



CENTERSTATE  
CORPORATION FOR  
ECONOMIC OPPORTUNITY

CHALLENGE THE STATUS QUO

SEIZE THE FUTURE

CREATE A COMPETITIVE EDGE

BREAK BARRIERS

2015-2016 ANNUAL REPORT

DISPERSE

# DISRUPT

## Challenge the Status Quo



Each year this report provides a window into the accomplishments of our organization and its members, illustrates the many initiatives our organization was a part of in 2015, and offers a glimpse into what's on the horizon in the year ahead.

Our members know all too well that in any industry, change and risk are among the only constants. To succeed, it's not enough to keep pace with change - dynamic businesses must stay a step ahead of the competition, and embrace intentional, forward looking disruption to remain viable and relevant.

The same holds true for progressive communities. We must be open to new ideas and opportunities, and develop strategic, thoughtful and horizon-looking approaches in pursuit of them.

Therefore, our focus this year is on the theme of **Disrupt: Challenge the Status Quo.**

In this report you'll find stories highlighting how our members have risen to meet their own challenges, and how intentional disruption has paid off as they develop new business models, advance innovative technologies, and break into new markets. We also share how we have engaged with these partners to support their growth and success.

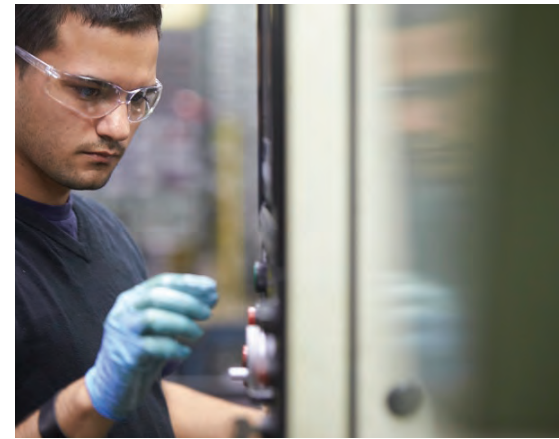
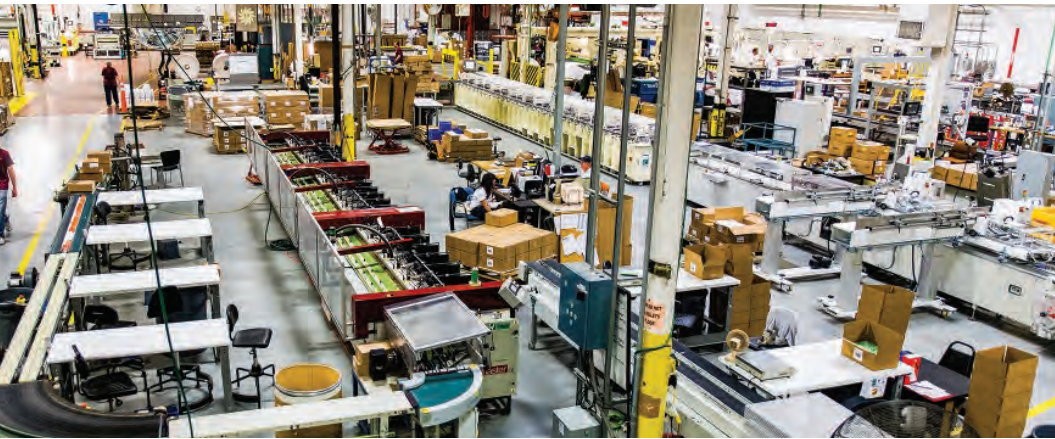
The recent \$500 million investment from New York State through the Upstate Revitalization Initiative holds unprecedented opportunity for our region. We have also begun difficult dialogues on our community's most pressing challenges - ranging from persistent rates of high poverty, government fragmentation, and sluggish economic growth - previously too daunting to discuss let alone convene partners to develop solutions.

The time is now to believe in and take ownership of our future. We must dare to address our most entrenched challenges, commit to accelerating our economic trajectory through bold, transformative approaches that are inclusive of all segments of our community, and explore how disruptive thinking can unlock the true potential for growth and progress.

Disruptive paths toward progress are seldom easy. However, now more than ever, we are in a unique position to constructively and creatively challenge the status quo to actualize our vision for better future. As you read our report, we hope that you will find inspiration and the tools to help your business or organization seize the new and exciting opportunities ahead.

**Robert M. Simpson**  
President





**CenterState CEO** is an independent and forward thinking economic development strategist, business leadership organization and chamber of commerce, dedicated to the success of its members and the prosperity of the region.

Our vision is for a vibrant and globally connected region recognized as a place where business thrives and people prosper.



# INTEGRITY. INCLUSION. AGILITY. COLLABORATION.

## ORGANIZATIONAL PARTNERS

- Benefit Specialists of NY
- CenterState CEO Foundation
- CenterState Chamber Alliance
- CenterState Development Foundation
- Central New York International Business Alliance
- CNY Biotech Accelerator
- Downtown Committee of Syracuse
- Downtown Syracuse Foundation
- Electronics Park, LLC
- New York Business Development Corporation
- Northeast Hawley Development Association
- Northside Business Alliance
- NUAIR Alliance
- Syracuse Center of Excellence
- Syracuse Tomorrow
- SyracuseFirst
- University Hill Corporation
- Upstate Minority Economic Alliance
- Visit Syracuse

## PROGRAMS

- 40 Below
- The Clean Tech Center
- Executive Dialogue
- Executive Leadership Development Series
- Export NY
- Fly Syracuse
- The Germinator
- Grants for Growth
- Member Advantage
- Northside UP / Work Train Collaborative
- NYS Innovation Hot Spot
- Student Sandbox
- UP Start Syracuse
- The Tech Garden

## PARTNERSHIPS

- Armory Square Ventures
- Brookings Institution
- Central New York Regional Economic Development Council
- Consensus – the Commission on Local Government Modernization
- Export-Import Bank of the United States
- Heron Foundation
- Manufacturers Association of Central New York





**Business Development initiatives make members, and the region, more competitive through economic development support, business attraction and retention efforts, and direct business resources.**

## BUSINESS RETENTION & EXPANSION

Companies are provided with guidance and hands-on consultative services to address business growth opportunities and retention challenges. In 2015, these efforts touched dozens of firms including Lockheed Martin, Hill-Rom, Saab-Sensis, Clintons Ditch Cooperative, Roth Global Plastics, Davis-Standard, Chemtrade Logistics, Tessa Plastics, Giovanni Foods, Anoplate, G&C Food Distributors, Felix Schoeller USA, Sunoco, and Innovative Interfaces. Completed and pending projects associated with just these companies involves the creation of **450 new jobs** and capital investment of **\$500 million**.



Felix Schoeller USA

## CONNECTIONS, VISIBILITY, COST SAVINGS & EMPLOYEE DEVELOPMENT

Direct business engagement and targeted programs help members gain a competitive edge. Collaboration with the CNY International Business Alliance supports the global fluency of members. To learn more, turn to page 20.

### 2015 Highlights

- Facilitated **200+** business to business connections between members
- Delivered education, leadership and networking events to **5,000+** business leaders and employees
- Offered cost savings through the regional Member Advantage program
- Executed **200+** Certificates of Origin for members who export



**Celebrating CNY's Business Legacy:**  
The year's Economic Champions Luncheon recognized 97 companies celebrating significant anniversaries.

### Program Spotlight: *Executive Dialogue*

The members-only Executive Dialogue program is designed exclusively for non-competing business owners, upper management, and company decision makers to confidentially discuss business issues. Benefits include peer-to-peer mentoring and candid and confidential expertise sharing on best practices and challenges.

*"Our Executive Dialogue group includes very like-minded C-suite executives. In a quick email or phone call I can get an unbiased point of view on a range of topics from experienced business people."*

– Scott Matukas, CEO, Virtucom Group



## BUSINESS ATTRACTION

CenterState CEO actively pursues business attraction leads to bring firms and jobs to the region, touting the strengths of the region's industries, workforce, central location, market accessibility, and natural advantages.

### International Connections

**Canada** – Business attraction efforts in Canada targets companies interested in expanding into the Northeastern United States. The program will take increased priority in 2016.

Results to date: 572 companies contacted, **66 leads** generated

**Hannover Messe, Germany** – CenterState CEO participated in the largest industrial trade show in the world in 2015 with Mohawk Valley EDGE. Germany ranks third a source of foreign direct investment for the region, and 4th as an export location. CenterState CEO will again be represented in 2016.

2015 Results: **124 new contacts** generated from 110 companies in 27 countries

**China** – 2015 saw results of earlier trade missions to China to strengthen connections in the world's second largest economy:

- **Empire Brewing Company** launched a second “tea beer” venture with a Chinese company, after participating in a 2014 CenterState CEO-led trade mission to China.
- CenterState CEO connected **SUNY Oswego** to Tech Bridge International, resulting in a Chinese startup establishing operations in Tech Garden II and participating in START-UP NY in cooperation with the college.

**SelectUSA Investment Summit** – This show, part of the U.S. Department of Commerce, attracts investors from all over the world to Washington D.C.

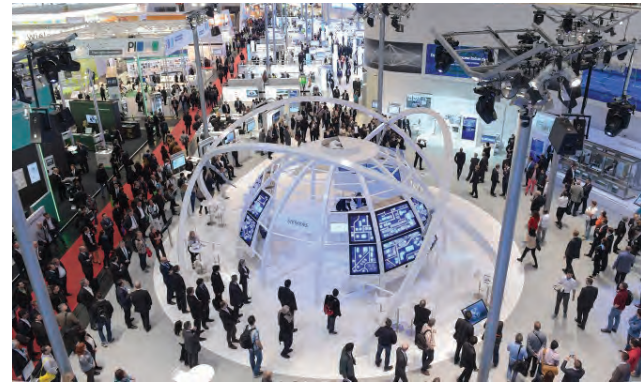
2015 Results: **33 new contacts** from 18 companies in 13 countries

### Target Industries

**Unmanned Systems** – CenterState CEO, NUAIR, and Mohawk Valley EDGE participated the largest unmanned aerial systems (UAS) tradeshow in the U.S., AUVSI/XPONENTIAL, to access more than 600 exhibitors and over 10,000 industry attendees, and promote the region's leadership in UAS. To learn more about NUAIR, turn to page 22.

2015 Results: **109 new prospects** from 56 companies

**Financial Services** – This sector employs approximately 24,000 people in the region. CenterState CEO is engaged in conversations with several large international firms regarding their presence in Central New York.



Hannover Messe, Germany



The Snow Dragon team sets up shop in Tech Garden II.

### *DISRUPT Approaches to Economic Development*

*“CenterState CEO's Business development team is disrupting the way services are delivered to our members and economic development opportunities are pursued in the community by combining our membership and economic development teams. Through this alignment we created a more nimble, responsive and focused set of resources to advance the economic competitiveness of our members across Upstate New York.”*

– Andrew Fish, Senior Vice President of Business Development,  
CenterState CEO







## Accepting Risk, Embracing Diversification | Sunoco Ethanol

Sunoco Ethanol's traditional lines of business involve converting corn into four products: fuel ethanol, corn oil, carbon dioxide and dry distillers' grains. Fuel ethanol is blended into gasoline which the company then supplies to clients including NASCAR; corn oil is used as a feedstock for biodiesel production; carbon dioxide is sold to companies who convert it for beverage and medical applications; and distillers grain is sold as livestock feed. Under its current business model the company's margins depend largely on the strength of the commodity (corn), and oil markets, which tends to be more volatile.

In an effort to diversify their business portfolio and revenue streams Sunoco will launch a barley malting operation in 2016. The company plans to purchase malting barley from New York farms, turn it into malt product and sell it to New York craft brewers. The introduction of this operation will result in new jobs and millions in new investment by Sunoco at its Fulton facility.

With craft beers exploding in New York and a push from Governor Andrew Cuomo for farm breweries to use more local ingredients, Sunoco saw a new market prospect and is making an initial investment and risk to benefit from the longer-term opportunity.

### CenterState CEO Engagement



Sunoco has been awarded a \$700,000 Central New York Regional Economic Development Council grant to help get the operation running.



CenterState CEO connected Sunoco with the New York State Brewer's Association and government officials to help the company navigate the requirements necessary to grow their malted barley operation.



Through the CNYIBA, Sunoco is participating in the award winning ExportNY program to learn about export techniques and available resources.





## Seizing a Niche in the Marketplace | TCGplayer.com

Before Syracuse-based TCGplayer.com became a leading online marketplace for the collectible gaming industry, the company was focused on the publication of content, both online and in print, for the card gaming industry. However, when the economic crisis hit in 2007, advertisers started pulling back and their primary revenue source disappeared.

Forced to rethink their business model, the leadership team recognized an opportunity to carve out a niche in the multi-billion dollar trading card industry by creating a digital marketplace to bring together buyers and sellers of collectible card games. Since this change in business model, the company has doubled in size each year since 2013, and has quickly become the technology leader in the collectible gaming industry. The company is looking to expand its services into international markets this year, starting with Canada, the United Kingdom, and Australia.

Since launching the TCGplayer.com marketplace the company has operated with a mind-set of adaptability to change and using technology and data to be at the forefront of the collectibles industry.

### CenterState CEO Engagement



The company was approved a \$50,000 Central New York Regional Economic Development Council grant to assist with the expansion of its office and warehousing space and the purchase of related equipment and furniture; and is eligible for up to \$200,000 in Excelsior jobs tax credits.



TCGplayer has consulted with the CNYIBA to advance its export strategy and efforts.



TCGPlayer was recognized as a 2015 CenterState CEO Economic Champion.



In 2014, a formative growth year for TCGplayer, the company utilized the tools and programs of The Tech Garden as a virtual tenant. It has since graduated from The Tech Garden and is an anchor of a growing tech corridor on Syracuse's South Warren Street.



*CenterState CEO has created a vibrant innovation and entrepreneurship ecosystem where technologies are developed, business models are nurtured, and entrepreneurs and innovators thrive. Facilities, programs, and resources provide an extensive menu of support that can be matched to almost any stage of the business life cycle.*

## FACILITIES

CenterState CEO and its partners manage several business incubators and R&D spaces specializing in future-setting industry sectors, such as digital and biotechnologies. Combined, these facilities offer more than **150,000 square feet** of space, with over **100 companies** being served.

### Start & Grow Your Company at:

- The Tech Garden
- The Clean Tech Center
- CNY Biotech Accelerator
- Syracuse Center of Excellence

### Facility Spotlight: *The Clean Tech Center*

The Clean Tech Center is one of six NYSERDA state-sponsored clean technology incubators, operating out of CenterState CEO's Tech Garden. It serves as a critical component of the regions startup community, providing ready access to investors, development partners, mentors and commercialization resources.

- 21** companies supported
- 8** company graduates
- \$2.7+ million** NYSERDA investment
- \$22 million** in private investment leveraged
- 154** clean tech jobs created/retained
- 30** new products developed



*Clean Tech company EkoStinger discusses its tractor trailer undercarriage system that increases fuel efficiency.*

### Tech Garden Grows

In 2015, **The Tech Garden added an additional 18,000-square-feet** in AXA Tower II to meet a growing demand for incubation space and support services. On average there are 25 companies located at this growing technology campus in downtown Syracuse, plus more than 20 more virtual residents, employing over 120 people. In a given year, as many as 60 companies engage in our programs.



*A gala in 2015 marked The Tech Garden's 10 year anniversary, turning an abandoned parking garage in downtown Syracuse into a hub of innovation.*



## PROGRAMS

In 2015, CenterState CEO awarded more than \$1.5 million in funding to participating entrepreneurs through six different programs. These programs provide individualized support for companies at all stages.

### Program Spotlight:

#### Genius NY

GENIUS NY (Growing ENTREpreneurs & Innovators in UpState New York) is a business competition that aims to create a world-class acceleration experience for high quality startups. Genius NY is supported by \$5 million from NYS Empire State Development, and is among the largest competitions of its kind in the country. The competition kicks off in 2016 and is open to candidates from around the globe.



**\$2 million** in prize money

**\$1 million** top prize

**\$1.5 million** in support services (e.g., subsidized rent, entrepreneur stipends, speakers, advisors, developers)

#### Grants for Growth Turns 14

Grants for Growth is a unique seed program that, through direct support from NYS Senator John DeFrancisco, invests in innovative applied research projects between universities and industry to improve business competitiveness and create jobs.

2015: **\$675,000** awarded to **13** companies

Over 14 rounds: **\$3.8 million** invested in **54** projects across **7** counties

**\$44.8 million** in additional investments leveraged

**68** patents created

**870+** potential new jobs



Grants for Growth company Euphony, Inc. explains this product to Senator John DeFrancisco.

## RESOURCES

Resources are aligned with an entrepreneur's needs and include service providers, mentors, advisors, and investors, as well as in-house staff for support.

- Pre-seed Workshops
- STARTUP-NY
- NYS Innovation Hot Spot
- Sandbox
- Hackathons
- Tech Meet Ups
- Educational Speakers



Industry experts from NUAIR discuss unmanned systems operations at a CenterState CEO seminar at The Tech Garden.

### DISRUPT through Innovation

*"Disruptive innovation is often essential for startups, or even mature businesses, but it can be hard to pull off. CenterState CEO initiatives and extensive partnerships to support innovation can help Central New York entrepreneurs break out of the box and take their ideas to the next level."*

– Rick Clonan, Vice President of Innovation & Entrepreneurship, CenterState CEO



SpinCar is disrupting the more than \$2 billion automobile marketing industry, transforming how buyers shop for automobiles and how dealers showcase their inventory and drive sales. Using a unique 360-degree view technology, SpinCar provides dealers with a new tool to engage the growing market of online shoppers.

The technology also collects data to help them better understand what each buyer is looking for. As a result, dealers using SpinCar's technology are seeing an on average increase of 42 percent in online leads, which translates to new sales and increased revenue. SpinCar has experienced massive growth, now helping dealers all over the world.



## CenterState CEO Engagement



While headquartered in New York City, SpinCar opened an inside sales center at CenterState CEO's The Tech Garden in Syracuse. This flexible space enabled the company's expansion allowing it to test new distribution channels and within 90 days, the team grew to more than 20 people in Syracuse - now one of SpinCar's strongest business units.



SpinCar has participated in several CenterState CEO engagement and networking events. At one event they were connected to Stonehenge Growth Equity Partners, now the company's lead investor.



SpinCar attributes part of its success to its ability to maintain a tight culture across multiple offices. The company has a program where employees spend time in multiple offices. CenterState CEO has helped make this program feasible by offering flexible work space and relationships with local hotels.





## Academic Collaborations Reshape a Community | Onondaga Community College

Onondaga Community College (OCC) is a leading academic institution that goes beyond the traditional role of a community college by partnering with local business and institutions to develop workforce training programs that create career pathways as a means to disrupt the cycle of un-and-under-employment in the community.

In 2016 OCC will return to the city, where it was originally located, to advance its workforce efforts with the opening a new facility on Syracuse's Northside. In an effort to be more accessible to those in need of specialized training programs, they will establish a new campus in partnership with CenterState CEO and St. Joseph's Hospital Health Center.

As part of the State University of New York system, OCC has served Central New York since 1962. More than 40,000 people have graduated from OCC, and over half a million people have availed themselves of the college's programs and services. The college awards nearly 1,500 degrees, annually. The new campus will provide even greater opportunity to deliver the quality education needed to help bridge the academic and skills gap between the jobs that exist and those that need them most in the community.

### CenterState CEO Engagement



As a critical partner in CenterState CEO's Work Train efforts, Onondaga Community College provides foundational skills and training to un-and-underemployed residents in the greater Syracuse community. Together with local employers in health care and manufacturing, OCC has established an employer-led curriculum that provides job readiness training and direct connections to entry-level employment.



*CenterState CEO's newly formed Economic Inclusion portfolio represents an organization-wide commitment to ensuring that economic development strategies are inclusive of those frequently disconnected from growth. We convene and support partnerships to address issues of poverty and economic disparity, and to leverage the often overlooked talent in our region to create greater prosperity.*

## WORK TRAIN

Led by CenterState CEO, Work Train builds partnerships with employers to develop workforce solutions that address the needs of industry while creating career pathways for the un-and-underemployed.

### **Work Train Supporters:**

United Way of CNY | Allyn Foundation | Gifford Foundation  
CNY Community Foundation | Reisman Foundation  
City of Syracuse | Onondaga County Civic Development Corporation | Empire State Development



### **Health Train**

In partnership with SUNY Educational Opportunity Center, On Point for College, and several community partners, Work Train has developed an intensive health care work readiness and career pathway program to meet frontline health care employment demands.

**125+** individuals placed in 2015

**200+** individuals estimated to be placed in 2016

### **Manufacturing Careers Partnership**

With funding and support from NYS Assemblyman Al Stirpe, Onondaga Community College, MACNY, Central New York TDO, SUNY EOC and On Point for College, Work Train is addressing workforce challenges in the manufacturing industry. OCC's Machine Operator training program successfully placed 15 students into manufacturing jobs in its pilot effort. The Manufacturing Careers Partnership will launch additional programs in 2016.

### **Alliance for Economic Inclusion**

#### **CNY RISING | Upstate Revitalization Initiative**

The URI recommends investing \$50 million over five years to establish the Alliance for Economic Inclusion, which will lead and implement strategies to train workers, eliminate misalignment of skills, increase education, fight blight and address homelessness. The goal is ensure that no Central New Yorkers are left behind as these efforts are pursued.







## NEIGHBORHOOD & BUSINESS DEVELOPMENT

CenterState CEO advances urban revitalization and enables business growth through unique initiatives, programs and advocacy.

### Up Start

Up Start helps develop businesses within low-income neighborhoods and underrepresented communities, establishing **13 businesses** in its pilot phase, including Aloha Bento Express downtown and Salt City Coffee on Syracuse's Southwest side. Up Start is poised to expand in 2016 with support from the Onondaga Civic Development Corporation, Bank of America, and the Upstate Minority Economic Alliance.

### Northside UP

In partnership with St. Joseph's Hospital Health Center, Catholic Charities of Onondaga County, and several neighborhood partners, the Northside Urban Partnership (Northside UP) continues to contribute to the revitalization of Syracuse's near North Side. In 2015, Northside UP convened Onondaga Community College, St. Joseph's Hospital Health Center, and the Onondaga County Industrial Development Agency to develop the **Northside Training and Entrepreneurship Center**, to revitalize vacant properties and create a hub for economic opportunity for un-and-underemployed in Syracuse.

### *DISRUPT Traditional Models of Economic Development*

*"CenterState understands that while the Central New York economy is on the rise, our region suffers from economic disparity and increased rates of poverty. Residents within inner-city neighborhoods, rural communities and, increasingly, inner-ring suburbs struggle to access jobs and build wealth. We've taken on this expanded role focused on economic inclusion – one that is outside the traditional scope of work for an economic development organization – because there is considerable economic impact in empowering the countless workers and entrepreneurs in our community who struggle to participate in the economy."*

- Dominic Robinson, Vice President of Economic Inclusion, CenterState CEO





*Research, public policy and initiative development supports members with strategic and day-to-day decision making, intelligent solution-oriented public policy analysis and business advocacy, and expertise in place making, planning, urban revitalization, and strategic property redevelopment.*

## REGIONAL STRATEGIES

CenterState CEO partners with the Brookings Institution on regional programs to reinvigorate the economy, including a Metropolitan Export Initiative (MEI), Metropolitan Business Plan (MBP) and the Global Cities Initiative in collaboration with J.P. Morgan Chase.

### Tapping Foreign Investment

In 2015 the region was accepted into a new program focused on developing a more effective **Metropolitan Foreign Direct Investment** (FDI) strategy.

Together, the MEI and the FDI programs are structured to help Central New York build its economy through global engagement. Brookings is advising CNY on how to be more effective in securing FDI, while providing strategies for regional firms to secure capital from abroad. A new regional FDI plan will be released in 2016.

## INFRASTRUCTURE

CenterState CEO is focused on key regional projects with potential to spur investment, build density, reduce sprawl, and enhance regional infrastructure assets to strengthen the region's overall competitiveness.

### Interstate 81

CenterState CEO is advocating for a transformative solution for I-81 that will meet the region's transportation needs while enhancing the community's economy and sustainability. CEO and its organizational partners, including the Downtown Committee, are active in the state's planning process, and many CEO members and staff serve as part of the Study Advisory Committees on sustainability and economic development. The number of viable options for the future of the highway is narrowing; CenterState CEO will work to build a community consensus and a forward looking solution.



### Inland Port

#### CNY RISING | Upstate Revitalization Initiative

Included as a strategic priority in the Upstate Revitalization Initiative, the Inland Port project is a transformative infrastructure opportunity that will make it possible for existing businesses to get to international markets at a lower price, and attract more agriculture, manufacturing, distributors, and logistics firms to the region. The program will take advantage of the region's railroad, highway and proximity to the port of New York and New Jersey. \$80 million in state funding has been pledged to help the region take advantage of these opportunities.





## PUBLIC POLICY ANALYSIS & BUSINESS ADVOCACY

Through the development and execution of targeted policy and advocacy efforts and connections to public sector partners at all levels of government, CenterState CEO's addresses issues that impact the region's business climate.

### 2015 Advocacy Highlights:

- Briefed Congressman John Katko on CenterState CEO priorities, including the policy needs of the NUAIR and the UAS industry, support for Federal funding for the proposed inland port, and the Consolidated Appropriations Act of 2016.
- Worked with Congressmen Katko and Hanna, and Senators Schumer and Gillibrand to resolve a federal country of origin labeling issue that threatened major Canadian markets for members.
- Many federal, state and local policy priorities outlined in CenterState CEO's 2015 Legislative Agenda achieved success or progress.
- Provided opportunities for members to meet with elected officials and policy leaders.

### Setting the Agenda

#### CNY RISING | Upstate Revitalization Initiative

The MBP created strategies and initiatives to build on and strengthen the region's assets, and address critical needs. Many of the MBP's resulting initiatives, such as establishing the Data to Decisions Innovation Alliance and a commission on government modernization, became the basis for CNY's successful Upstate Revitalization Initiative (URI) proposal in 2015, earning the region an unprecedented \$500 million state investment.

Included in the URI's six strategic initiatives is \$250 million in investments to establish a global center of unmanned systems and cross-connected platforms; and \$25 million designated to advance the work of Consensus, the local commission leading New York's first comprehensive, county-wide review of local governance.



Consensus members announce preliminary options for government modernization.

After 18 months of research and public input, Consensus released more than 50 recommendations on opportunities to reduce the cost of governance, improve services and promote economic growth. Final recommendations are expected in 2016 after a period of public comment.



### DISRUPT with Data & Bold Strategies

*"As an innovative forward looking organization CenterState CEO utilizes data, information and insight from the business community, and relationships with some of the most important policy think tanks in the United States, to create bold agendas for regional growth. Additionally, through the development and execution of targeted policy and advocacy efforts and connections to public sector partners at all levels of government, we are able to intentionally disrupt the challenges that impact our members and the region's business climate."*

-David Mankiewicz, Senior Vice President, CenterState CEO





*The Downtown Committee of Syracuse helps keep downtown clean, safe and attractive to business activity, new residents and visitors. Through programs focused on business services, economic development and attention to the public realm, the Downtown Committee partners with CenterState CEO to encourage growth in the city center.*

## 2015-2016 HIGHLIGHTS

- **Business Development** – 21 new retail businesses and restaurants set up shop downtown.
- **Security** – Partnered with the Syracuse Police Department and Assemblyman William Magnarelli to install security cameras, wired into the SPD’s existing camera network, to provide an enhanced sense of safety, deter crime, and maintain Downtown’s status as one of the safest neighborhoods in Syracuse.
- **Town-Gown** – In January, 2016, **Le Moyne College** moved its Occupational Therapy program into the Larned Building on Warren Street, joining the SUNY Oswego Metro Center and Syracuse University in establishing a downtown presence.
- **Residency** – The city center is bursting with residential activity, with **occupancy holding steady at 99%** and ongoing demand for new units.

**3,200+** residents

**40%** increase in residency in last 5 years

**240+** new apartments under construction | **200+** units planned

**900** new residents expected in the next 2 years



*Café Kubal celebrated the opening of its second Downtown location in Creekwalk Commons in May 2015.*



*President Linda LeMura is joined by community partners and others from to open Le Moyne’s new Occupational Therapy master’s program in downtown Syracuse.*

## 2016 OUTLOOK

Significant investment downtown in the last five years has shifted a once primarily office environment to a 24/7 neighborhood. More than **\$340 million is invested** in projects expected to be completed in 2016.

### **DISRUPTIVE REDEVELOPMENT: City Center**

The redevelopment of the long vacant former Sibley’s building, at the corner of S. Salina and Jefferson Streets, brings together unlikely partners: real estate developers and a nonprofit arts organization. City Center is a first of its kind project that will create a performing arts hub with the relocation of the Red House Arts Center, while attracting new commercial amenities to the former department store building on Syracuse’s main street.

The more than \$30 million multifaceted project supports the long term sustainability of the Red House Arts Center. The strengthened presence of the art community downtown will support the vitality of the business district. Combined, they create further energy and momentum for the revitalization of downtown Syracuse.







## An Historic Icon Evolves | **Hotel Syracuse**

The former Hotel Syracuse is one downtown's most iconic properties. For nearly a century the historic hotel hosted countless major events for many Central New Yorkers. The hotel closed in 2004 and sat vacant for more than a decade. While there was a clear need for a convention center hotel, the community struggled with how to address the aging property.

In 2014, a developer with local roots emerged with a clear vision for the community to rally behind, and a strong belief that believed the Hotel Syracuse could be restored to its former glory.

Ed Riley purchased the hotel and began a massive \$70 million renovation to transform the 90-year-old property into a full-service luxury hotel. He coordinated support from local businesses, banks, and state government incentives to ensure a viable project.

Preserving the hotel's history also called for some significant changes. When the property reopens in 2016, it will do so as the Marriott Syracuse Downtown.

With the designation as the county's official convention center hotel, Riley has proven that a project steeped in history can be both a reminder of where the community has been and a symbol of a stronger future. By honoring the hotel's legacy and executing a long-range vision, he has set the course for the hotel's next chapter.

### CenterState CEO Engagement



The project was awarded a significant investment through the CNY Regional Economic Development Council (CNYREDC), as well as Historic Rehabilitation Tax Credits (HRTC). CenterState CEO plays a leading role in the CNYREDC process and is a strong advocate for HRTC, which impacts numerous projects in downtown Syracuse.



CenterState CEO connected Ed Riley to local service providers including Strategic Communications LLC, which now performs communications and public relations work for the project.



Visit Syracuse played a leading role in helping the former Hotel Syracuse earn the designation as the convention center hotel.



The Downtown Committee is convening partners around the concept of a Convention District and the goal of making downtown's southern end more engaging as a means to further support this community investment.



As an affiliate of CenterState CEO and Onondaga County’s official marketing organization, Visit Syracuse strengthens the positive awareness of Syracuse and the County as a convention and visitor destination, and stimulates economic development for the community.

## 2015 HIGHLIGHTS

- **Conventions** – The Visit Syracuse team provided services to 106 meetings and events and **103,900+** visitors.
- **Travel Spending** – Travelers to Onondaga County spent approximately **\$863.2 million**; a 6.8 percent increase from prior year, and the second highest tourism growth rate amongst New York State major metropolitan areas.\*
- **Taxes** – Tourism generated **\$64.4 million** in local taxes (a 4.3 percent increase from 2013), saving each household in Onondaga County more than \$600, annually.\*
- **Employment** – Tourism employs **17,470+** people in Onondaga County (4th largest employer in New York State).\*
- **PR** – Media coverage by: CNN, USA Today, Yahoo Travel, ABC News, and **The Huffington Post**.
- **VisitSyracuse.com** – Website traffic from across the globe is strong thanks to the digital campaigns launched with Brand USA, Pinckney Hugo and Syracuse Media Group, including **15,000** new visitors in 2015 from the Toronto and Ottawa markets. Overall web traffic is up 3.14 percent.



\* Source: 2014 Tourism Economics Report

### VisitSyracuse.com Global Web Traffic



## 2016 OUTLOOK

Moving forward, efforts will continue to personalize the brand to create interest and intrigue for each individual customer. The goal is to take a traveler’s reason(s) for visiting and customize their experience in such a way that they leave with memories and a sense of connection to the area. These efforts include:

- Engaging community partners in the brand strategy.
- Utilizing the new visit Syracuse website, sales programs, and public relations outreach to drive more conventions to the area.

### DISRUPTIVE BRANDING: Do Your Thing

Visit Syracuse’s new brand creates a bold, action-based challenge to the over-used tourism slogan, “Something for Everyone.” **Syracuse. Do Your Thing** reverses that message for all visitor audiences and market segments - leaving it to the consumer to define his or her own “thing.”

The brand does more than simply sell and promote things to see and do. It communicates the freedom and empowerment created by the Syracuse regional experience. It also connects with our past heritage as a center for social progress, while encouraging individuality and uniqueness.



In a collaborative effort, Visit Syracuse helped secure the World’s Canal Conference 2017, a direct result of ongoing redevelopment of the Inner Harbor.



Visit Syracuse partners with Emmy-nominated and award-winning Celebrity Chef Julie Taboulie to promote tourism in Central New York.



University Hill is the region’s premier educational and medical complex, employing more than 25,000 jobs and welcoming 25,000 students. CenterState CEO coordinates strategic economic development efforts with the Hill Corporation to support regional growth.

## ONGOING INITIATIVES

- **Medical Tourism** – To explore, in partnership with Visit Syracuse, potential medical tourism opportunities that could take advantage of the region’s substantial health care assets.
- **Energy** – To address University Hill energy supply, efficiency and management in conjunction with National Grid.
- **Interstate 81** – Coordinating ongoing engagement on the future of I-81, as the reconstruction of the interstate will have a major impact on University Hill, directly adjacent to the highway.



## UNDER CONSTRUCTION

Within the last three years, more than **\$650 million** has been invested in University Hill, with housing students and young professionals a popular investment.

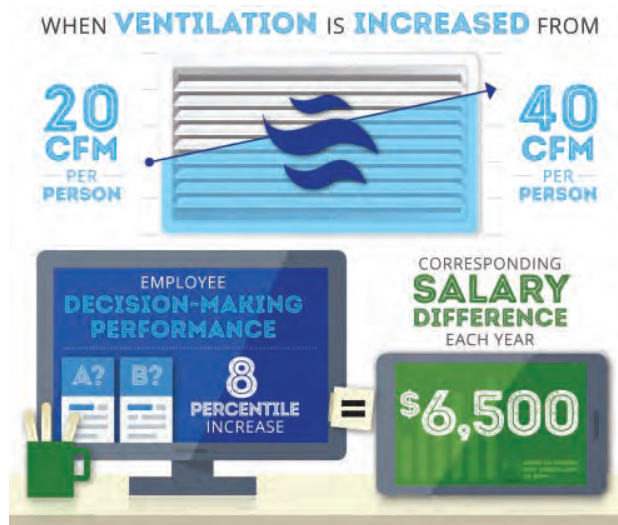
*Skyler Commons, part of University Hill’s development boom.*

### DISRUPTIVE RESEARCH: Partners in Industry & Innovation

CenterState CEO’s partners with the **CNY Biotech Accelerator (CNY BAC)** and the **Syracuse Center of Excellence (SyracuseCoE)** to bring together the expertise of the region’s health and medical institutions, research and development opportunities, and innovations from the business community. The CNY BAC is poised to lead advancement in precision medicine and digital pathology that could position the facility and its R&D work as a model for regions across the country. In 2015, SyracuseCoE in collaboration with Upstate Medical University, Syracuse University, Harvard University, and CenterState CEO-member United Technologies was part of groundbreaking research that documented the relationship between indoor air quality and human productivity.



The Total Indoor Environmental Quality Lab is housed at Syracuse Center of Excellence. The lab was used to simulate conditions observed in different office environments.



Source: *The Impact of Green Buildings on Cognitive Function Study*

*The CNYIBA provides experienced export guidance to help companies identify target markets and international buyers; build connections to regional, national and international export resources; create export plans; find logistics resources, and secure overseas payments. It also offers assistance with pricing strategies, compliance and regulatory challenges, distribution strategies and execution of overseas contracts, and offers educational events and programs – all to enhance the global sales of businesses and grow the 12-county CenterState New York region’s \$8.6 billion in annual exports.*

## 2015 HIGHLIGHTS

- **Met with 120+** exporting companies across **19 industry sectors**.
- Held **15 CNYIBA-hosted events** for exporters.
- Participated in **20 regional events** to promote export strategies.
- CNYIBA membership grew to **50+ regional companies**.
- Utilized a \$225,000 **International Trade Administration grant** to assist companies in exporting Digital Electronics products to the ASEAN region.
- Helped a regional company, with 70 percent of its \$2 million in annual sales in exports, set up an Interest-Charge Domestic International Sales Corporation to take advantage of tax incentives, **saving the company more than \$25,000**.
- **7 companies** participated in the Export NY program



*CNYIBA hosted Robert D. Manogue, Director of Bilateral Affairs at the U.S. Department of State, to discuss the Trans-Pacific Partnership trade Agreement with regional exporters.*

## 2016 OUTLOOK

Continued opportunities are on the horizon in 2016 for exporters and companies considering exporting:

- **Mission Singapore** - A spring 2016 trade mission to Singapore and the ASEAN region in May will connect up to eight digital electronics companies with potential buyers (identified in advance of the trip). The mission includes financial support to the companies to cover travel and marketing expenses, and support from the CNYIBA.
- **Ready for Landing** - The new JPMorgan Chase Export Catalyst Pilot Program will test a new concept to ‘parachute’ export specialists into four regional companies for up to three months to provide customized hands-on, experienced support as companies look to bolster the skills and competences necessary to boost their firm’s exports.

### **DISRUPTIVE EXPORTS: Connecting to Global Markets**

Celsius Equipment, a Singapore-based installer of refrigeration systems for cold stores, had attempted wine cellar refrigeration projects in the past. However, those systems were not able to achieve ideal temperature and humidity conditions for wine storage. Enter North Syracuse manufacturer **Air Innovations**, whose signature Wine Guardian equipment maintains ideal temperature and humidity conditions for the long term aging of fine wine. Thanks to connections Air Innovations made through a CNYIBA trade mission to Singapore, it has received several major orders from Celsius and other foreign customers in 2015.



*Air Innovations’ Wine Garden system.*





## Disruptive Energy | KOHILO

KOHILO is a wind energy company that manufactures vertical axis wind turbines. The company's disruptive innovations are creating new growth opportunities by setting new standards for efficiency in the wind energy industry. Unlike existing vertical turbines, the Kohilo Wind turbines are able to produce more power from lower wind speeds. By directing wind to a specific location the turbines create a vacuum effect. The combination of the vacuum effect, compression and concentrated flow of the wind, makes their product more efficient than anything else on the market. Their industry-leading design also reduces backside drag which allows them to generate electricity at lower wind speeds which means there is no limitation on installation locations and no need for towers.

In addition to its focus on advancing leading edge wind energy technologies, the company is also committed to growing from its headquarters in Auburn. KOHILO is working to change the employment landscape by expanding into international markets while creating new high paying jobs for the local community. Additionally, KOHILO's turbine components are sourced from a local company. Its long-term vision is to increase the plant's capacity from one to three shifts.

### CenterState CEO Engagement



CenterState CEO connected KOHILO to initial customer networks to help them work through prototypes, as well as testing partners to analyze its products. Through Tech Garden resources the company has advanced its business strategy and fundraising efforts. The company was also connected to CenterState CEO's partner, the Syracuse Center of Excellence, to conduct computational fluid dynamic testing.



KOHILO participated in the CNYIBA's ExportNY program, which advanced the company's ability to expand into new international markets. As a member of the CNYIBA, the company received assistance connecting to buyers from the Philippines and Brazil, and in securing its first orders to the Philippines; repeat orders are expected.

NUAIR works with CenterState CEO to advance the economic development opportunities that the UAS industry holds for the region. The Alliance leads 90+ partners in managing one of six FAA-designated UAS test sites in the U.S., and is at the forefront of public policy development, public acceptance, commercialization, and integration of UAS technology.

## 2015 HIGHLIGHTS

- **Industry Leadership** – A **35% increase** in UAS testing activity included the demonstration the Lockheed Martin KMAX’s forest fire fighting capability, leading to two K-Max deployments for the U.S. Dept. of Interior. The \$4 million Saab Sensis, SRC, and Harris Corporation ground based sense and avoid range instrumentation system was installed at Griffiss International Airport, making it the first commercial airport with this state of the art technology.
- **Expertise** – NUAIR leadership made **150+ public education presentations**. Its Annual Industry Days in September 2015 attracted more than 150 attendees and 35 exhibitors.
- **Training** – Four NUAIR pilots were trained and certified on the Lockheed Martin’s Indago, furthering testing capabilities.
- **Testing** – Griffiss and AX Enterprizes, an Oneida County-based WBE engineering company, is collaborating with NUAIR on the execution of the first two projects of a five year, up to **\$5 million contract** with NASA.
- **Business Attraction** – NUAIR and CenterState CEO’s business attraction efforts placed the first UAS company at Griffiss: Pro Drones USA, which is participating in START-UP NY with Mohawk Valley Community College.



ProDrones will invest \$1 million to develop its business and bring new jobs to the area

## 2016 OUTLOOK

2016 will bring new projects to support NASA’s project, the FAA’s UAS Center of Excellence, advancements in UAS beyond visual line of sight flights, detect and avoid systems development, and public policy governance. Looking ahead, NUAIR will exhibit and demo flights at the Syracuse Hancock International Airport airshow in June 2016, and will again have a prominent presence at the AUVIS 2016 conference in New Orleans.

## Unmanned Systems

### CNY RISING | Upstate Revitalization Initiative

CNY’s \$500 million Upstate Revitalization Award included \$250 million for UAS industry developments. In the United States alone, the UAS industry will create more than 100,000 jobs and \$82 billion in economic impact by 2025. Central New York is mobilized to play a leading role in the global development of this industry. Major UAS and systems integrators, including Lockheed Martin and Saab Sensis, call the region home. The region’s test site designation also brings partnership and interest from the FAA and NASA in developing a regional support infrastructure for growing UAS technologies. The resources provided through the URI will further these efforts.



### DISRUPTING AN INDUSTRY: First in Flight

The Air National Guard’s 174th Attack Wing flew its first MQ-9 drone from Hancock Field in December 2015, becoming the first unmanned plane in the nation chosen by the FAA to fly in commercial airspace. Additionally, Aurora Flight Sciences’ Centaur completed the first unmanned flight of a large general aviation aircraft.



MQ-9 drone at Hancock Field





## Stepping up to Fill the Gap | OneGroup

Today, drones are everywhere, and as more businesses and individuals begin to utilize the technology for commercial or hobby purposes the need for insuring those devices is anticipated to grow exponentially. OneGroup, which specializes in insurance, risk management, employee benefits and financial planning, realized this significant market opportunity and established a new business line to provide small businesses with the first locally available a UAS insurance package.

OneGroup developed its team's knowledge and expertise so it could effectively advocate and deliver affordable insurance coverages for UAS. The company is now poised to lead the local market for UAS insurance, thus supporting the growth of a sector that has tremendous implications for the region.

### CenterState CEO Engagement



OneGroup has partnered with the NUAIR Alliance to offer information and advice on insuring UAS to NUAIR Alliance Partners and companies testing at the NUAIR test site.



OneGroup received a \$500,000 Central New York Regional Economic Development Council capital grant to incentivize the more than \$8 million redevelopment of its offices. The new strategically located building, completed this year, is now able to accommodate job creation associated with the firm's growth.

SyracuseFirst helps independent local businesses and entrepreneurs thrive by facilitating collaboration and connections.

## 2015 HIGHLIGHTS

- **Buy Local Bash** – 110 businesses and organizations participated in the largest Buy Local Bash to date, attended by more than **750 people**. The annual event brings together community members and local merchants at a shopping and tasting event to highlight the locally owned, independent businesses. This unique event brings awareness to SyracuseFirst’s mission, and kicks off support of local businesses during the holidays.
- **Tech Meets Taste** – More than 200 attendees interacted with representatives from more than 40 cafes, restaurants, and startups as part of The Tech Garden’s 10 year anniversary celebration.
- **10% Shift** – More than **150 businesses** and over 2,200 residents have taken the pledge to shift at least 10% of their spending to locally-owned independent businesses.
- **New Economy Summit** – More than 120 people attended the half-day summit, featuring a nationally recognized workshop on customer service presented by ZingTrain. Two local business owners were honored for their contributions to the community: Wendy Meyerson, owner of Natur-Tyme, and Matt Goddard, owner of Café Kubal.
- **Annual Survey** – For the fifth year in a row, nearly **100 SyracuseFirst businesses** participated in a national survey that demonstrated the enormous impact a sustained “buy local” campaign can have.



## 2016 OUTLOOK

2016 is shaping up to be a historic year for SyracuseFirst and its members, with new visibility opportunities, programs and speakers, and a focus on the emerging and untapped opportunity of local investment in small business.

### **DISRUPTIVE ACTIVISM: National Survey Results**

- Independent businesses in communities with an active “buy independent/buy local” campaign run by grassroots groups saw revenues grow by 7.4% in 2015 – compared to a 4.2% increase in communities without such an alliance.
- 76% of business owners who actively market their participation in their group reported positive impact on their business.





<b>ASSETS</b>	<u>Amount</u>	<b>CHANGE IN NET ASSETS</b>	<u>Amount</u>
<b>Current Assets</b>		Total Revenue	\$ 11,379,469
Cash & Cash Equivalents	\$ 3,473,563	Total Expenses	\$ 11,161,593
Investments/Receivables/ Prepaid Expenses	\$ 7,748,823	<b>Revenue in Excess of Expenses</b>	<b>\$ 217,876</b>
Other Assets	\$ 947,396		
<b>Total Current Assets</b>	<b>\$ 12,169,782</b>	<b>EBITDA</b>	<b>\$ 404,684</b>
 <b>Property and Equipment</b>			
Net Property & Equipment	\$ 1,985,689	<b>KEY PERFORMANCE INDICATORS</b>	
<b>Total Assets</b>	<b>\$ 14,155,471</b>	Current Ratio	1.48
		Profitability	1.91%
 <b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable/ Accrued Expenses	\$ 5,530,926		
Deferred Revenue	\$ 2,673,628		
<b>Total Current Liabilities</b>	<b>\$ 8,204,553</b>		
 <b>Total Liabilities</b>	<b>\$ 8,204,553</b>		
 <b>Net Assets</b>			
Unrestricted Net Assets/ Retained Earnings	\$ 5,708,199		
Temporary Restricted	\$ 242,719		
<b>Total Net Assets</b>	<b>\$ 5,950,918</b>		
<b>Total Net Assets &amp; Liabilities</b>	<b>\$ 14,155,471</b>		

\*As of December 31, 2015 (preliminary and unaudited)

# CenterState CEO Membership

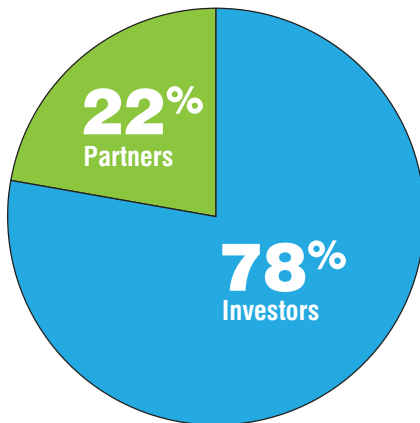
Our members benefit from a variety of programs and services, access to business development assistance, government advocacy, and opportunities for promotion and connections to nearly 2,000 businesses of all sizes across Central and Northern New York. Our members are also part of CenterState CEO's efforts to enhance business competitiveness, economic development and quality of life in the region.

CenterState CEO offers two broad levels of membership.

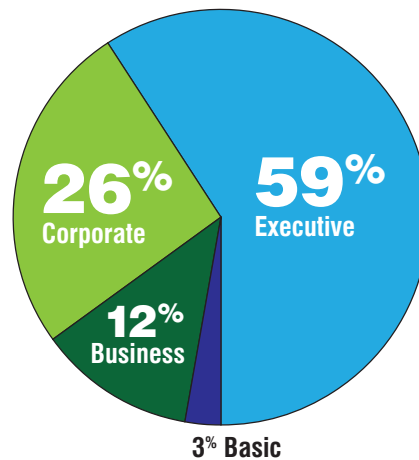
**INVESTORS** are the region's most prominent business, academic and not-for-profit leaders. These forward thinkers set, support and implement the organization's development agenda. Sharing a perspective that extends well beyond their own employees and organization, Investors drive a unified vision to build a region where business thrives and people prosper.

**PARTNERS** are the region's small to mid-sized businesses that are poised for growth. These businesses and their employees benefit from a full suite of services specifically designed to facilitate their success, including access to programs that help them save money, connect with other members, accelerate growth and profitability, develop staff knowledge and skills, and increase visibility for their company.

Membership Levels



Partners (4 Tiers)





# Member Achievements

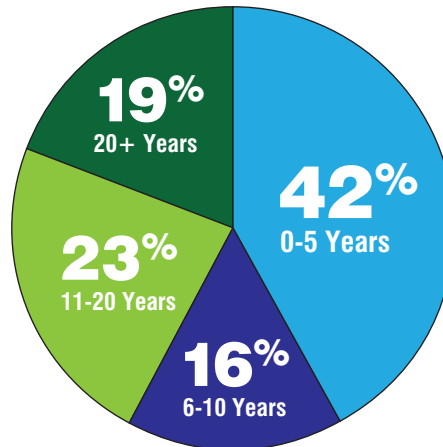
## 145

NEW MEMBERS  
WELCOMED

## 116

MILESTONES CELEBRATED  
BY CENTERSTATE CEO  
AMBASSADORS

### Membership Milestones



**234** Companies Recognized  
as Economic Champions for:

**97**   
anniversaries

**1,628**   
employees  
hired

**1.8 million**   
square feet  
of expansions

**\$ 1.1 billion**  
in investments

 **60** new  
businesses

## SOCIAL

**7,488** Active Social Media Followers **47%** Increase from Last Year



### LinkedIn

**84.2%** Increase in Followers  
**1,030** Current Followers  
**571** Followers Last Year  
**18** Total Member Touch Points (2015)



### Twitter

**26.4%** Increase in Followers  
**4,692** Current Followers  
**3,711** Followers Last Year  
**13** Events Live Tweeted  
**445** Total Member Touch Points (2015)



### Facebook

**127.9%** Increase in Audience  
**1,848** Current Likes  
**811** Likes Last Year  
**152** Total Member Touch Points (2015)



### YouTube

**70%** Increase in Views

## Leading Business and Economic Growth in CenterState New York

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## ACKNOWLEDGMENTS

CenterState CEO would like to express its appreciation to the public sector partners who provide leadership and financial support for our efforts across the region:

Hon. Andrew M. Cuomo, Governor, New York State

Hon. Kathleen C. Hochul, Lieutenant Governor,  
New York State

Hon. Charles E. Schumer, United States Senate

Hon. Kirsten E. Gillibrand, United States Senate

Hon. John Katko, U.S. House of Representatives

Hon. Richard Hanna, U.S. House of Representatives

Hon. Carl E. Heastie, Speaker, New York State Assembly

Hon. John Flanagan, Majority Leader,  
New York State Senate

Hon. John A. DeFrancisco, Deputy Majority Leader,  
New York State Senate

Hon. David J. Valesky, Deputy Leader, Independent  
Democratic Conference, New York State Senate

Hon. Patty Ritchie, New York State Senate

Hon. William B. Magnarelli, New York State Assembly

Hon. William A. Barclay, Deputy Minority Leader,  
New York State Assembly

Hon. Al Stirpe, New York State Assembly

Hon. Gary Finch, New York State Assembly

Hon. Pamela Hunter, New York State Assembly

Hon. Joanne Mahoney, Onondaga County Executive

Hon. Stephanie Miner, Mayor, City of Syracuse



**CENTERSTATE  
CORPORATION FOR  
ECONOMIC OPPORTUNITY**