Cotter
- Superior Group
- Swanson & Youngdale, Inc.
- Target
- Thomson Reuters
- Thor Construction, Inc.
- TKDA
- The Travelers Companies
- Tunheim
- UCare
- Unisys Corporation
- UnitedHealth Group
- University of Minnesota
- U.S. Bancorp
- Valspar Corporation
- Washington County
- Wells Fargo Bank
- Wright County
- WSB & Associates, Inc.
- Xcel Energy, Inc.

With the commitment and vision of more than 150 GREATER MSP investors, we concluded a successful investment campaign that raised $15 million to ensure three years of solid funding for continuing operations. We extend a heartfelt thank you to these partners, who believe as we do, that our Greater MSP region is a worthy investment.
The PAC advises and supports our Board of Directors with an enormous breadth of expertise and resources. Chaired by members of the Board, the PAC includes 60 partners, practitioners, investors and organizations involved in economic development throughout our region.

2012 Advisory Council working groups include:

- Operational Protocol: Assesses how the protocol is being used and how it might be improved. *(For more on our Operational Protocol, see page 10.)*

- Marketing: Provides input and feedback on the effectiveness of our marketing strategy and the execution of our plan.

- Product Improvement: Reviews meeting results, feedback and marketing intelligence that allows us to identify and present to our advocacy partners the highest priority issues related to job creation.

In 2012, this working group focused on:
- Business Retention & Expansion *(see page 10)*
- Economic Development Toolkit, part of the Global Competitiveness Framework *(see page 9)*
- Workforce Assessment *(see page 21)*

**CO CHAIR:**

Albert Colianni, Jr.
Marquette Financial Companies & Starquest Securities, LLC

CO CHAIR: John Griffith
Target Corporation

CO CHAIR: Russ Nelson
Nelson, Tietz and Hoye Inc.

Margaret Anderson Kelliher
Minnesota High Tech Association

Collin Barr
Ryan Companies

Megan Barnett-Livgard
City of Monticello

Laurie Bauer
Andersen Corporation

Cecile Bedor
City of Saint Paul

Denise Beigbeder
Ramsey County

Bill Blazer
Minnesota Chamber of Commerce/Grow Minnesota!

Pat Born
Metropolitan Council

Rod Brown
African American Leadership Forum

Paul Cerkvenik
Minnesota Private College Council

Katie Clark-Sieben
Minnesota Trade Office

Patrick Cline
Xcel Energy

Patrick Connoy
Hennepin County

Jim Deal
Metropolitan Airports Commission

Caren Dewar
Urban Land Institute Minnesota

Marcia Droge
Land "O Lakes

Marlys Dunne
Metro Mold & Design

Wayne Elam
Commercial Realty Solutions

Chris Eng
Chisago County

Steve Fisher
Medtronic, Inc.

Don Haller Jr.
Connexus Energy

Jeff Hamiel
Metropolitan Airports Commission

Nancy Hoffman
Chisago County

Jon Hohenstein
City of Eagan

Jon Holt
Super Radiator Coils

Mayor James Hovland
City of Edina

Louis Jambois
Saint Paul Port Authority

Bob Kill
Enterprise Minnesota

Janna King
Economic Development Services, Inc.

Todd Klingel
Minneapolis Regional Chamber of Commerce

Shar Knutson
Minnesota AFL-CIO

Matt Kramer
Saint Paul Area Chamber of Commerce

Ted LaFrance
Wright County Economic Development Partnership

Tom Lambrecht
Great River Energy

Curt Larson
City of Blaine

Kim Lindquist
City of Rosemount

Mark Lothus
Minnesota Department of Employment and Economic Development

Scott Marquardt
Economic Development Association of Minnesota

Ted Mondale
Metropolitan Sports Facilities Commission

Tim Mulcahy
University of Minnesota

David Olson
Minnesota Chamber of Commerce

Commissioner Ewald Petersen
Sherburne County

Commissioner Mark Phillips
Minnesota Department of Employment and Economic Development

Cathy Polasky
City of Minneapolis

Mary Rothchild
Minnesota State Colleges and Universities

Randy Sampson
Canterbury Park

John Schlagel
Sklagel Manufacturing

Janelle Schmitz
City of Woodbury

Gary Shelton
Scott County

Mark Stenglein
Minneapolis Downtown Council

John Sullivan
Carver County

Anders Tollsten
Tollridge, Inc.

Dale Wahstrom
LifeScience Alley/BioBusiness Alliance of Minnesota

Charlie Weaver
Minnesota Business Partnership

Martha Weaver
Anoka County

Mayor Gene Winstead
City of Bloomington

David K. Wright
U.S. Bancorp
“There’s a reason the 19 Fortune 500s are here and continue to grow. The infrastructure is built out to support these types of companies — not only to be successful domestically, but internationally.”

- Kevin McKinnon, Director, Business Development, Minnesota Department of Employment and Economic Development