



**ARKANSAS**  
**INC**

**EXHIBIT C**

# **ARKANSAS ECONOMIC DEVELOPMENT COMMISSION**

Mike Preston, Patricia Brown  
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**Mike Preston**  
Executive Director



**Patricia Brown**  
Director of Minority and  
Women-Owned Business  
Enterprise





# Economic Accomplishments in Arkansas

Mike Preston



# Economic Accomplishments

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## Since January 2015

- 297 companies have worked with AEDC to locate new operations in Arkansas and/or expand operations
- These companies have invested \$6,664,256,026 in the state
- 10,979 jobs created

## Income in Arkansas since January 2015

Per capita income increase of

4.7%

\$39,345.00

Average hourly wage increase of

4%

\$19.79

Historically low unemployment of 3.4% as of June 2017 (Below the national unemployment rate of 4.4%)





# Large Project Recruitment to South Arkansas and the Delta

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## Sun Paper – Arkadelphia (April 2016)

- Headquartered in Shandong Province, Sun Paper ranks among the top 500 Chinese enterprises and one of the world's top pulp and paper makers
- Company employs approx. 10,000 employees worldwide
- Sun Paper will open a bio-products mill in Arkadelphia, representing their first facility in North America, and one of the top two largest private investments in Arkansas
- The company will invest \$1 Billion and create 250 new jobs.



# Large Project Recruitment to South Arkansas and the Delta

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## Great Lakes Solutions – El Dorado (January 2017)



- Subsidiary of Chemtura Corporation, a global specialty chemicals company.
- Company provides flame retardants, bromine and bromine derivatives that are innovative and reliable while minimizing the impact on the environment and the human health.
- Announcement included the opening of a new 1,500-square-foot research-and-development plant.
- Great Lakes Solutions will create six new high-paying jobs and invest \$4.6M in the facility.



# Large Project Recruitment to South Arkansas and the Delta

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## Conifex – El Dorado (January 2017)

- Modernizing and re-opening a state-of-the-art sawmill complex in El Dorado.
- Site formerly owned by Georgia Pacific.
- Headquartered in Vancouver, Canada.
- Creation of 120 new, full-time jobs and \$80 million investment.
- First facility in Arkansas and southern US for Conifex.
- Timber industry directly employs more than 37,200 Arkansans.





# Large Project Recruitment to South Arkansas and the Delta

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## Shandong Ruyi Technology Group – Forrest City (May 2017)



- Largest single job creation announcement in the history of Arkansas' Delta region.
- Headquartered in Shandong Province, China, Ruyi Group is the largest textile manufacturer in China.
- The Group recently announced the company will invest \$410 million in the former Sanyo manufacturing facility in Forrest City, making it its first facility to locate in North America.
- The project will create up to 800 new jobs, where Arkansas cotton will be spun into yarn for textile use.
- More than 200,000 tons of Arkansas cotton to be processed annually
- Arkansas is the 5<sup>th</sup> largest cotton producer among all states.





# Large Project Recruitment to South Arkansas and the Delta

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## SAF-Holland – Dumas (August 2017)

- Leading manufacturer of trailer suspension and axle systems, truck suspensions, fifth wheels, landing gear, and coupling products.
- Headquartered in Luxemburg, SAF-Holland is the largest listed supplier to the commercial vehicle market in Europe.
- Company has experienced growth since 1988.
- Purchased the old federal mogul building in Dumas to accommodate increased business.
- The expansion will create 65 new jobs and invest \$4 million in the facility.
- The new jobs will allow SAF Holland to increase its Dumas staff by more than 40 percent.
- The company currently employs 143 people in Dumas, 80 of whom are welders.







# Minority and Women-Owned Business Enterprise

Patricia Brown



# The Minority and Women-Owned Business Enterprise Program

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The Minority and Women-Owned Business Enterprise (Formerly The Small and Minority Business Division) is a division within the Arkansas Economic Development Commission (AEDC).

The program is designed to fulfill the Mission Statement to facilitate the **G**rowth, **D**evelopment and **E**xpansion of minority and women-owned businesses by helping them gain access to valuable information, new market opportunities and financial resources.

The Small and Minority Business Program (SMB) was created by the Arkansas General Assembly for the purpose of supporting equal opportunity as well as economic development in every sector in July 1977. Enabling legislation was passed throughout the years and most recent change was Act 1080 of 2017.





## Legislation (Act 1080)

### Sponsors of Act 1080

- **Representatives:** Michelle Gray, Vivian Flowers, Monte Hodges, DeAnn Vaught, Andy Davis
- **Senators:** Missy Irvin, David Wallace, Joyce Elliott

### Legislation Changes

- Name Change
- Expansion of Program to Include Women
- Spending Targets
- Advisory Council Members
- Certification Program



## **MWBE has four (4) core program areas:**

- (1) Certification**
- (2) Loan Mobilization Program**
- (3) Procurement Reporting and Coordination**
- (4) Outreach**



## Certification

- To ensure that the program meets constitutional requirements
- To assist the state and other entities in tracking minority business participation
- To identify “FRONT” and “SHAM” companies
- To deter fraud and abuse
- To maintain the integrity of the MWBE program

## Eligibility

- A business that is at least 51% owned by a minority or group of minorities (minority is defined by the owner’s ethnicity – African American, Native American, Asian/Pacific Islander, Hispanic and Service Disabled Veteran) or woman-owned business legally entitled to conduct business in the United States
- A business must be owned by a lawful permanent resident or residents of the state of Arkansas and its annual revenue must not exceed \$10,000,000.
- A business that can demonstrate the capacity to conduct business with the State of Arkansas





# Loan Mobilization Program

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The State of Arkansas' Loan Mobilization Program (Act 1428 of 2009) was created to provide loan guarantees to small minority businesses unable to secure financing on reasonable terms through normal lending channels.

The program seeks to eliminate barriers to minority and women-owned business enterprises providing goods and services to the State of Arkansas when seeking financial assistance.

The program aims to increase the ability of minority and women-owned business enterprises to compete for state contract and as well as execute the work on a project.

Funds must be used for job creation, expansion, repairs, and acquisition of machinery, equipment inventory purchase or working capital.

- Guarantee: Percentage of guarantee can be up to 90% percent of a loan.
- Minimum guarantee loan amount: \$10,000
- Maximum guarantee loan amount: \$100,000
- Interest Rate: Determined by the lender and agreed upon by AEDC
- Term of the Loan: Determined by the lender and AEDC
- Duration of Guarantee: Life of the loan (not exceeding the set term of the agreement)
- Fees: No fees by AEDC (but some fees may apply from lender)



By law, the Division is responsible for tracking, monitoring and reporting the amount of state procurement awarded to minority businesses. State agencies, Colleges and universities are encouraged to spend at least 15% of their procurement budgets with minority, women-owned and service disabled firms.

- 8% - Minorities
- 5% - Women
- 2% - Service Disabled Veteran



# Minority and Women-Owned Business Program

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## Outreach

Provide educational workshops, training events, networking events, and educational opportunities

Certification and Loan Mobilization Assistance Workshops. These bi-monthly workshop provides step by step instructions and illustrations about how to complete the Minority and Women-Owned Business Enterprise certification application along with detailed information about the Arkansas minority and women-owned business program.

“Capital to Grow your Business” training to help Certified Minority and Women-Owned Business Enterprises to obtain capital through the Minority Loan Mobilization Program

Signature Event – 2017 Arkansas Small, Minority and Women-Owned Matchmaking Event – November 8, 2017 – Metroplex Event Center – Little Rock, AR – 7:30 – 3:30





A photograph of a factory interior with a worker in a white hard hat and light-colored shirt operating a large industrial machine. The machine has a large, dark, curved component. The background shows other factory equipment and a worker in the distance. A large white diamond shape is overlaid on the image, containing the text "Questions?".

Questions?





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# **ARKANSAS ECONOMIC DEVELOPMENT COMMISSION**

900 West Capitol Avenue, Suite 400

Little Rock, AR 72201

[www.ArkansasEDC.com](http://www.ArkansasEDC.com)

501-682-1121

