

EXPORTS BY THE NUMBERS

EXPORTS

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INCREASE **40%** SINCE REBOUNDED FROM THE RECESSION

NEO **\$29 BILLION**
EXPORTS AT IN 2014

NEO EXPORTS ACCOUNT FOR **12.7%** OF GRP IN 2014

Teamneo

JobsOhio

NETWORK
REGIONAL PARTNER

PLUS REVIEW MARCH 2016

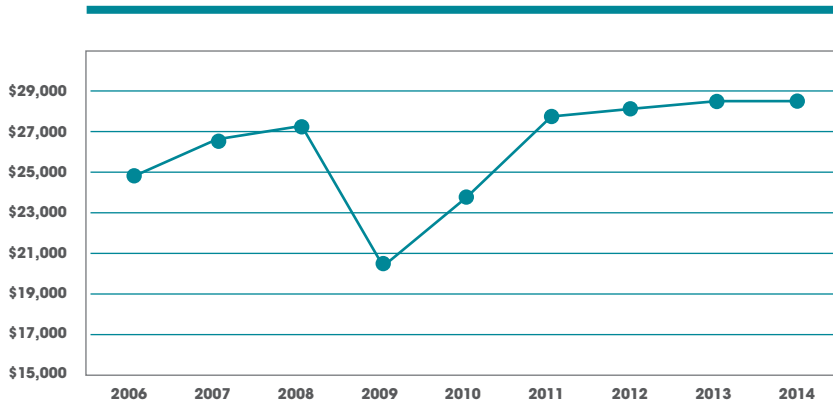
Quarterly Economic Indicators
18 Counties of Northeast Ohio

Exports play an important role in fueling Northeast Ohio's economic growth. As enterprises from around the globe seek high-quality products and services, NEO businesses are eager to provide them. In fact, exports accounted for 12.7% of NEO's GRP in 2014, up from 11.4% in 2006.

NEO Exports Continue Upward Trend

Northeast Ohio exports have been on an upward trend since 2006. Although activity slowed as a result of the 2007 recession, exports have rebounded to almost \$29 billion, representing a 16% increase since 2006 and 40% since pre-recession levels in 2009.

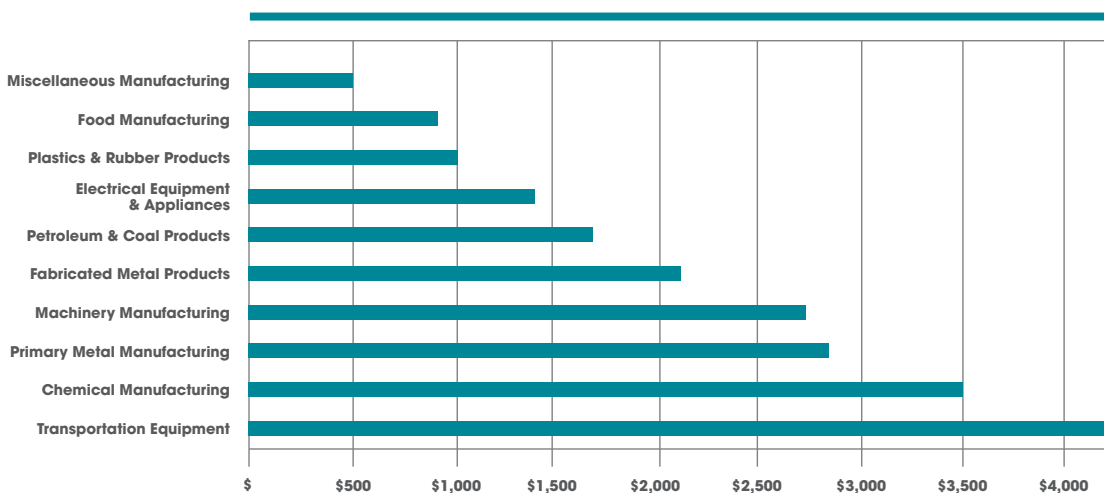
TOTAL EXPORTS IN NEO: 2006-2014



Chemicals and Transportation Equipment Top List of Exported Goods

Transportation equipment and chemical manufacturing were the largest goods-producing export industries in Northeast Ohio in 2014. This comes as no surprise as NEO remains an automotive powerhouse with major automakers choosing to invest and expand in the region. The chemical industry, tied to polymers, supports a number of end-use markets such as packaging, consumer products and building and construction. These two industries, with more than \$7.7 billion exported in 2014, represent 27% of total goods exported.

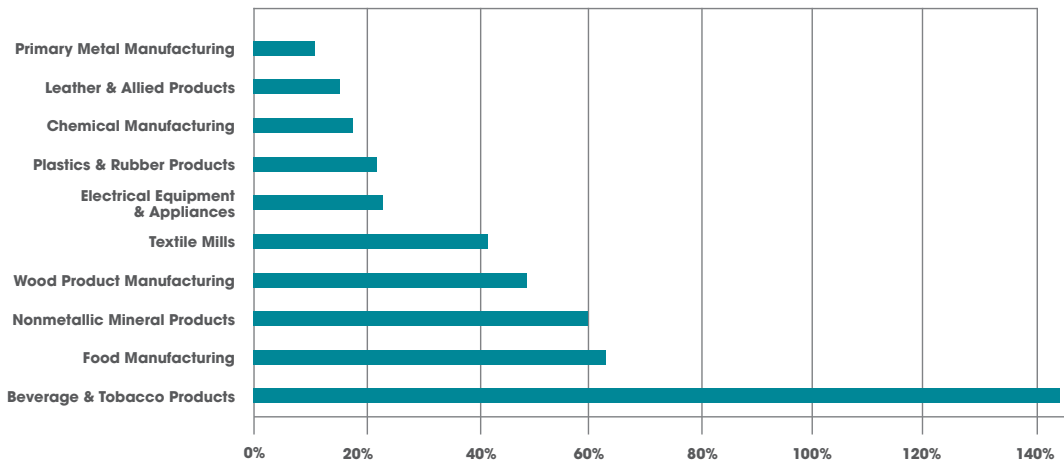
LARGEST MANUFACTURING EXPORT SECTORS: 2014



Consumer Food and Beverage Companies Lead Growth Segments

Beverage and tobacco products gained more ground by far than any other category from 2006 to 2014, achieving a growth rate of 144%. In 2006, the region exported \$23 million in goods compared to \$57 million exported in 2014. Similarly, food manufacturing increased from \$562 million in exports to \$916 million in exports — a 63% increase. Major brands including Daisy Brand LLC, Pepperidge Farm, Nestle USA and J.M. Smucker have demonstrated their ongoing commitment to the region through recent investments.

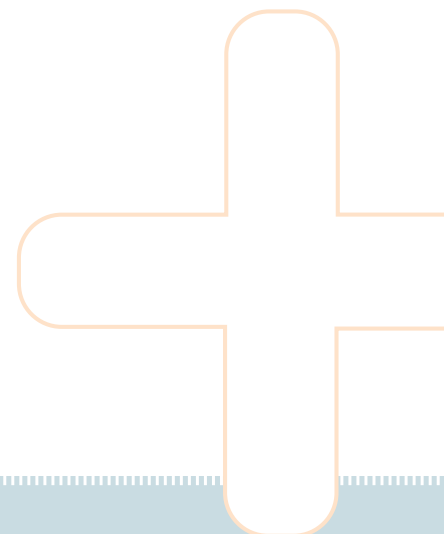
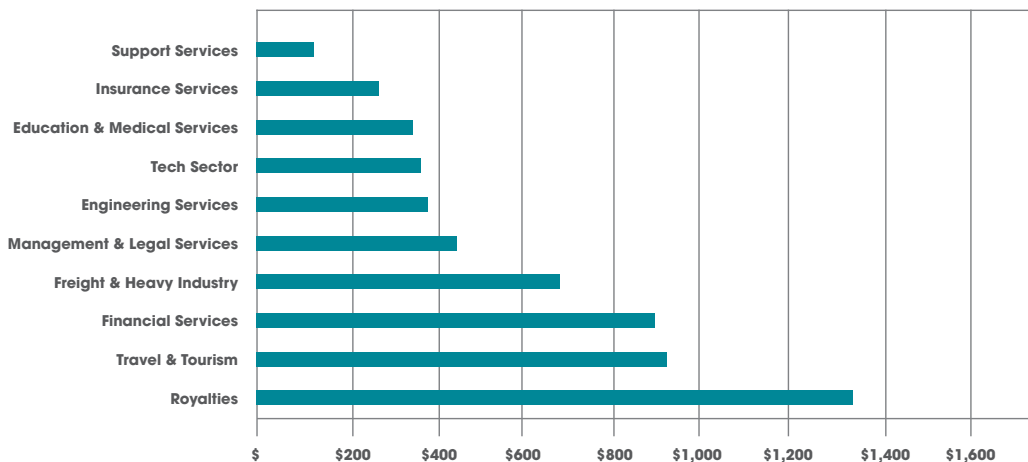
MANUFACTURING EXPORTS WITH THE HIGHEST % INCREASE: 2006-2014



Royalties Ranks Highest For Services Exported

In addition to transporting goods, Northeast Ohio provides a variety of services to companies overseas. The graph below highlights the top 10 services provided in 2014, based on revenues. Royalties topped the list at \$1.34 billion, followed by travel and tourism, and financial services, each approaching the \$1 billion mark.

LARGEST SERVICE-PRODUCING EXPORT SECTORS IN NEO: 2014





Northeast Ohio Logistics Fuel Export Success

Companies that export in Northeast Ohio benefit from our outstanding transportation and logistics system. NEO offers exporters expedited shipping and reduced shipping costs, thanks in large part to the Cleveland-Europe Express (CEE). The only maritime service in the Great Lakes to provide direct, scheduled service to Europe, the CEE facilitates access to global markets. Exporters can ship products up to 10 days faster through the Port of Cleveland than through East Coast ports, and enjoy 50% savings on specialized or oversized cargo.

Northeast Ohio's Robust Support Network Aids Companies That Export

Northeast Ohio houses several organizations committed to export success:

Ohio Development Services Agency (DSA) International Trade Assistance Centers (ITAC)

With offices in Akron, Cleveland and Youngstown, the DSA International Trade Assistance Centers provide export companies with low- or no-cost counsel on international business planning, market research, export compliance, finance and more. In addition, they offer an Export Internship Program, which offers companies the opportunity to hire export-trained students for summer internships. (The deadline for companies to apply is March 15, 2016.)

Northeast Ohio Trade & Economic Consortium (NEOTEC)

NEOTEC works on behalf of Columbiana, Mahoning, Portage, Stark, Summit, Trumbull, Medina and Richland counties to carry out the economic development initiatives of the counties' Joint Office of Economic Development (JOED). Through NEOTEC, JOED leaders are committed to regional collaboration to improve economic opportunities in Northeast Ohio.

Department of Commerce U.S. Export Assistance Center

Through the Export Assistance Center's Cleveland office, trade professionals provide counseling and a variety of products and services to assist small and mid-size U.S. businesses export their products and services.

OH-PA Stateline Initiative Supports Export Companies

Recognizing a need among area exporters for additional business support, the Youngstown/Warren Regional Chamber, Ohio International Trade Assistance Center and Youngstown State University engaged economic development partners in a 10-county region to create the OH-PA Stateline Export Initiative.

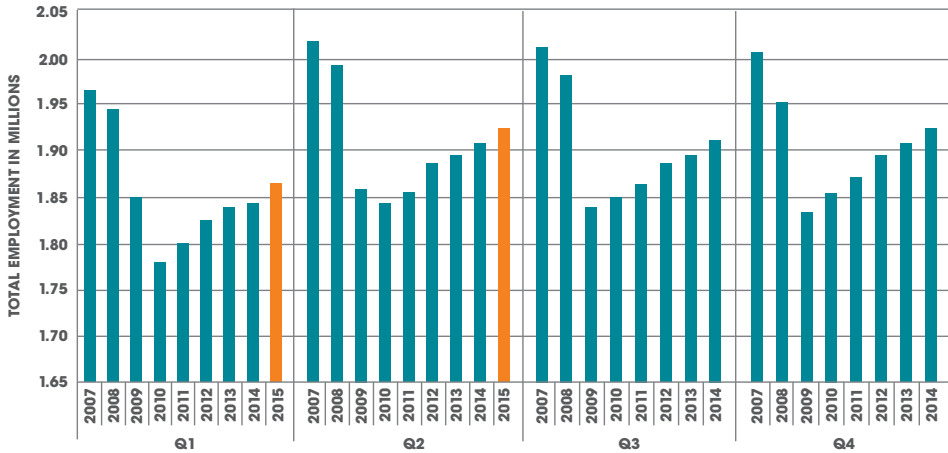
Through a single point of contact, this collaboration leverages the resources of its entire network to help businesses navigate the exporting process. Services include:

- Helping to assess the potential of new markets
- Identifying potential trade partners as well as networking and growth opportunities
- Coordinating international events and programs to introduce business leaders to international resources and cultural opportunities
- Connecting businesses with trade missions that afford access to executives and government officials, and enable the promotion of products or services
- Offering counsel on export-related trade issues, logistics and regulations



Analysis for this report was compiled by Team NEO using Brookings Export Nation 2014 county-level data. Traditional census trade data is based on the point where exports ultimately leave the country, often leading to a distorted view of where exports are actually produced. Brookings attempts to correct this with national export values, by industry, based on county output in that industry.

NORTHEAST OHIO TOTAL EMPLOYMENT (NOT SEASONALLY ADJUSTED)

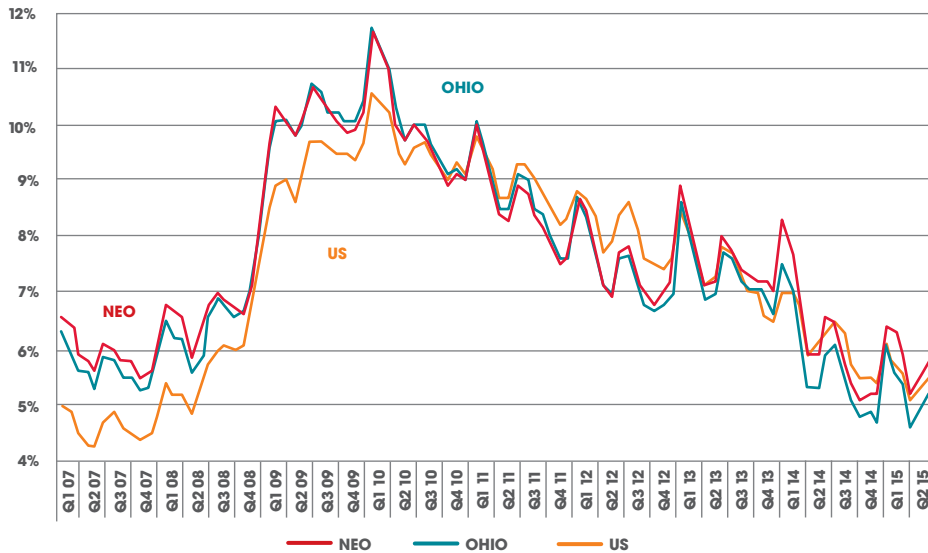


TOTAL EMPLOYMENT GROWS YEAR-OVER-YEAR

Total employment averaged 1.9 million workers in Q2 2015 – an increase of 16,000 jobs year-over-year.

Source: Quarterly Census of Employment and Wages (QCEW).

NORTHEAST OHIO UNEMPLOYMENT RATES THROUGH JUNE 2015

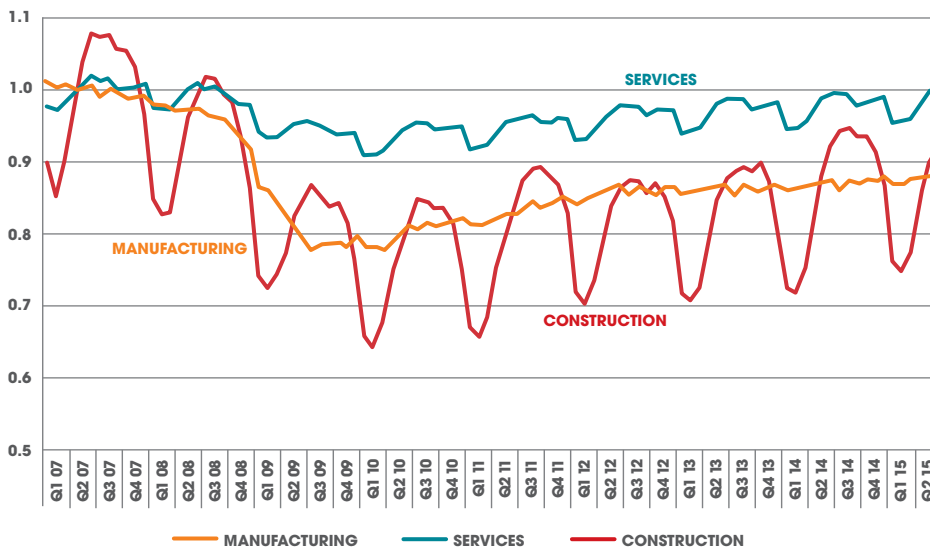


NEO YEAR-OVER-YEAR UNEMPLOYMENT RATE DOWN

The unemployment rate for Northeast Ohio averaged 5.5% in Q2 2015, on pace with the U.S. average of 5.3% and slightly higher than the state of Ohio rate of 4.9%.

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

CHANGE IN EMPLOYMENT BY SECTOR THROUGH JUNE 2015

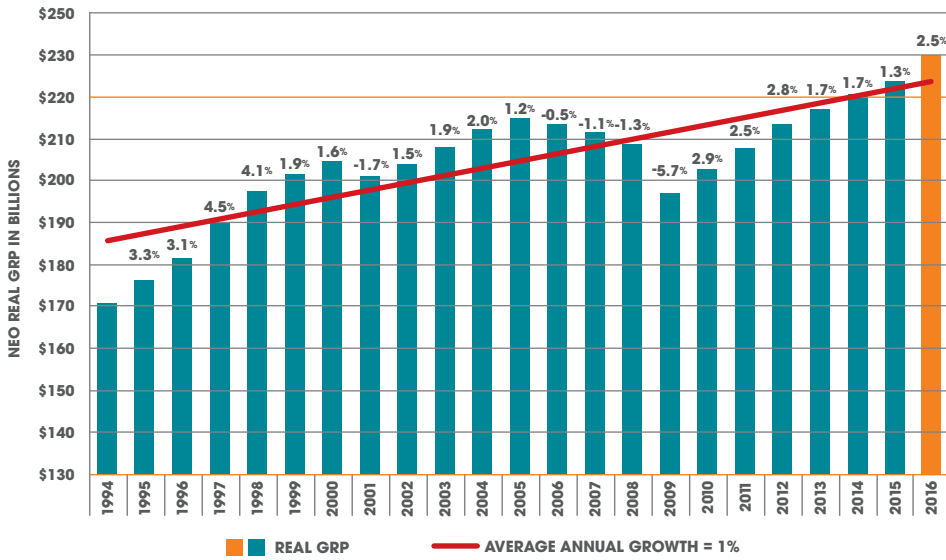


ALL SECTORS CONTINUE TO GROW

At 1.3 million jobs, the service sector added more than 11,000 workers year-over-year, while the manufacturing sector added more than 3,100 jobs. Construction employment added almost 1,000 workers year-over-year, an increase of 1.4%.

Source: Quarterly Census of Employment and Wages (QCEW).

NORTHEAST OHIO REAL GROSS REGIONAL PRODUCT (GRP) IN BILLIONS

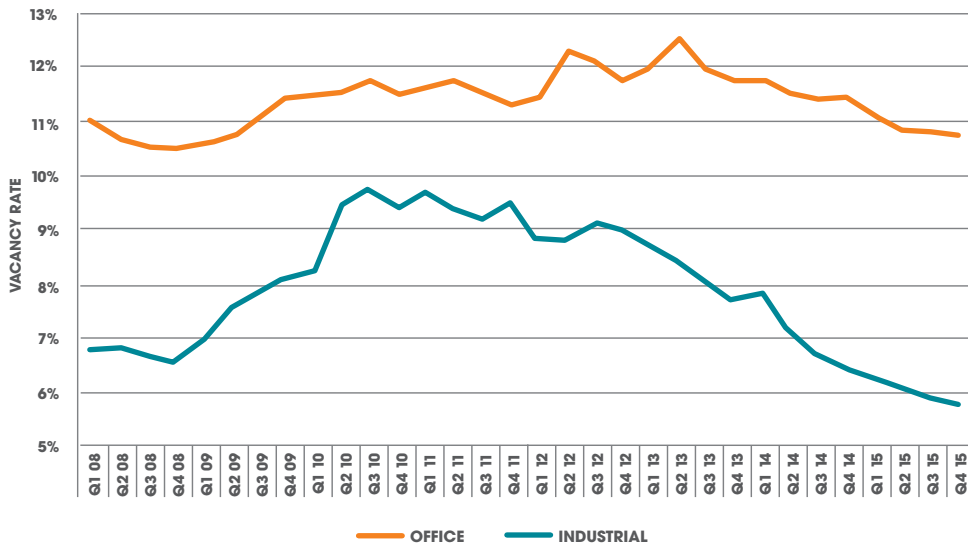


GRP PROJECTED TO REACH \$229 BILLION

Northeast Ohio's GRP is projected to grow 2.5% in 2016, as set forth by Moody's Economy.com. This projection sets potential growth for GRP for the 18 counties of Cleveland Plus at almost 34% since 1994.

Source: Economy.com

NORTHEAST OHIO INDUSTRIAL AND OFFICE VACANCY

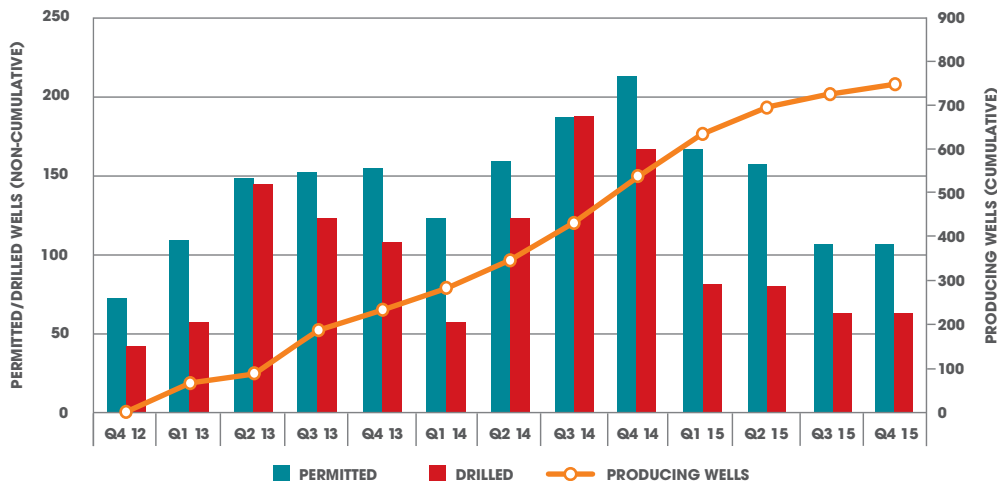


INDUSTRIAL VACANCY RATE LOWEST IN SEVEN YEARS

The vacancy rate for industrial space is at 5.8%, the lowest rate since Q1 2008. Office vacancy remained steady at 10.8% in Q4 2015.

Source: CoStar

OHIO UTICA WELL ACTIVITY (NON-CUMULATIVE)



WELL ACTIVITY STEADY

This graph shows the status of Utica shale wells originally permitted, drilled and in production for each quarter. In Q4 2015, 115 new permits were issued and 61 new wells were drilled. From Q3 2015 to Q4 2015, well production increased by 37 to 1,003 total producing wells.

Source: Ohio Department of Natural Resources



DEVELOPMENT ACTIVITY

DEALER TIRE EXPANDS OPERATIONS IN CLEVELAND'S VICTORY CENTER

As a leading distributor of tires and parts as well as a trusted consultant providing value-added services to dealerships and automotive OEMs in the U.S. and Canada, Dealer Tire recently announced that its headquarters would remain in Cleveland, expanding in the city's Victory Center, retaining 448 jobs while committing to creating 125 new jobs.

SHEARER'S FOODS EXPANDS MASSILLON COMPLEX

Shearer's Foods, a leading producer of chips and other snack items, is undertaking an expansion that includes two new production lines and warehouse growth at its Massillon complex. The project will retain 747 jobs and create 130 positions with a significant capital investment to their physical plant.

LITTLE TIKES CO. ANNOUNCES EXPANSION IN HUDSON

The Little Tikes Co., one of the world's leading creators of infant, toddler and preschool products that promote children's mental, emotional and physical well-being, recently announced the expansion of its custom molding business, setting up a division called LT Molding Solutions. This expansion could retain or create 400 Ohio jobs at Little Tikes and its suppliers and collaborators.

FORD INVESTING TO UPGRADE ITS CLEVELAND ENGINE PLANT

Ford is investing \$145 million to upgrade its Cleveland Engine Plant, creating or retaining 150 jobs to support strong demand for an all-new second-generation 3.5-liter EcoBoost® engine family for the 2017 Ford-150 lineup. The Cleveland Engine Plant produces the current version of the 3.5-liter EcoBoost engine, which powers 2016 Ford F-150, Explorer, Expedition, Transit, Flex and Taurus.

HUNT VALVE EXPANDS MAIN INDUSTRY LINE

Salem, Ohio-based Hunt Valve, a fluid-power engineering company specializing in severe-duty valves and components, intends to expand its focus to include industrial businesses. Now focused on the defense industry, Hunt Valve will make its severe-duty valves available to the transportation, energy and oil, and gas industries. The company expects the anticipated increase in volume to lead to an increase in its now 50-employee workforce.

DEVELOPMENTS TAKING SHAPE IN CLEVELAND FOR THE RNC

Construction at several major downtown developments is winding down in time for the Republican National Convention in July, while several other key projects are gearing up to help maintain the flurry of investment. Public Square is nearly complete, with trees planted, pavers being installed, and the café building substantially built. Just a few blocks away, the 32-story Hilton Cleveland Downtown remains on schedule for completion by June, with the hotel preparing to fill 300 hospitality jobs in March and April. Two other new hotels in historic downtown buildings are targeting spring openings, including the Drury Plaza Hotel located adjacent to the Cleveland Convention Center and the Schofield Hotel at E. 9th Street and Euclid Avenue.

The development boom won't be stopping after the RNC, however. A two-story restaurant on the E. 9th Street Pier broke ground this winter, kicking off the initial phase of the Cleveland Lakefront Plan, which will develop nearly 28 acres of land around North Coast Harbor and FirstEnergy Stadium with offices, retail, a hotel, a school, and 1,000 housing units. Meanwhile, a massive \$280 million mixed-use project planned for the former Huntington Bank Building was recently awarded a highly competitive \$25 million State of Ohio historic tax credit to help bring additional housing, office, hotel, and retail space to the center of downtown.



GENEROUS SUPPORT PROVIDED BY:



For a complete list of funders, visit clevelandplus.com/about/funders.

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 this 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.

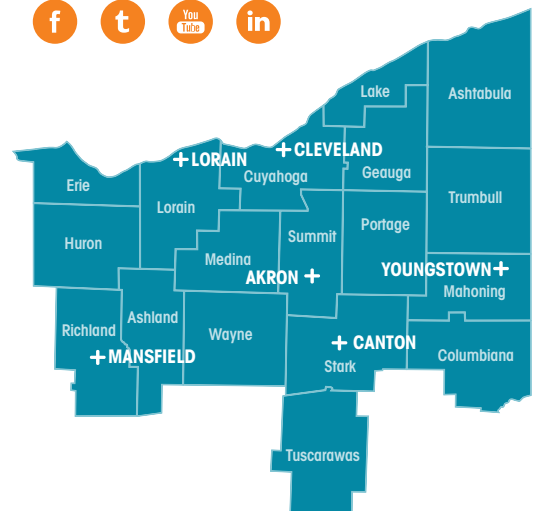
ECONOMIC DEVELOPMENT PARTNERS ACROSS 18 COUNTIES OF NORTHEAST OHIO:

- Ashland Area Council for Economic Development
- Columbiana County Port Authority
- Erie County Economic Development Corporation
- Geauga Growth Partnership, Inc
- Greater Akron Chamber
- Greater Cleveland Partnership
- Growth Partnership for Ashtabula
- Huron County Development Council
- Lake County Ohio Port & Economic Development Authority
- Medina County Economic Development Corporation
- Portage Development Board
- Richland Community Development Group
- Stark Development Board, Inc
- Team Lorain County
- Tuscarawas Community Improvement Corporation
- Youngstown/Warren Regional Chamber
- Wayne Economic Development Council

ABOUT TEAM NEO AND THE CLEVELAND PLUS 18-COUNTY REGION

Team NEO is an economic development organization focused on creating jobs for Northeast Ohio's residents. In collaboration with our partners, it leads the region's business attraction efforts, supports business retention and expansion work as Northeast Ohio's JobsOhio affiliate, and aligns strategies and resources within the economic development network to maximize its impact. In addition, Team NEO provides tools to assist employers in attracting talent to the region. For more information, visit www.teamneo.org or www.clevelandplusbusiness.com.

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