

# The Cabinet for ECONOMIC DEVELOPMENT

# TODAY'S LEADERSHIP QUIZ



KENTUCKY IS BEST KNOWN FOR:

- A. Horses
- B. Bourbon
- C. Automobiles



**KENTUCKY IS BEST KNOWN FOR:**

- A. Horses
- B. Bourbon
- C. Automobiles

**D. ALL OF THE ABOVE!**



# Auto Production in the Bluegrass

10

Kentucky makes 10 car and truck models

1 in 11

vehicles on the road today are made in Kentucky

#1

Kentucky ranks first nationally in light vehicle production per capita

3rd

Kentucky ranks 3rd nationally in light vehicle production

6 million

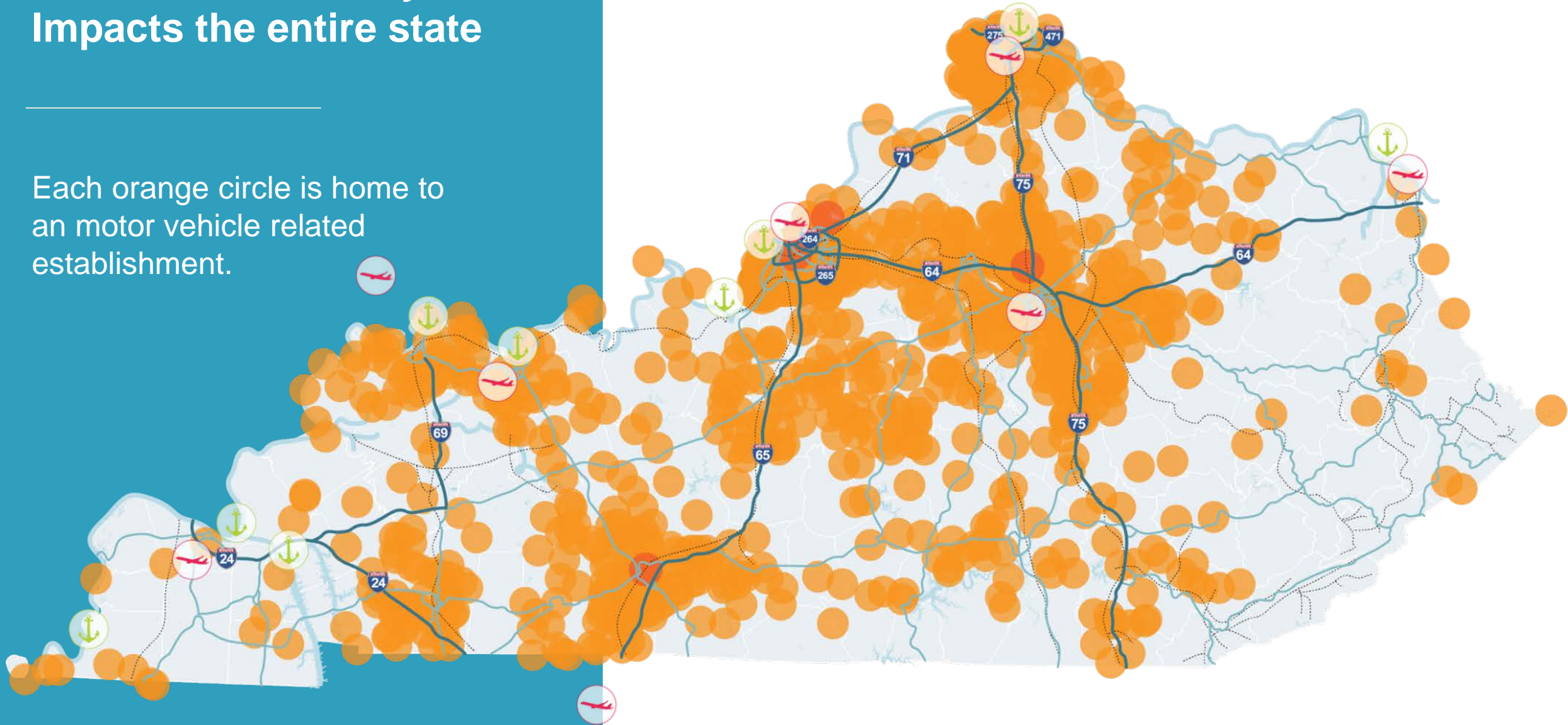
Kentucky has produced 6 million cars and light trucks in the past five years





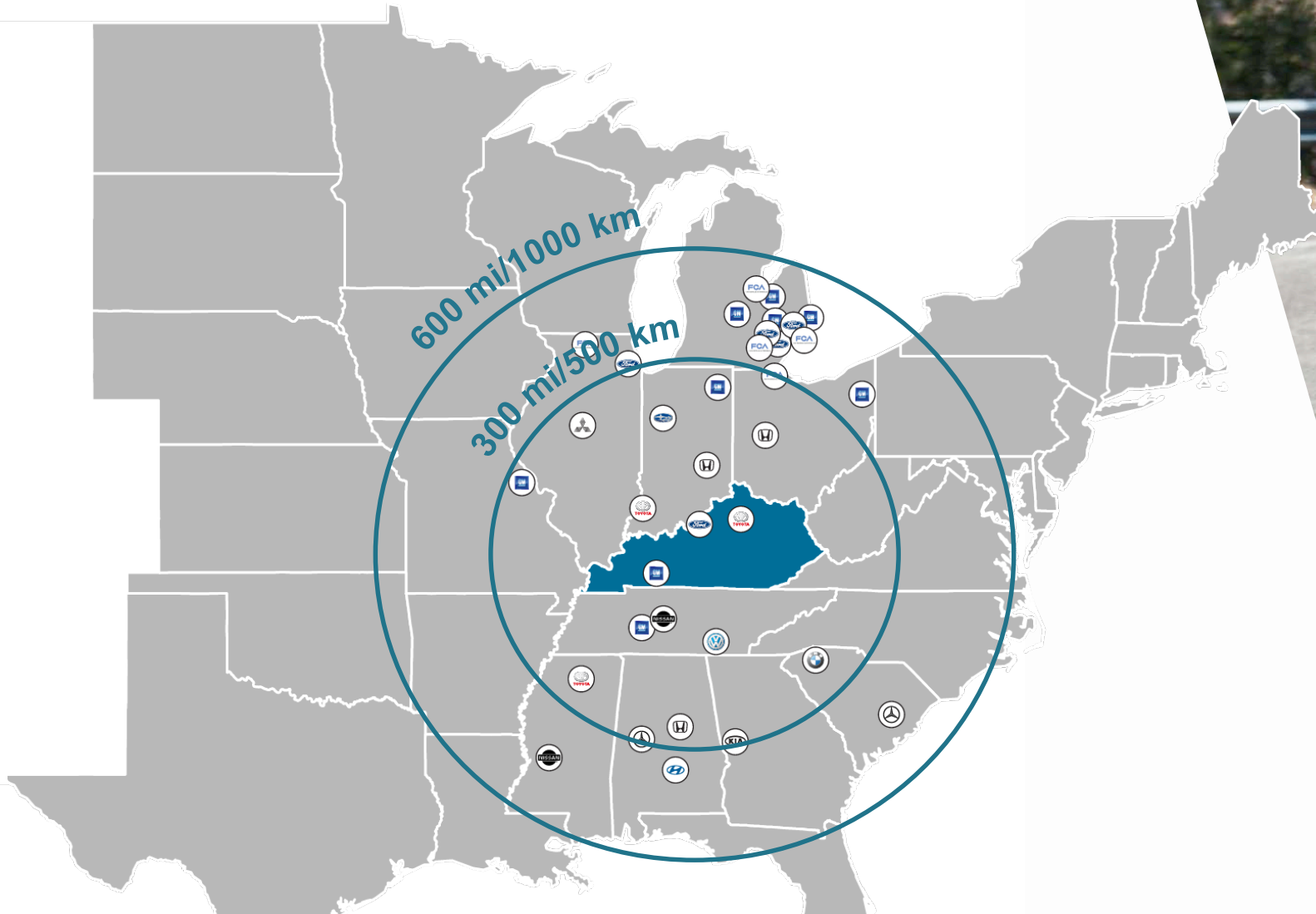
# Kentucky's Automotive Industry Impacts the entire state

Each orange circle is home to  
an motor vehicle related  
establishment.



# Automotive Facilities

Kentucky is at the  
**CENTER** of the US  
Automotive Corridor.





# KENTUCKY **is:**

- A.** An agricultural state
- B.** A tourism state
- C.** A manufacturing state





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# Economic Impact of: Agriculture, Tourism, Manufacturing

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\$45.6 billion per year is the **economic impact of Agriculture**

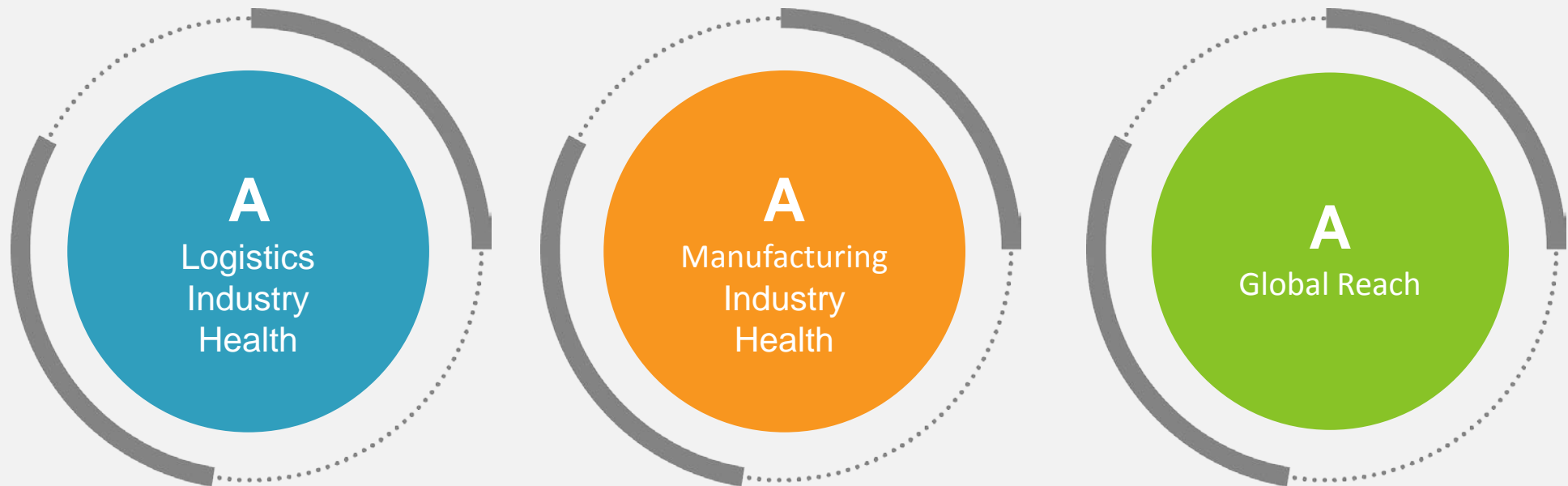


\$38.2 billion per year is the **economic impact of Manufacturing**



\$13.7 billion per year is the **economic impact of Tourism**

# Economic Strength



# Manufacturing in the Bluegrass

**250,000**

Nearly 250,000 Kentuckians are employed in manufacturing.

**\$6.4 Billion**

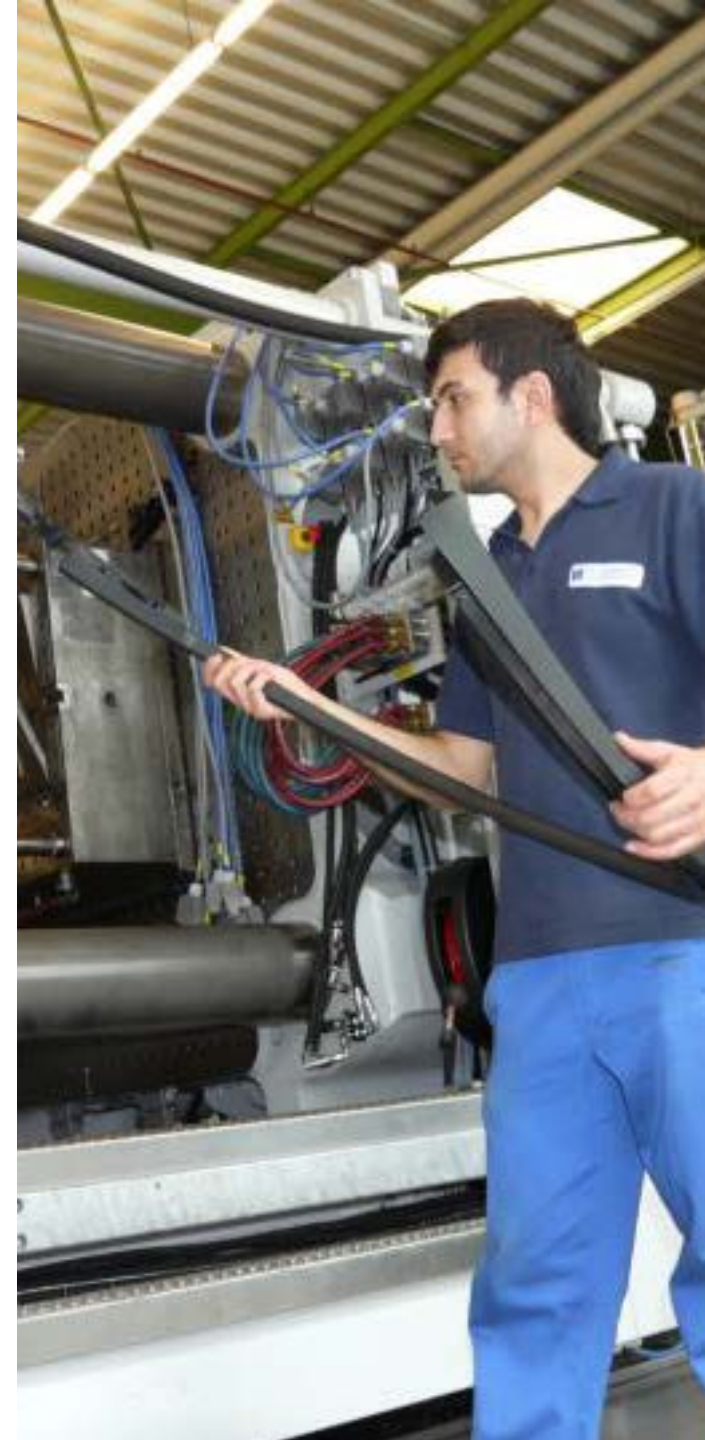
Nearly \$6.4 billion in new manufacturing investment has been announced in the past two years.

**6th**

Kentucky ranks 6th in the U.S. in manufacturing GDP.

**18,000**

Some 18,000 new manufacturing jobs have been announced in the past two years.





# It's made here!



GE, **Louisville**



JIF, **Lexington**

11 different vehicles,  
including the Lincoln MKC



Reynolds Wrap,  
**Louisville**



United States Playing  
Card Company, **Erlanger**



L'Oreal,  
**Florence**

Kellogg's, **Pikeville**



Berry Plastics,  
**Franklin**



Post-it Notes,  
**Cynthiana**



5.6 million  
barrels of  
bourbon



Eminence speakers,  
**Eminence**

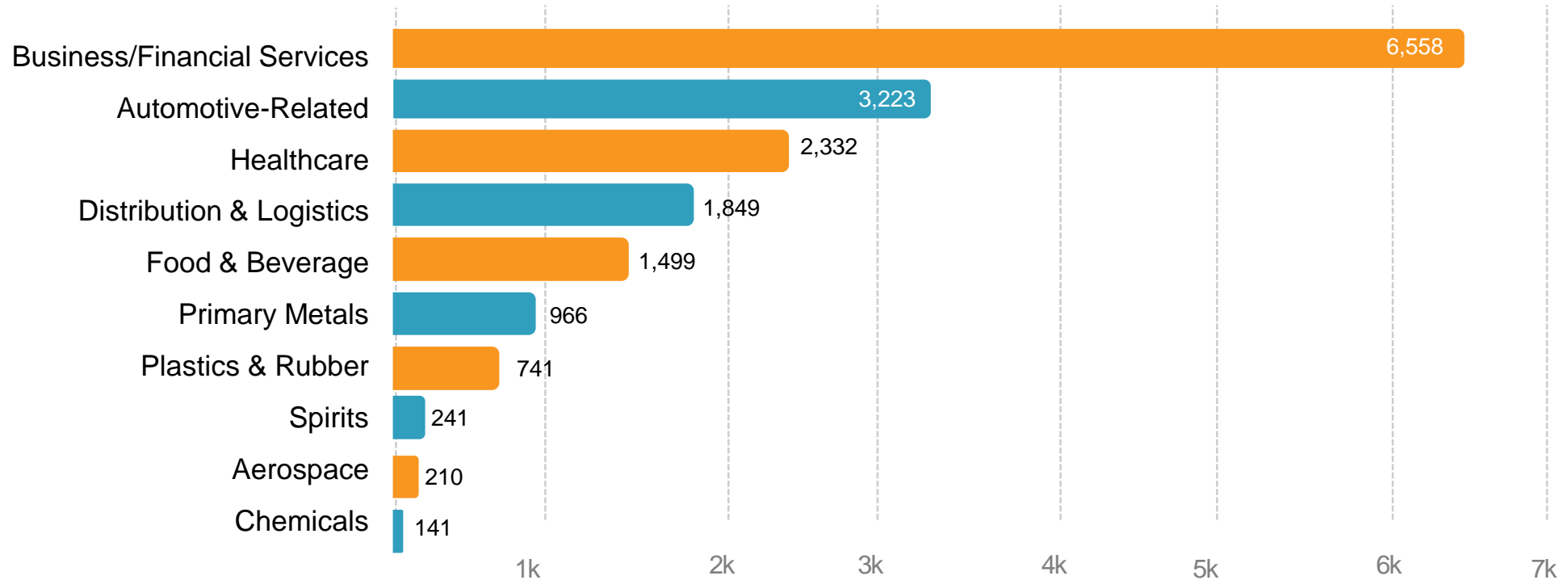
Kentucky Fried  
Chicken HQ



Baseball Bats,  
Louisville  
Slugger Museum

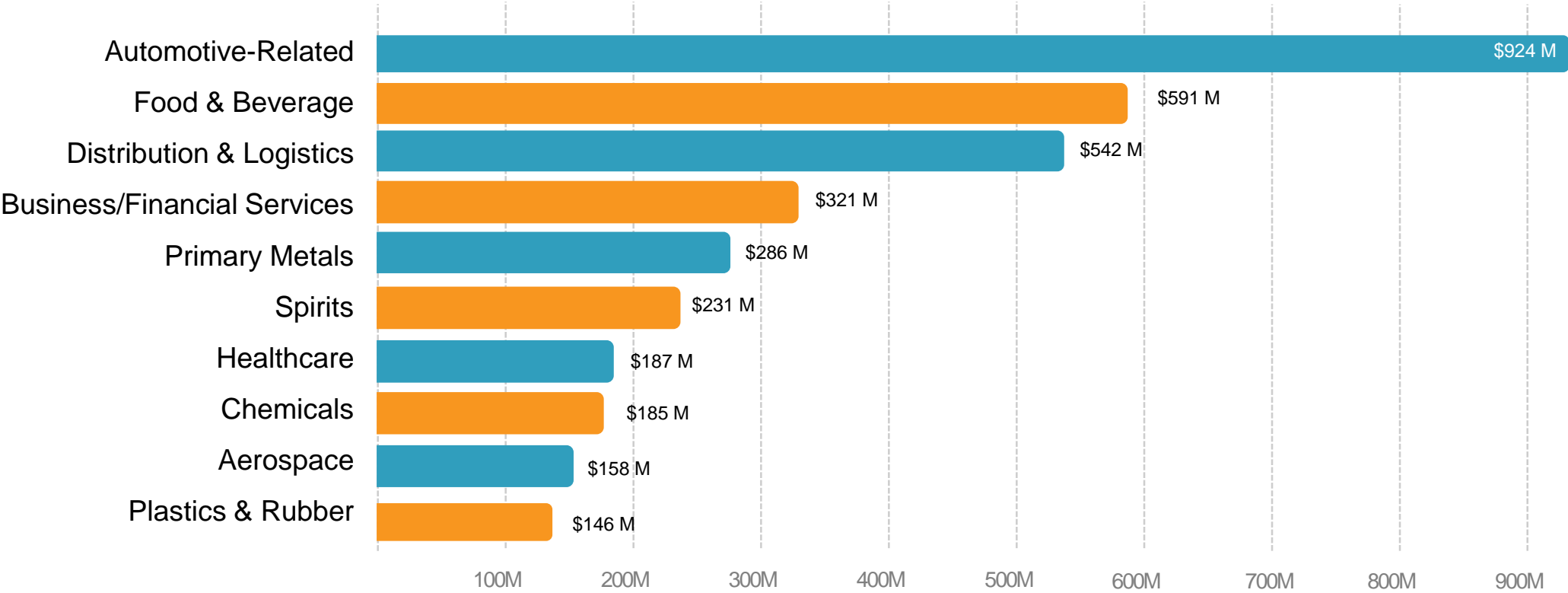


# Top 10 New Jobs by Sector 2016





# Top 10 New Investment by Sector 2016



THE LARGEST KENTUCKY EXPORT IS:

- A. Horses
- B. Bourbon
- C. Automobiles
- D. Aerospace products





THE LARGEST KENTUCKY EXPORT IS:

A. Horses

B. Bourbon

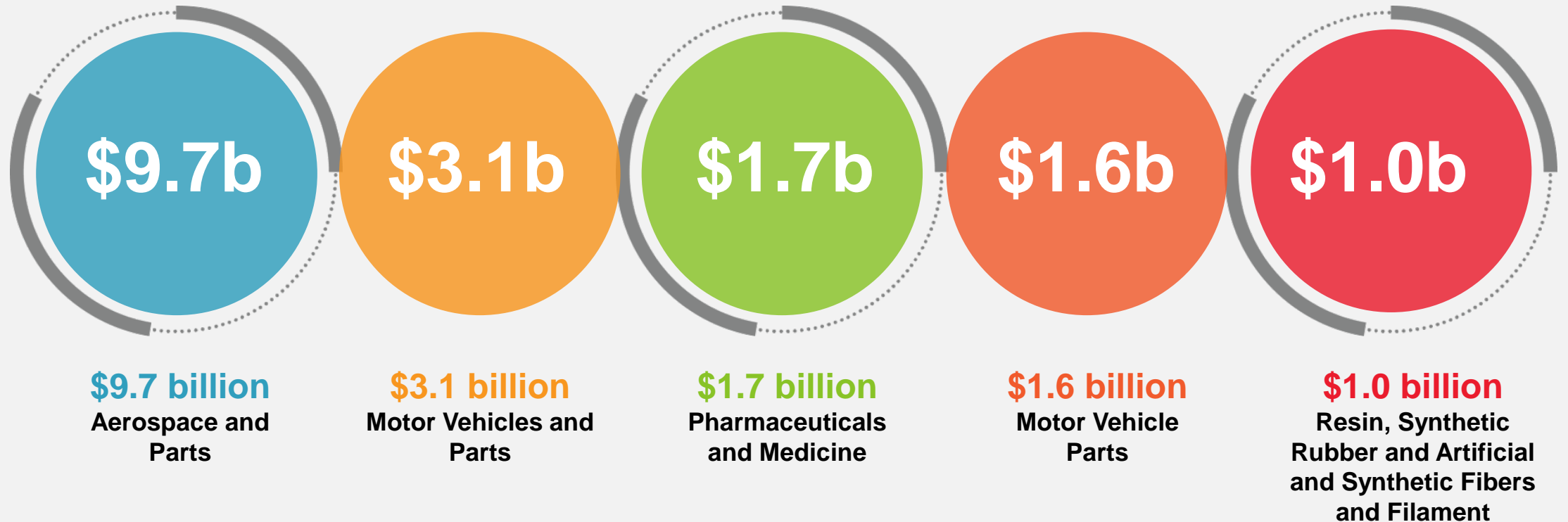
C. Automobiles

D. Aerospace products



# Top 5 Exports (2016)

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Source: U.S. Bureau of Labor Statistics

IF YOU WANTED TO GET A PRODUCT ANYWHERE IN  
THE WORLD OVERNIGHT, THE BEST PLACE  
WOULD BE:

- A. New York
- B. California
- C. Kentucky
- D. Texas



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B. California

C. Kentucky

A. Texas







## Globally Connected

275 million tons of freight on Kentucky roads  
each week

Six commercial airports including two  
international airports

Three worldwide air cargo hubs (DHL, UPS, &  
Amazon)

3rd in total air cargo

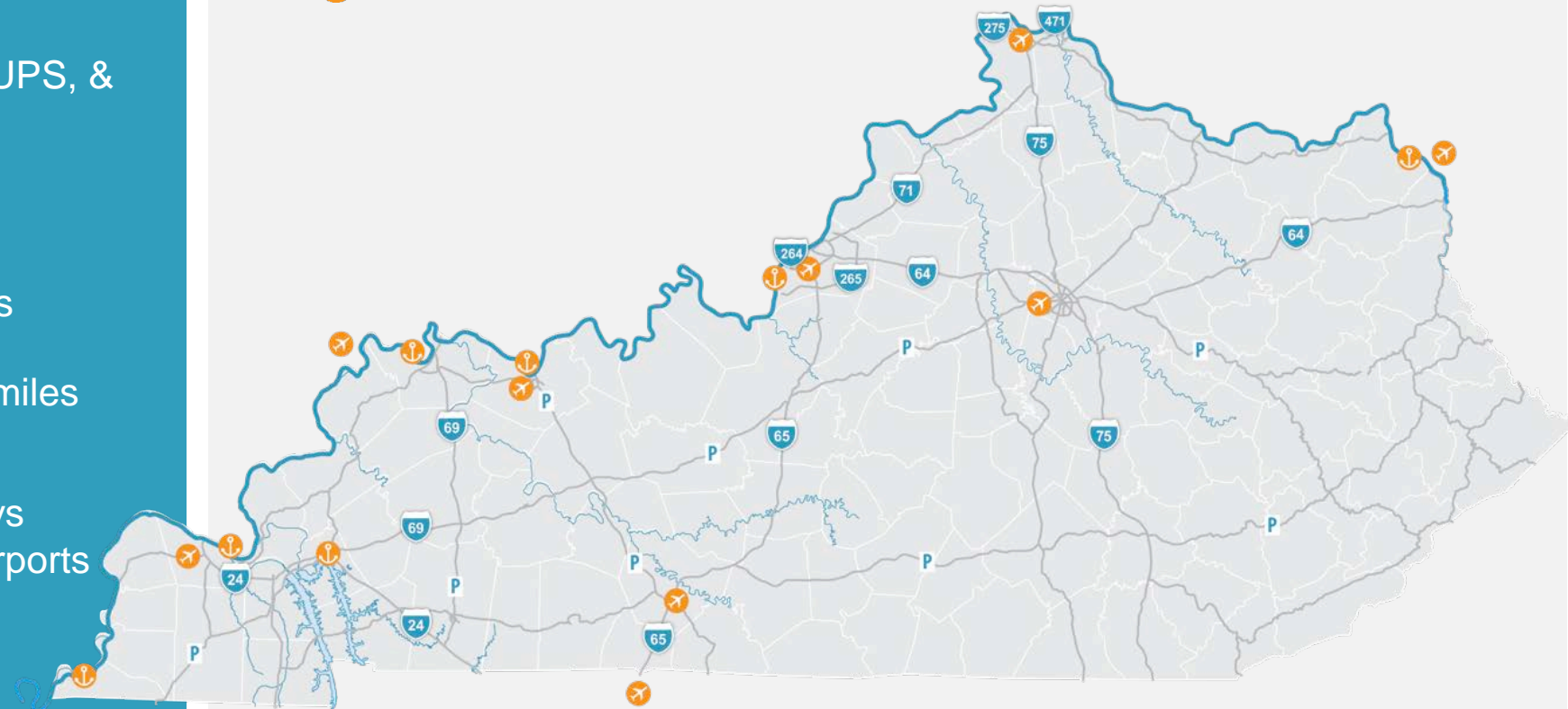
20 interstates and major highways

2,800 miles of track, including 2,300 miles  
of Class I track

2,000 miles of navigable waterways  
and twelve active and developing riverports

### LEGEND

- Interstate Highways
- Navigable Waterway
- P Parkways
- Commercial Airport
- Riverport



# Global Logistics Capacity

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DHL's global hub in Kentucky handles about 90 percent of DHL shipments entering the U.S.

**80+** aircraft and **148,000** packages pass through each day.



Fed Ex recently expanded its ground facilities in Louisville and Northern Kentucky.



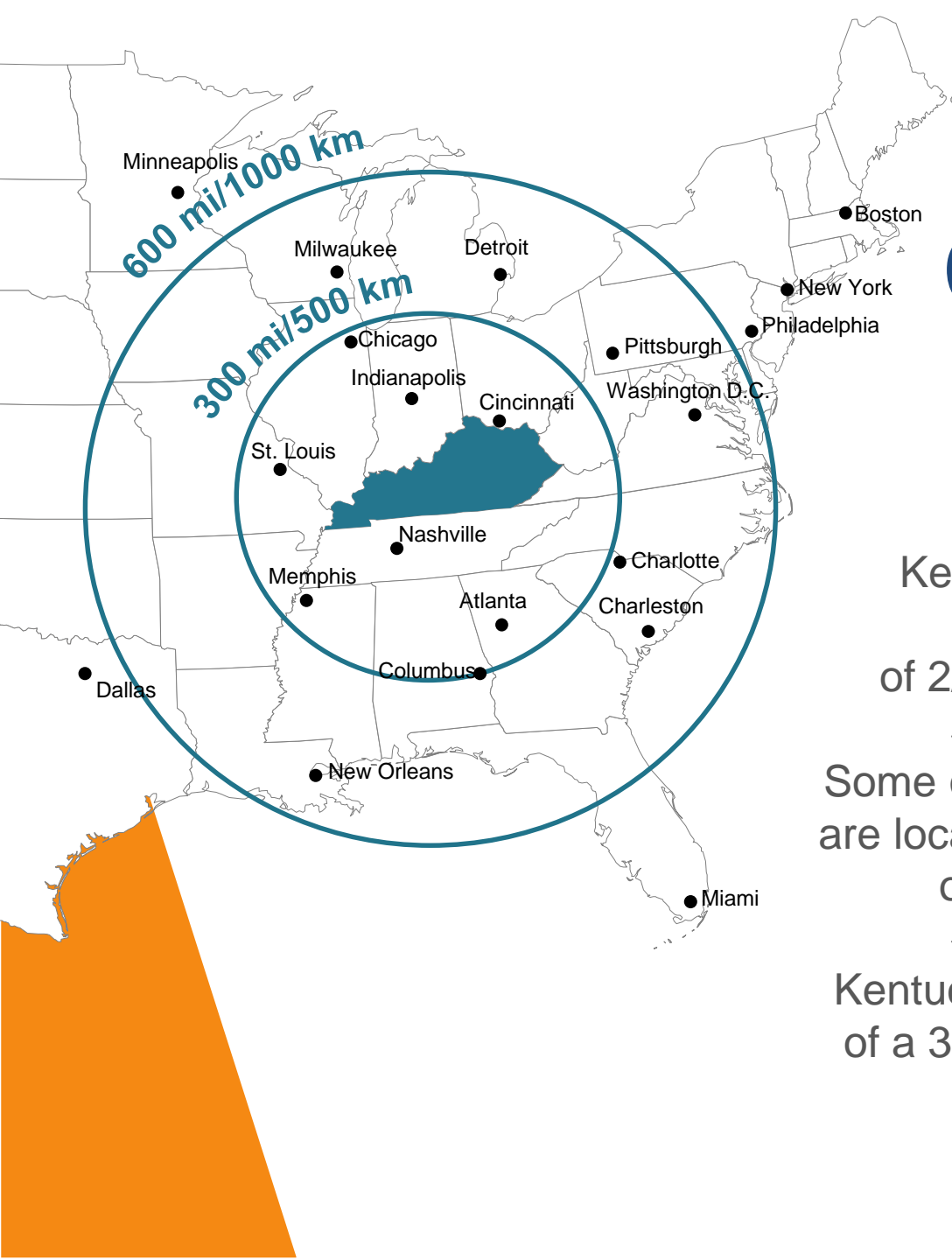
UPS Worldport in Kentucky is the largest fully automated package-handling facility in the world.

**130+** aircraft and **1.5 million** packages pass through daily.



When fully operational, the Amazon Prime Air Hub in KY will handle **100 planes** per day.





# Centrally Located

Kentucky is located within  
a day's drive  
of 2/3 of the U.S. population

Some of the nation's largest cities  
are located within a two-hour flight  
of Kentucky's borders

Kentucky is located at the center  
of a 34-state distribution area in  
the Eastern U.S.



# Logistics Industry in Kentucky



**450**  
Companies



**60,000**  
Employees





# OTHER FACTORS IN ECONOMIC DEVELOPMENT



# SELECT KENTUCKY

**A Valuable Tool For:**  
Prospective clients, existing industries and communities

## Results:

**74,459** total hits since launch; **15,000** in past year

Used by **65** different countries on **6** continents

**281,368** community profiles viewed





A **NATIONWIDE SHORTAGE** of  
building inventory exists

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Consultants and companies want **ANSWERS**  
when they look at a site

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This creates **OPPORTUNITIES** for  
more Kentucky communities

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**STREAMLINES** the building process

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Builds a **COMPETITIVE ADVANTAGE**





THINK KENTUCKY

## Build-Ready Approved

Building pad ready and  
expandable to 100,000 sq. ft.

Site clear of environmental issues,  
studies complete and infrastructure  
extension plans are in place

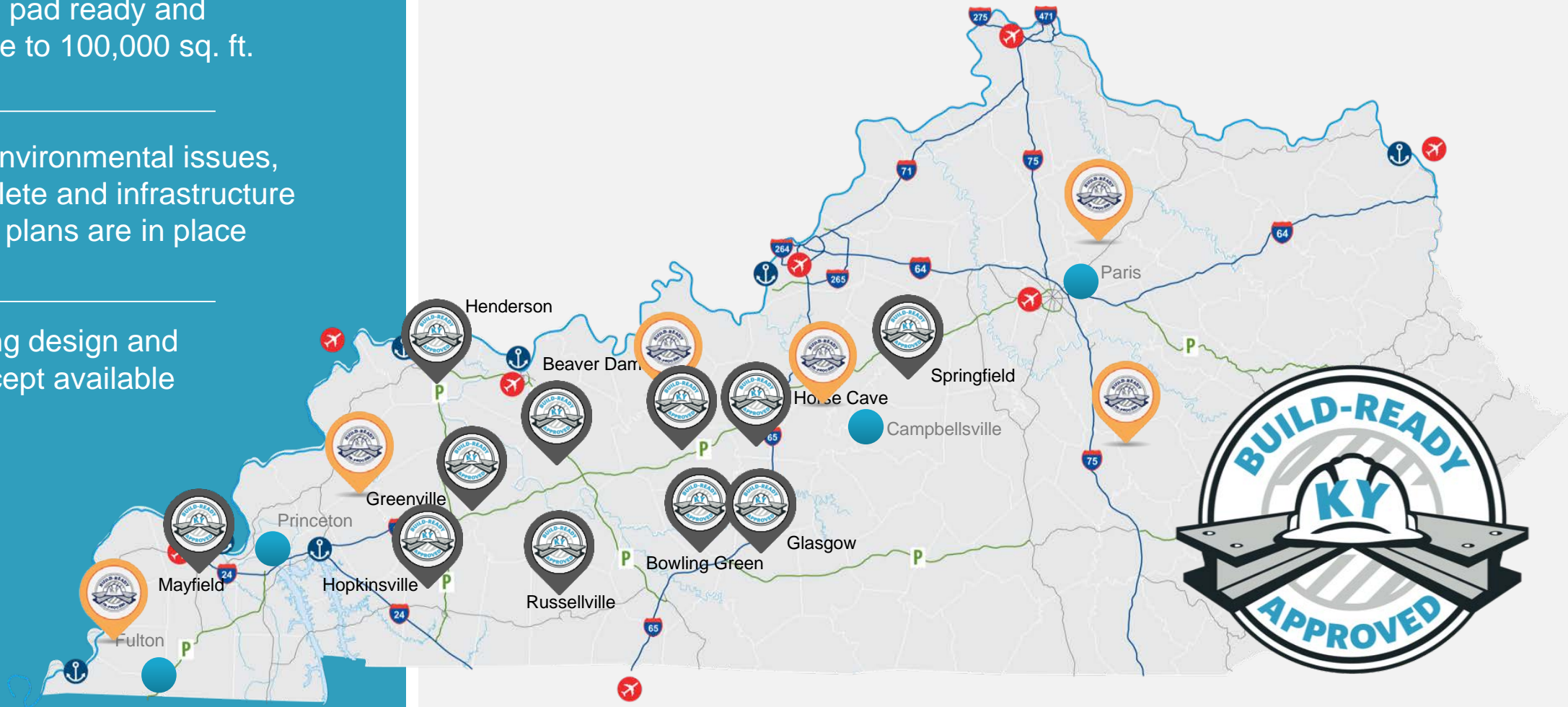
Building design and  
concept available



11 Certified Sites



6 Sites In Process







Kentucky has the second lowest cost of living in the U.S. (CNBC 2016)

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Kentucky's median housing costs are 30% below the national average.

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Kentucky has 49 state parks and 40+ major lakes

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Kentucky has over 70,000 miles of rivers that run throughout the state

Life is Good Here



A man in a dark suit and red tie is seated at a table, focused on signing a document with a pen. In the background, several other people in suits are standing, some holding papers. An American flag is partially visible on the left side of the frame. The scene appears to be a formal signing ceremony or a legislative event.

**KY  
IS NOW  
RIGHT  
TO WORK**

**THINK KENTUCKY**

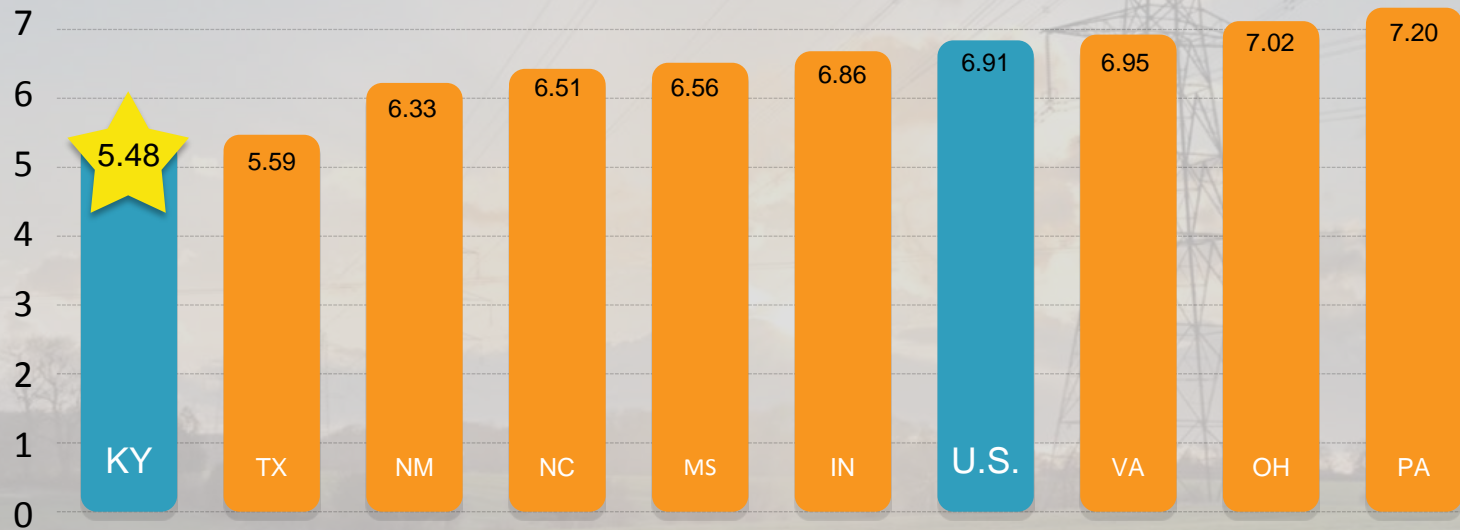
# Economical Energy

Lowest of any state east of the Mississippi River

20 percent lower than the U.S. average

## Industrial electricity average price

\*cents/kilowatt hour



Energy Information Administration, Avg price by state, released 2016





# The Red Tape Reduction Initiative

Creating a more business-friendly environment



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

## #CutTheTape

**4,700+** administrative regulations

**2,000** reviewed

**327** repealed or amended

**765** targeted for repeal or amendments

**62.3%** of those reviewed needed repeal or amending

**Goal:** eliminate 1/3 of all regulations in 3 years.

**Legislature** placed sunset provision on all regulations



# How Kentucky Measures Up



Received an “**A**” grade  
For manufacturing and  
logistics industry health  
(Conexus Report- 2016)



Nationally recognized  
for workforce development  
and business innovation



2016 marked the most new  
jobs created in Kentucky in  
the past **10** years



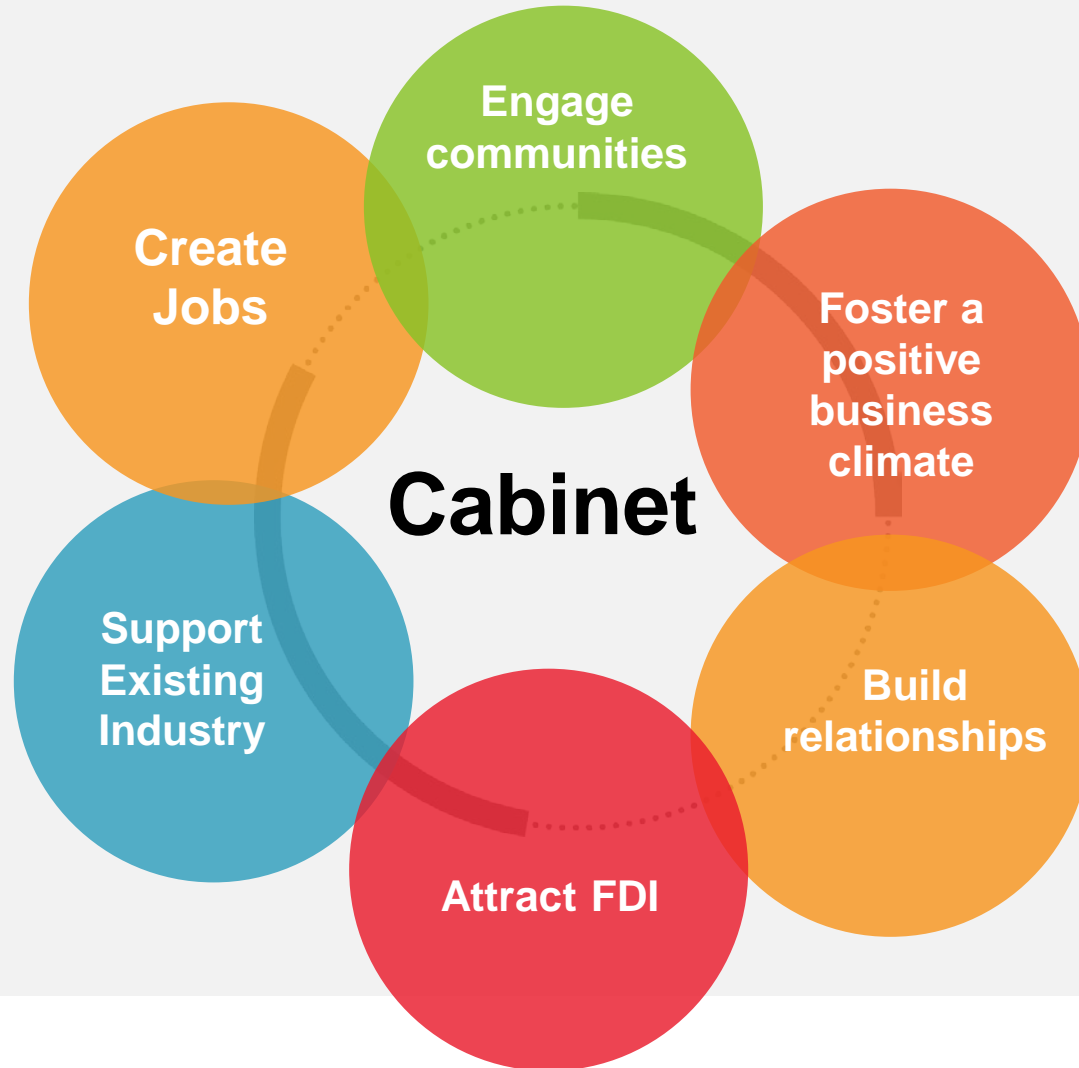
Business climate ranked  
**3rd** nationally



Record exports for **6**  
consecutive years

# Our Mission

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The Kentucky Cabinet for Economic Development is the primary state agency responsible for encouraging job creation, business retention and new investment in the state.

# THANK YOU