

CONNECT %72

GROW %86

RISK %12

INNOVATE %25

%85

REINVENTION

INVENTION

LEAD %16

ANNUAL REPORT

%40

%56

CHALLENGE %80

CEO

CENTERSTATE CORPORATION FOR ECONOMIC OPPORTUNITY



**CENTERSTATE  
CORPORATION FOR  
ECONOMIC OPPORTUNITY**



## Message from the President

This report features stories from our members in fields as diverse as fiber optics, mobile applications, agriculture, and radio-frequency identification hardware. Yet they all share a common theme: each has embraced reinvention and continuous renewal to stay competitive, tackle challenges, and reach new heights in its business.

This theme also resonates in our region's history. We can look back fondly on breakthroughs achieved through invention - and reinvention - that define our region's progress of the past. Franklin, Carrier, General Electric. The list is long.

Fast-forward to the 1980s and '90s, marked by the loss of key employers and corporations, and it's easy to remember our region's share of trying times. Yet, there is undeniable evidence of real progress in recent years.

- The CNY Regional Economic Development Council (REDC) netted \$197.5 million in its first two years; more than any other region, and the North Country Regional Council was also a two-time winner. In the 12-county CenterState region, more than \$331.5 million in REDC funds is fueling 342 projects. This success is a direct result of growing regional cooperation.
- In downtown Syracuse, \$265 million in development is underway or recently completed. New businesses are moving into the urban center, bringing employees and renewed vibrancy.
- There is growth in key sectors, including advanced manufacturing, and growing expertise in sensor systems and digital devices, led by local companies such as Lockheed Martin, Saab Sensis, SRC, Anaren, INFICON and others.
- "Eds and Meds" across the region continue to act as economic development drivers by investing, attracting talent, adding employees, and taking a leadership role in their communities.

While we are moving in the right direction, some of our most persistent challenges remain: household income in our region lags the national average by 20 percent, more than a quarter of families in Syracuse live in poverty, we have only regained 22 percent of the jobs lost during the recent recession, and we are burdened with the highest cost local government structure in the nation.

We have a choice: we can dwell on our challenges, or, commit to overcoming them and reach for a new peak. For the latter, we must take risks. We must push the limits of incremental evolution. We must continually reinvent ourselves.

Through continuous renewal, we've already begun to tackle more challenging initiatives.

The Creative Core Emerging Business Competition - funded entirely with private dollars - has awarded more than \$1 million and identified hundreds of companies poised for growth. We've built on this progress to launch Startup Labs, providing greater assistance to more entrepreneurs and connecting them to a global network. We're also addressing the critical gap in our innovation infrastructure for these companies, by setting up a \$25 million venture fund.

Last year, we unveiled our strategy with the Brookings Institution to dramatically increase the region's exports. Since then, we have worked with partners to restructure the International Business Alliance, entered into a partnership with the Export-Import Bank to identify financing opportunities for the region's exporters, built a mentorship network for companies new to global trade, and are poised to hire an export coordinator to assist exporting companies.

And we are working to establish a Commission on Local Government Modernization to create greater efficiencies in our government structures - a proposition that at one time would have been met with much more resistance.

Reinvention does not come easy. In fact, some of the best stories of reinvention are those that have failed forward along the way, and mastered the art of change. As Charles Darwin once said, "It is not the strongest of species that survive, nor the most intelligent, but the one most responsive to change."

We must embrace change, risk, and the opportunities before us. Just as reinvention has defined our history, it must define our future.

Robert M. Simpson  
President



## CenterState CEO

CenterState CEO is a regional business leadership organization, chamber of commerce, and economic development strategist, based in Syracuse, New York. We represent 2,000 members of all sizes and serve as the primary business resource and catalyst for development in a 12-county area. We advocate for smart business, facilitate regional growth and promote community prosperity through results-driven partnerships, planning and problem solving. [www.centerstateceo.com](http://www.centerstateceo.com)

## Our Vision

**Innovation. Collaboration. Transformation.**

### Affiliates

Benefit Specialists of New York  
CenterState CEO Foundation  
CenterState Development Foundation  
Downtown Committee of Syracuse, Inc.  
Electronics Park, LLC  
Hancock Field Development Corporation  
New York State Urban Council  
NUAIR  
Syracuse Convention & Visitors Bureau  
SyracuseFirst  
Syracuse Tomorrow  
The Tech Garden  
University Hill Corporation

### Programs

40 Below  
Essential New York Jobs  
Fly Syracuse  
Grants for Growth  
Northside UP  
Project-ION  
Startup Labs  
Startup Weekend  
Syracuse Student Sandbox  
The Clean Tech Center

### Partnerships

Brookings Institution  
CenterState Chamber Alliance  
Central Upstate Regional Alliance  
Ford Foundation  
High Speed Rail New York Coalition  
Kauffman Foundation  
New York Business Development Corp.  
Northside Business Alliance  
Surdna Foundation  
Syracuse Center of Excellence

# CONNECTIONS



CenterState CEO facilitates connections that lead to success for members and the region. From comprehensive member programs and benefits, to expertise and leadership in economic development, CEO builds relationships that enable the region to grow and evolve.

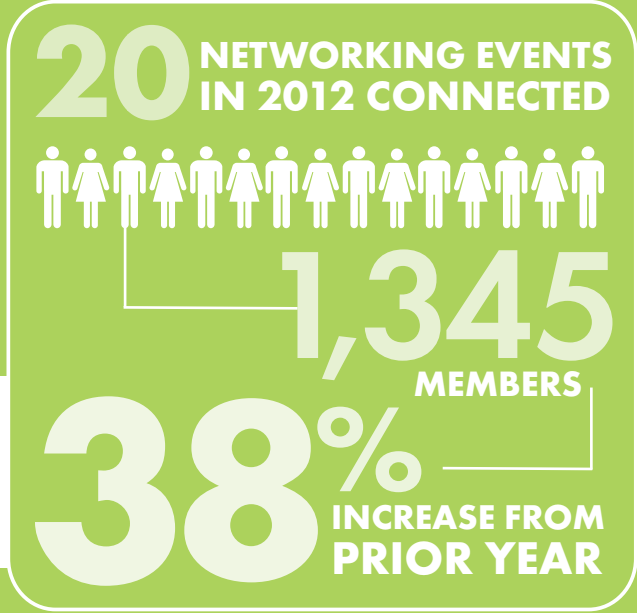
### CenterState Chamber Alliance

In June 2012, CenterState CEO and the Mohawk Valley Chamber of Commerce co-founded the CenterState Chamber Alliance. Through the alliance, regional chambers of commerce have partnered to provide members with enhanced opportunities for growth. The Cayuga County Chamber of Commerce became the third member of the alliance in November 2012.

#### Key Benefits of the Alliance:

- Greater member benefits - including cost savings and access to training programs
- New member-to-member connections and networking opportunities across the region
- Inclusion in a printed and mobile regional chamber directory
- Unified and amplified voice for business advocacy

**CENTERSTATE CHAMBER ALLIANCE**  
**MOHAWK VALLEY CHAMBER: 900 MEMBERS**  
**CENTERSTATE CEO: 2,000 MEMBERS**  
**CAYUGA COUNTY CHAMBER: 436 MEMBERS**  
**TOTAL REACH: 3,336**





## Owera Vineyards RE:INVENTING the wine list

As Madison County's first vineyard and a co-founding partner of the Cazenovia Beverage Trail, Owera Vineyards is connecting the region's tourism and agribusiness industries.

Owera is expanding to transform the way its "locavore" customers experience where their wine is made. Utilizing a CNY Regional Council grant, site improvements at Owera support wine production, tastings, farm and winery tours, and other events on 57 acres. Customers gain full access to the wine making process in the state-of-the-art production facility, with the barrel and tank rooms, and bottling line in full view of the tasting area.

Owera's membership with CenterState CEO facilitated a connection with Scarpetta NYC that led to their wine being featured on the New York City restaurant's menu. Locally, CenterState CEO connected Owera with the new P.F. Chang's restaurant at Destiny USA. Owera is now a featured local wine on P.F. Chang's menu.

## Destiny USA RE:INVENTING destination shopping

With its recent expansion, Destiny USA is now the sixth largest shopping, dining and entertainment facility in the country, strengthening the Syracuse region as an important tourism destination in the Northeast and significantly impacting the local economy.

In 2012, the Syracuse Convention & Visitors Bureau (SCVB), a CenterState CEO affiliate, played an integral role introducing travel media to Destiny USA to market Syracuse as the home of this one-of-a-kind experience for visitors. The SCVB hosted national and international journalists, with assistance from industry partners, resulting in media coverage for Destiny USA in outlets ranging from *The Washington Times*, *The Buffalo News*, and the *Ottawa Citizen*, to *Ottawa at Home*, *CBC Radio*, and family-friendly blogs.

## International Outreach RE:INVENTING business attraction

CenterState CEO's business attraction program focuses on the 12-county region and its most competitive industry sectors, with a designated business development professional building connections across the globe.

In 2012, CEO was represented at two major trade shows: Greenbuild, in San Francisco (30,000 attendees), in collaboration with SyracuseCoE, and Hannover Messe, in Hannover Germany (185,000 attendees and more than 5,000 exhibitors), in collaboration with Mohawk Valley Edge. In Hannover, meetings were held with 19 companies from eight countries.

### Business attraction efforts to date:

- 2,500+ companies contacted in target sectors
- 8 companies attracted to region
- 365+ jobs in place or committed
- \$5 million in investments in place or committed



"Destiny USA works closely with the SCVB to increase awareness and build brand recognition for Syracuse as a true year-round destination. We look forward to a successful 2013 with the support of SCVB and CenterState CEO."

—David Aitken, Destiny USA



CEO and SyracuseCoE met with 17 companies at Greenbuild to promote green industry assets and foreign direct investment opportunities.

# GROWTH

CenterState CEO drives regional growth through business expansion, retention and attraction efforts targeted to the region's most competitive and emerging industry sectors, while also providing members the opportunity to connect with new clients, investors, strategic partners, and a wealth of resources for their business.

## Business Expansion & Retention

Through the joint efforts of its members and professional staff, CenterState CEO is uniquely positioned to link business leaders to each other and promote economic vitality. This approach enables CenterState CEO to assess companies' needs, quickly respond to requests, and help companies access services and programs offered by the region's economic development partners.

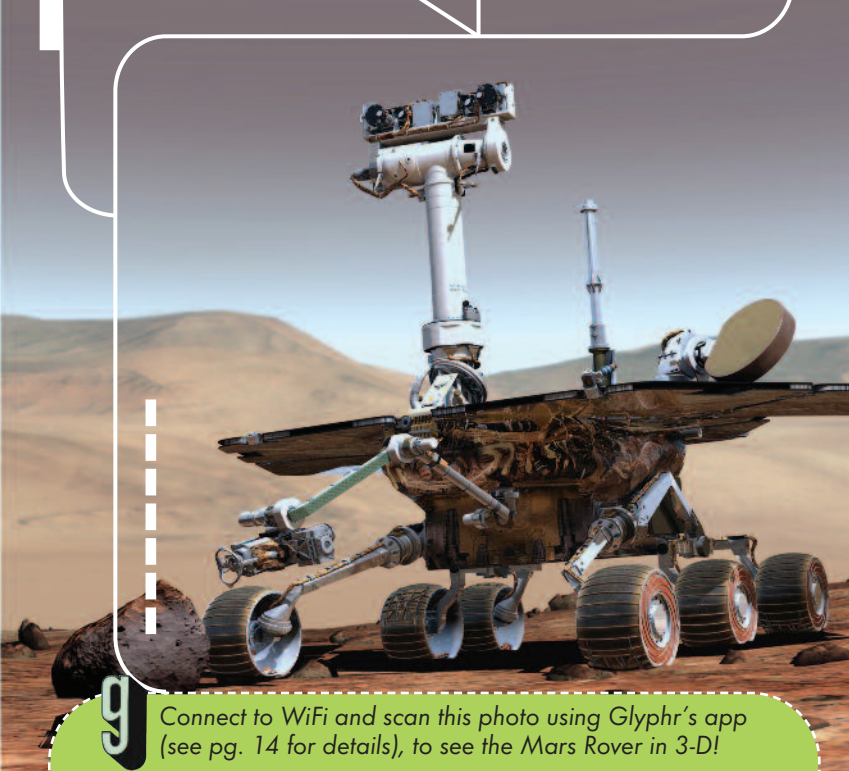
This year, a **Business Expansion and Retention work group** was launched to proactively contact companies within the 12-county CenterState region and identify those who may have challenges with job retention, be considering a business expansion, or have interest in CEO programs such as exports, internships, and government advocacy. This initiative is part of CEO's effort to enhance economic growth by focusing on existing employers in the region. Approximately 400 companies have been targeted for contacts.

## Growing within the Global Economy

CenterState CEO and regional economic development partners have developed a **CenterState NY Export Plan** to double the region's exports over the next five years, and encourage businesses to capitalize on growth opportunities in foreign markets.

Since the launch of the CenterState NY Export Plan in April 2012, CEO staff have focused on streamlining export assistance services:

- Along with regional economic development partners, CEO helped **restructure the Central New York International Business Alliance** to support implementation of the export plan and act as a point of contact for export assistance activities. A new 15 member board, comprised of mainly product and services exporters, has been appointed, and grant funds have been secured to retain staff and begin operations.
- CEO partnered on an Advanced Manufacturing Jobs and Innovation Accelerator Challenge grant to receive \$200,000 from the Economic Development Administration to **promote exports in the thermal electronic control systems industry cluster.**
- Became a city/state **Marketing Partner of the Export-Import Bank of the United States**, which provides financing and insurance products to support exporters.
- Built a mentor network to coordinate "**peer-to-peer**" **counseling** for companies that want to begin or increase export activities.



**Dielectric Laboratories Inc.**  
**RE:INVENTING space communications**

Dielectric Laboratories Inc. (DLI) is a leading designer and manufacturer of high frequency capacitors and custom thin film components at radio and microwave frequencies for the military, aerospace, fiber optic, telecommunications, industrial and medical industries. The company has relied on the marriage of ceramic expertise, manufacturing and engineering know-how, product and product customization to stay on the cutting-edge of its industry. DLI components have been built into the Juno Spacecraft and Mars Rovers.

Through assistance from CEO and CNYTDO, DLI received several grants to fuel its lean, six sigma and continuous improvement programs, positioning them for significant growth. In 2012, DLI was awarded \$2.5 million from the CNY Regional Council to support a new capacitor production line at its Cazenovia facility. "This award facilitates the addition of a minimum of 60 new full time positions, and supports infrastructure investments for even more growth. We could not have done it without CEO's support," said Michael Busse, Vice President, DLI.

**9** Connect to WiFi and scan this photo using Glyphr's app (see pg. 14 for details), to see the Mars Rover in 3-D!

**Cayuga Marketing**  
**RE:INVENTING ag markets**

Cayuga Marketing, the owner of Cayuga Milk Ingredients (CMI), is transforming from a regional business, selling raw fluid milk throughout the Northeast U.S., to a global company focused on delivering milk protein to a growing world population.

CMI is constructing a 108,000-square-foot state-of-the-art milk processing facility to help the firm further capitalize on one of the region's key agricultural commodities. The project also allows the company to tap into the growing international market for milk proteins. Through an association of 29 dairy producers, the company expects to distribute a majority of its products throughout North and South America, with a focus on exports to Southeast Asia and the Middle East, thereby creating new wealth in the region utilizing locally-sourced products, the majority being raw fluid milk.

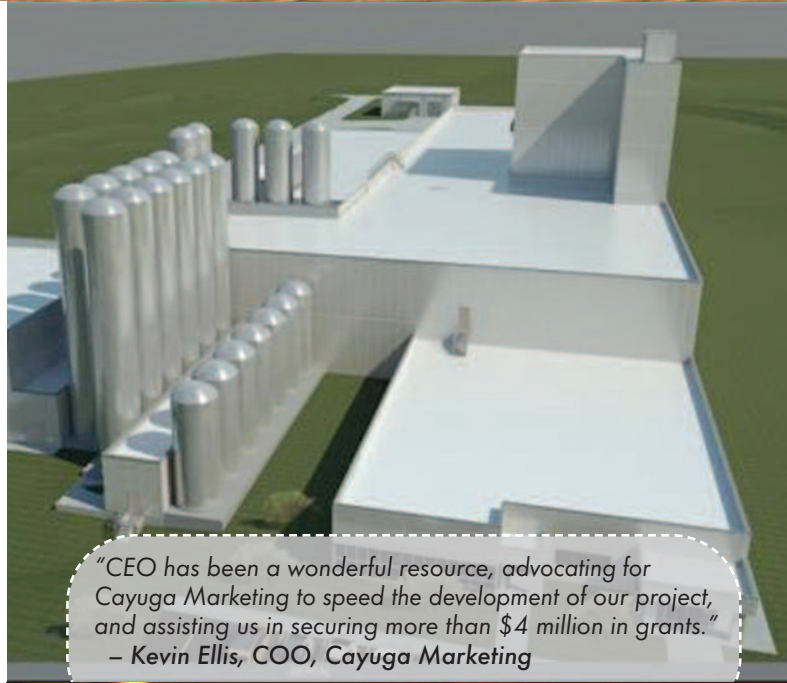
The project received \$4 million through the CNY Regional Council to leverage approximately \$97 million in capital investments and create up to 58 permanent jobs and 285 construction jobs.

**Metro Fitness Club**  
**RE:INVENTING personal fitness**

With a focus on customer service and workforce investment, Metro Fitness Club, has grown from a 2,500-square-foot private boutique personal training studio to a 12,000-square-foot full-service executive health club.

Since opening Metro Fitness, formerly Personal Fitness, in 1995, the club has leveraged new downtown development to create momentum for the business. Metro Fitness has tapped downtown's workforce and growing residential community to broaden its client base, developing new fitness programming tailored to their needs. With confidence in downtown's renewed vibrancy and a prime location, Metro Fitness has expanded three times and has extended its lease by 10 years.

Metro Fitness has also invested in its employees, providing access to training and education, which Sabourin credits as a key factor in the business' growth and success.



*"CEO has been a wonderful resource, advocating for Cayuga Marketing to speed the development of our project, and assisting us in securing more than \$4 million in grants."*  
 – Kevin Ellis, COO, Cayuga Marketing



*"The Downtown Committee of Syracuse was instrumental in helping us launch our new brand this year, and has helped us gain visibility in our key market by promoting our events and programs through social media."*

–Randy Sabourin, President, Metro Fitness Club



# SMARTS



CenterState CEO works with partners in the public and private sectors on smarter solutions for effective regional economic development, ranging from strategic initiatives to grow target industries to developing more efficient government models. For individual businesses, CEO's training and education programs provide opportunities to develop skills and learn new ways to increase their competitive advantage.

## Building Smarter Government

CenterState CEO and Syracuse 20/20 have partnered to support the establishment of a **Commission on Local Government Modernization**. The commission creates a community-driven effort to improve the effectiveness and efficiency of service delivery in Onondaga County. If successful, it will ensure a sustainable future for the county, its municipalities, and residents, ultimately providing better services. Its work will include a thorough study of all levels of government within Onondaga County to ultimately make recommendations for a new local government model to be presented for a county-wide public referendum.

## Reinventing Regional Business Planning

Over the last two years, CenterState CEO and many regional partners have been engaged with the Brookings Institution to develop a **Metropolitan Business Plan** to evaluate the region's best growth opportunities. The report examines five "leverage points" with potential to catalyze transformational economic change for the region, including: building on strong economic clusters, addressing human capital needs, strengthening the innovation ecosystem, increasing spatial efficiencies and improving infrastructure, and streamlining governance.

The Metropolitan Business Plan, with details and strategies on lead initiatives, will be released in spring 2013.

## Training & Education

In 2012, with the guidance of its member-led Training and Education committee, CEO redesigned programs to better meet the continuous improvement efforts of member businesses. Over the course of the year, 26 business leaders presented on topics such as changes in health care; sales and customer service; marketing, media, communications, and technology.

**TRAINING & EDUCATION**  
**21 EVENTS**  
**556 ATTENDEES**  
**46% INCREASE IN PARTICIPATION**

## Benefit Specialists of NY

Benefit Specialists of NY (BSNY), a wholly-owned subsidiary of CenterState CEO, provides affordable and comprehensive insurance products to employers of all sizes. It has evolved from a one-dimensional insurance agency by adding association business development and New York State pilot project administrator to its scope of products and services. BSNY is also the creator and administrator of Healthcore. This proprietary project has helped more than 5,000 individuals, sole proprietors, and small businesses obtain affordable health insurance. BSNY is committed to enhancing the insurance experience and is currently a resource to New York State in the implementation of health care reform.





### Brophy Services RE:INVENTING clean

Over the past 27 years, Brophy Services Inc. has grown to become the largest locally-owned and operated janitorial company in Central New York. However in the past five years, the company made a concerted effort to reinvent the business to maximize growth.

A new, smarter business model customized services based on the clients' needs, rather than a one-size-fits-all schedule. As a result, revenue growth reached an all time high in 2012. The company also started its own private label, certified green cleaning products to meet consumer demand and ensure a healthier work environment for Brophy's staff and clients.

Brophy also got smarter with technology, investing in new client management software that allows building inspections to be conducted via tablet, enabling clients to see, in real time, what is going on in their facility.

*"CenterState CEO has been a catalyst for me to reach new clients and markets that have helped me grow my business by 15% in the last year."*

*—Elieen Brophy, President, Brophy Services Inc.*

### Downtown Decorations, Inc. RE:INVENTING international decor

Downtown Decorations, Inc. specializes in high quality commercial decorations, custom décor, and full design programs for customers across North and South America.

The company emphasizes continuous improvement and innovation to enhance business, from exporting to sales and marketing. In the past year, the company's sales staff participated in several CenterState CEO training and education opportunities focused on sales strategy, pitch and implementation, and social media, each delivered by panels of successful local business leaders. A connection made at a CEO seminar reinforced their relationship with Mohawk Global Logistics, which is responsible for shipping 70 percent of its goods internationally, including markets in Canada and South America. These sessions provided concrete strategies that they have implemented in their sales and marketing processes. The company expects significant growth in the year ahead.

### Syracuse Convention & Visitor Bureau RE:INVENTING tourism strategies

To grow more strategic and competitive as a leisure, meetings, and convention destination, the Syracuse Convention & Visitors Bureau (SCVB) hired market research firm Reach Market Planning, LLC (RMP) to access and evaluate the competitive environment in which the SCVB operates. RMP's comprehensive Destination Market Analysis resulted in recommendations to guide the SCVB's future efforts. Takeaways include:

- Onondaga County welcomes five million visitors annually. To grow visitation, the SCVB needs to **focus on visitor activities that produce the most value**, rather than bill itself as everything for everyone.
- Visitors need additional and **improved signage** to help them reach the county's many tourism products.
- The region needs to embrace and **leverage the strength of Destiny USA**, the sixth largest shopping destination in the country and a tourism magnet.
- The area needs to **efficiently brand** itself as a destination.



*"Through our involvement with CEO we have gained valuable insight that has improved how we go to market."*  
*—Garrett Peterson, Owner, Downtown Decorations, Inc.*



*SCVB's Destination Market Analysis recommendations call for highly-targeted marketing to specific market segments and destination rebranding.*

# LEADERSHIP

# JOBS

ROUND 1 & 2  
PRIORITY PROJECTS

2,738 NEW  
1,157 RETAINED



CenterState CEO members set a strategic agenda to address the region's most pressing issues and to shape its economic future. Through robust partnerships and member engagement, CenterState CEO provides effective business leadership, actively advancing regional priorities.

## CNY Regional Economic Development Council

The Central New York Regional Economic Development Council (CNY REDDC), co-chaired by CenterState CEO President Rob Simpson and Syracuse University Chancellor Nancy Cantor, once again capitalized on the strength of its strong partnerships and regional strategies in the second round of the Governor's competitive economic development funding process.

The CNY REDDC was named a "Top Performer" for implementation of its strategic plan, receiving \$93.8 million for 73 projects. The region received "Best Plan" designation the prior year, receiving 103.7 million for 74 projects, the largest award out of 10 regions in the state.

Combined with the success of the other councils within the 12-county CenterState region, the impact is multiplied to \$331.5 million in economic development funds for 342 projects, many already underway.

## Venture Capital Fund

CenterState CEO is assisting a group of lead investors considering creation of a regional Venture Capital Fund. The fund would be an early-stage investment vehicle to fill a critical gap in the regional innovation ecosystem for companies seeking private growth capital in the \$500,000 to \$2 million range to accelerate businesses. As convener of the for-profit fund, CEO has engaged a variety of lead investors with soft commitments totaling \$10 million and is devising a fundraising strategy to reach the minimum goal of \$25 million. The fund is expected to launch in late 2013.

## NUAIR

CenterState CEO is leading the Northeast UAS Airspace Integration Research Alliance (NUAIR), more than 40 public, private and academic organizations in New York and Massachusetts who have submitted a proposal to compete for a federally-designated test site for unmanned aircraft systems (UAS). UAS presents significant economic opportunity for the region; test sites for the UAS industry are expected to create up to 13,000 new jobs in the U.S. by 2020. The U.S. market for UAS sensor systems - a regional strength for CenterState New York and the Northeast - is expected to reach \$1.7 billion by 2020.

### ROUND 1 & 2 PRIORITY PROJECTS

#### TOTAL CAPITAL INVESTMENT

**\$993.8 MILLION**

#### TOTAL 5 YEAR PAYROLL

**\$544.3 MILLION**

#### TOTAL PROJECT EXPENSES

**\$1.5 BILLION+**  
(CAPITAL INVESTMENT + PAYROLL)

	FUNDING	PROJECTS
ROUND 1 CNY REDDC	\$103.7 MILLION	74
ROUND 2 CNY REDDC	\$93.8 MILLION	73
<b>TOTAL</b>	<b>\$197.5 MILLION</b>	<b>147</b>



The CNY Biotech Accelerator and Loguen's Crossing projects are transforming a highly visible section of Syracuse and bridging University Hill's explosive growth to downtown's resurgence.

Photo by Darren McGee, courtesy of Office of the Governor

**Anchor Institutions**  
**RE:INVENTING neighborhood development**

Anchor institutions across the region are expanding traditional boundaries – both in physical footprints and evolving missions – to lead economic development and neighborhood revitalization.

St. Joseph's Hospital is completing the second phase of its \$265 million expansion. This investment supports 146 new jobs and benefits its Northside neighborhood by advancing workforce, residential, and commercial development, including hiring neighborhood residents and developing a greenway corridor linking the expansion to local businesses.

SUNY Upstate and SUNY ESF are expanding their University Hill footprint by developing a state-of-the-art 40,000-square-foot bioscience business incubator, and partnering with COR Development on the mixed-use Loguen's Crossing project.

Syracuse University continues its investment in city neighborhoods with transformative projects, including the Connective Corridor and Near Westside Initiative that exemplify its "scholarship in action" vision to drive cutting-edge revitalization, and implement best practices in sustainability and smart growth.

SUNY Oswego's Board of Trustees recently voted to designate its Metro Center in Syracuse as a branch campus, which is now pending state action. The branch would offer 14 additional undergraduate and graduate degrees to further serve the educational needs of regional businesses and the community, expanding access to higher education at affordable tuition.

SUNY Cortland's Business Innovation Center is restoring a historic downtown property to create a business incubator that links students to businesses for real world work experiences.

**I-81**  
**RE:INVENTING the highway**

This past year, CenterState CEO's board of directors identified the future of Interstate 81 as a priority for the organization. CEO continues to work closely with NYS Department of Transportation, having met with Commissioner Joan McDonald, and the Syracuse Metropolitan Transportation Council, as alternatives are identified and evaluated. During 2013, CEO will remain engaged to ensure the ultimate decision considers community input, economic development, and neighborhood revitalization, in addition to the movement of vehicles.



Photo courtesy of SUNY Oswego



Photo courtesy of Syracuse Metropolitan Transportation Council

# LEADERSHIP. LOCAL. GROWTH.



David Nutting, VIP Structures; Bob Doucette and Rich DeVito, Paramount Realty Group; and Chuck Sangster, CBD Companies, are among those transforming Downtown Syracuse through private development projects.

## Downtown Syracuse RE:INVENTING downtown

Lead by CBD Companies, Paramount Realty Group, RHS Holdings, VIP Structures, and Washington St. Partners, local developers are taking a leadership role in reinventing Downtown Syracuse.

On the 300 block of South Salina Street, VIP Structures is finalizing work on the pivotal \$25 million **Pike Block** project, converting four vacant buildings into residential units and 25,000-square-feet of retail space. In addition to reactivating a dormant streetscape, the Pike Block creates a crucial physical connection between Armory Square and Salina Street, and anchors the downtown commercial corridor. The Pike Block is also the new home of CenterState CEO's headquarters, providing the organization with a central location in the heart of the business district for its members.

This builds on the momentum created by completed projects such as Paramount Realty Group's **Deys Plaza** renovation, matched by planned projects such as Paramount's **Sibleys Building** redevelopment, and the completion of **The Inns at Armory Square** by RHS Holdings this summer.

The next phase of downtown's rebirth is just a block away on Warren Street, where Washington St. Partners is bringing new life to **Merchants Commons**. The \$12.5 million mixed-use project will create 66 residential units in the formerly vacant property, and will be the new headquarters for Syracuse Media Group, with more than 150 employees. One block south, CBD Companies' \$8 million project to renovate **Onondaga Tower** has attracted high-profile tenants such as St. Joseph's Hospital Health Center, and local businesses Aspen Athletic Club and Jolime Fresh Garden Café.

**NEW DINING,  
RETAIL, & SERVICE  
BUSINESSES OPENED  
IN THE PAST YEAR**



**19**

**99%**  
RESIDENTIAL  
OCCUPANCY

**\$265**

MILLION IN DOWNTOWN  
SYRACUSE INVESTMENTS

# INNOVATION

## SMARTS. GROWTH.



### JADAK RE:INVENTING barcode scanners

Since its inception in 2000, JADAK has focused on helping its customers in the health care and medical device manufacturing markets solve scanning, inspection and tracking challenges. Founded by former employees of Welch Allyn and Sensis Corporation, JADAK developed a high level of technical expertise in camera and radio-frequency identification (RFID) hardware, machine vision, and barcode software technologies. They leveraged this technical expertise to become a high quality supplier to Fortune 500 medical device companies.

Through continuous innovation, JADAK successfully branched out into additional markets, developing products and solutions for the security, gaming, enterprise tablet (scanning accessories) and customer engagement (kiosk) industries. The company continues to experience significant growth, and is looking to expand its facility by 2.5 times its current size, resulting in 55,000-square-feet of engineering and manufacturing space.



*"CenterState CEO has been a great advocate for JADAK, helping us secure an incentive package at the state level critical to our aggressive growth plans, and in connecting us with other agencies responsible for sales tax exemptions, training funding and utility grants."*

*—David Miller, President & CEO, JADAK*

# INNOVATION

Connect to WiFi and scan this image using Glyphr's app to watch the Startup Labs finalists video!

9



Innovation is a cornerstone of growth for any organization, whether it's a tech start-up or a 100-year-old company. CenterState CEO offers an extensive innovation portfolio to help businesses move to the next level, including connections with new talent, comprehensive commercialization and tech transfer programs, and funding and partnerships for research and development.

## The Tech Garden

The Tech Garden is home to CEO's innovation and entrepreneurship programs. The 33,000-square-foot business incubator maintains a waiting list and currently hosts 31 companies with more than 100 employees in industries ranging from clean tech to software, to media and mobile web to gaming companies.

## 2012 Innovation & Entrepreneurship Program Highlights:

- The second **Syracuse Startup Weekend** drew nearly 150 attendees and integrated curriculum at local universities with students earning credit for participating.
- **CEO Ventures** acceleration program was launched to provide long-term success for early-stage companies through incubation space, access to local business leaders, business and technical development activities with consulting and mentorship, and a strategic board of advisors. Two startups engaged in 2012.
- **Syracuse Coworks**, a project of 40 Below, sponsored by Harris Beach, created downtown Syracuse's first coworking space.

## Startup Labs Syracuse

Startup Labs features an intensive 22-day business competition awarding \$350,000 in seed funding. The unique program focuses on rapid product and market validation, and offers intense mentorship, access to an international accelerator program, and connections to emerging markets.

**\$350,000**  
**IN CASH AND PRIZES**  
**97 APPLICANTS**  
**5 FINALISTS**  
**RECEIVE \$30,000**

**SEED CAPITAL + MENTORSHIPS  
+ TECHNICAL SUPPORT  
+ ONGOING INVESTMENTS  
AND CONNECTIONS  
= IDEA ACCELERATION**

**SYRACUSE STARTUP WEEKEND**  
**54 HOURS** 20 MENTORS  
**150 LOCAL ENTREPRENEURS**  
**15 INNOVATIVE IDEAS FOR**  
**GROWTH-READY BUSINESSES**  
**1 \$2,500 GRAND PRIZE WINNER**

13



9

Download Glyphr from the iOS App Store, connect to WiFi and scan this image to see their 3-D technology in action!

## Glyphr RE:INVENTING virtual reality

Glyphr is a mobile app positioned at the intersection of online commerce and advertising. Using proprietary technology in a field called augmented reality, Glyphr allows consumers to view 3D virtual product models as though they exist in the user's own environment. Users can try out products, change their colors, and post photos to social media.

Glyphr recently launched a tremendously successful campaign with the Weatherproof clothing company at the Las Vegas Magic Show, and it will be the first company to participate in the StartFast Venture Accelerator in 2013. With the assistance of Tech Garden resources, the company has connected with investor networks and is poised for rapid growth.

## Pall Finger Lakes Center of Excellence RE:INVENTING r&d

Pall Corporation, one of Cortland County's cornerstone manufacturers, is investing nearly \$9 million to create a state-of-the-art research and development facility as part of the company's continuous improvements. Pall develops fluid-management filtration, separation, and purification solutions. Its engineered products enable process and product innovation and minimize emissions and waste.

The Pall Finger Lakes Center of Excellence, under development, will become the primary technology center serving Pall's \$1.42 billion industrial business. The project drives new innovations and technology commercialization for this sector and will leverage an \$800,000 CNY Regional Council grant awarded last year to add 18 employees to its existing R&D workforce in Cortland.



"Since being based at The Tech Garden, Glyphr has received strong support from CenterState CEO and the Syracuse business community. We are excited to continue to break new ground in the online retail and advertising industries."  
-Devin Daly, CEO and Co-founder, Glyphr





CenterState CEO's commitment to local businesses and neighborhoods is marked by collaborative partnerships that drive comprehensive urban revitalization through business development, infrastructure improvements, and targeted workforce programs.

## SyracuseFirst

In 2012, CenterState CEO and SyracuseFirst partnered to support local independently-owned businesses. Since 2009, SyracuseFirst has promoted the benefits of "think local, buy local and be local," while creating a strong sense of community among its members through education, outreach and advocacy. Bringing CenterState CEO and SyracuseFirst members together strengthens local and regional business networks and provides even greater support for local businesses, ultimately building a healthy economy.

**Partnership provides independent, locally-owned business members with opportunities for:**

- Improved connections
- Additional visibility
- Increased services
- More events
- Dual membership

**In 2012, CEO and SyracuseFirst:**

- Organized three 'Cuse Mobs attended by more than 500 people, generating and estimated \$5,000 for the local businesses.
- Designated November 2012 as **Buy Local Month** in Onondaga County and the City of Syracuse, with support from AmeriCU Credit Union.
- Organized and promoted the **Buy Local Bash** at the CNY Regional Market, featuring music, art, food, wine and craft beer.

## Northside UP

Small, independently-owned businesses have been the backbone of Syracuse's Northside for generations. Northside UP is part of CenterState CEO's ongoing commitment to help revitalize this neighborhood through small business assistance, workforce development, and place-making activities.

**Accomplishments in the past year:**

- Three Northside development projects were awarded more than \$750,000 in funding by the CNY Regional Council.
- Northside UP received the \$85,000 CNY85 Collaborative Impact Prize from the CNY Community Foundation to provide aspiring Northside entrepreneurs education, support and hands-on business management experience; graduates are offered incentives to establish new businesses.
- Northside UP launched **Health Train** in partnership with St. Joseph's Hospital and Visions for Change.
- The Northside Business Partnership, part of CenterState CEO's reciprocal membership program, organized the "Northside Showcase" to better expose Northside businesses to St. Joseph's Hospital employees, and partnered with SyracuseFirst and 40 Below to launch the "Shop Syracuse Holiday Passport" to promote local shopping.





**Natur-Tyme**  
**RE:INVENTING wellness**

Since Natur-Tyme opened 30 years ago, Wendy Meyerson and Andy Fox have developed a well-recognized independent, locally-owned business with a keen sense of community involvement. During a period of economic downturn with national retailers closing locations, Natur-Tyme evolved from a natural food market, to a venue that incorporates holistic wellness and community engagement. In 2012, they moved to an expanded store in a new location, with more than 30,000-square-foot of nutritional products, a café, and salon and spa services. Not only did this recreate the customers' experience beyond that of a retail store, the expansion created 25 new jobs. Natur-Tyme is a founding sponsor of SyracuseFirst and a long-time CenterState CEO member, a testament to their commitment to creating a healthier, more vibrant community.

*"With their focus on local business development, CenterState CEO and SyracuseFirst support a CNY marketplace in which Natur-Tyme felt comfortable expanding its operations."*

*–Wendy Meyerson, Owner, Natur-Tyme*

**Green Train / Health Train**  
**RE:INVENTING workforce development**

Northside UP leverages the unique strengths of sponsors – CenterState CEO, Catholic Charities, St. Joseph's Hospital, the Franciscan Church of the Assumption, and the Greater North Salina Business Association – for integrated neighborhood revitalization and workforce development. Its Green Train & Health Train programs have produced tremendous results.

**GREEN TRAIN 10** CLASSES COMPLETED SINCE 2009

**90%** GRADUATION RATE

**85%+** JOB PLACEMENT RATE

**128** STUDENTS GRADUATED

**HEALTH TRAIN 2** CLASSES COMPLETED SINCE 2012

**97%** GRADUATION RATE

**96%** JOB PLACEMENT RATE

**28** STUDENTS GRADUATED



*Green Train provides skill training for the construction industry, and has been successfully replicated to a Health Train program for the health care industry.*

**Northland Communications**  
**RE:INVENTING fiber optics**

Northland Communications is a third generation family business founded in 1905, providing complete end-to-end communications products and services solutions to the Mohawk Valley and Central New York.

As the demand for technology and bandwidth dramatically increased over the past several years, the company reinvented its previous model of relying solely on third party partners for last mile connections, and prioritized the expansion of its fiber optic infrastructure. Northland's ability to deliver services over that infrastructure has enabled them to meet customer demands, and provide customers the ability to leverage the technology to its fullest with the assurance that Northland is just a phone call away when assistance is needed.

As a relationship-driven company, Northland strives to support its customers by doing business with one another, opening doors, and making connections. Northland credits the assistance of local companies such as Dupli Envelope & Graphics, King + King, and Hueber-Breuer, as key factors in their recent success.



*CEO has been a great resource for Northland, helping us gain relationships with local businesses and organizations that would have otherwise taken years to establish."*  
*–Jim McCarthy, President, Northland Communications*



# YEAR IN REVIEW

## Connections

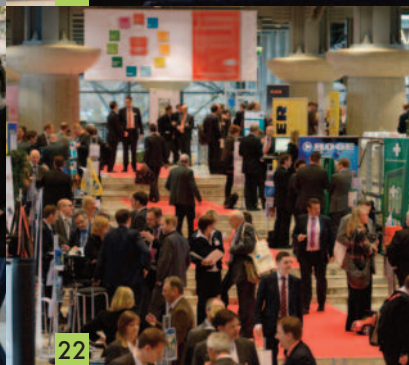
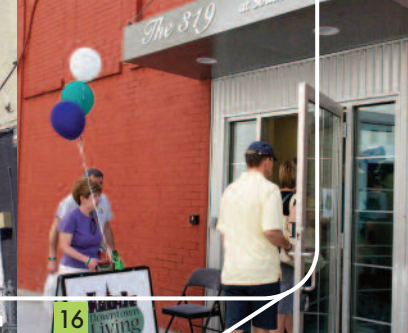
- 9** CenterState Chamber Alliance Provides Greater Value to Members
  - New Executive Dialogue Program Launches
  - CenterState Business Showcase Draws 7,000
  - CenterState Connect App Released with New Features
  - Dinosaur Bar-B-Que Business After Hours Connects 200
- 11** Syracuse CVB Increased Travel Journalists Hosted by 40%
- 8** Clambake Draws Nearly 800 People
- 4** Tech Meets Taste Business After Hours Attracts 250
  - Northside UP and CEO Create Northside Business Partnership
  - Syracuse Tomorrow Connects Candidates for Office with 70 Business Members
- 12** Ambassador to Canada Welcomes Syracuse CVB & Destiny USA
- 22** CEO & Mohawk Valley Edge Represent Region at World's Largest Trade Fair
  - Chamber Travel Discovers Cuba, France, and Germany

## Innovation

- 5 Companies Receive Commercialization Assistance Grants
- 20** MicroGen Wins \$200,000 Emerging Business Competition
- Grants for Growth Program Offers New Funding Opportunities
- 21** Student Sandbox Sees Explosive Growth: 70 Students, 34 Teams
  - Emerging Business Completion Exceeds \$1M
  - Startup Labs Offers \$350,000 in Cash and Prizes
  - Tech Garden Hosts SBA's e200/Emerging Leaders Initiative

## Leadership

- 18** CEO Advocates for Mandate Relief, Pension Reform, and Angel Investment Tax Credit
- 13** CEO Supports New Delta Jet Service to NYC and Non-stop Flights to Minneapolis
  - Tech Garden Welcomes SBA Administrator Karen Mills
  - CEO Members Meet with Representatives for New York Day in Washington
  - City-County Land Bank Created with CEO Support
- 17** NUAIR Alliance Advances with CEO's Leadership
  - U.S. Deputy Secretary of Transportation and NY Federal Reserve Bank President Meet with Business Leaders at Tech Garden
  - CEO Launches We Mean Business Campaign



### Smarts

- New Training and Education Series Launches
- Seminars Help Members Navigate Health Care Changes
- 14** Members Find Talented Interns through Project-ION
- Northside UP Kicks-off Health Train

### Local

- CEO Partners with SyracuseFirst to Promote Local Businesses
- AmeriCU Downtown Dining Week Features 25 Restaurants
- 6** Buy Local Bash Showcases 40 Local, Independent Businesses
- 16** Downtown Living Tour Features 11 Historic and Adaptive Reuse Projects; 2,100 Visitors
- CEO & SyracuseFirst Support "Buy Local, My Local" Media Campaign
- 1** Downtown Syracuse Farmers Market Celebrates 40 Years
- 10** SyracuseFirst & CEO Incite 3 'cuse Mobs
  - CEO & SyracuseFirst Promote City Dining Cards; Support Food Bank
- 19** CEO Golfers Raise \$2,500 for Say Yes to Education Syracuse

### Growth

- 24** CenterState NY Export Plan Unveils Strategies to Double Exports
  - Syracuse CVB Led Travel Spending Growth from \$716 M to \$764 M
  - CNY REDC Receives \$93.8 M in Economic Development Funding, Named "Top Performer"
- 15** Pike Block Accelerates Downtown Syracuse's Urban Core Revitalization

- Syracuse CVB Increased Total Event Room Nights Bid in 2012 by more than 117%
- 40 Below and Harris Beach Launch Syracuse Coworks
- 7** Syracuse CVB Serviced 118 Meetings, Conferences & Events Attended by 137,917
- Downtown Committee of Syracuse Holds Retail Recruitment Event
- CEO Helps Attract Teti Bakery to Oswego County

### Recognition

- 2** CEO Ambassadors Recognize 118+ Business Milestones
  - CNY REDC Receives NYS Broadcaster's Association's Community Engagement Award
- 23** CEO Celebrates 241 Economic Champions
  - Huffington Post Highlights CenterState Metropolitan Export Initiative
- 5** CenterState CEO Congratulates its 2012 Businesses of the Year
  - Northside UP Wins CNY 85 Collaborative Impact Prize
  - Downtown Committee Walking Tour Brochure Wins NYS Recreation and Parks Society Award
  - CenterState Connect Mobile App Wins IEDC Gold Award
- 3** CEO Received Ally Award for Economic Development Leadership in Oswego County
  - Syracuse Named a Bloomberg Mayors Challenge Finalist with Northside UP & CEO Support
  - CEO Staff Receive Excellence Awards from CNY Sales and Marketing Executives

# CEO MEMBERSHIP

CENTERSTATE CEO  
WELCOMED

346  
NEW MEMBERS IN  
2012

*"Not only did I have the opportunity to present our services to at least 30 other local business professionals in one-on-one conversations, I received four requests for pricing proposals directly from the event!"*

—James B Hainzl, Staff Leasing Incorporated  
(Speed Networking)

*"I would absolutely recommend this to a friend. It was informative, well designed, good presenters and presentations."*

—Steve Shaw, Airport Lighting Company  
(How to Develop an Effective Elevator Speech))

CEO AMBASSADORS CELEBRATED  
**118 COMPANY**  
MILESTONES IN 2012

## MEMBER ENGAGEMENT

	ATTENDEES	# OF EVENTS
ANNUAL	3,812	7
GOVERNMENT RELATIONS	152	5
NETWORKING	1,345	20
TRAINING & EDUCATION	556	21
EXECUTIVE DIALOGUE	67	9
TOTAL	5,932	62

EVENT ATTENDANCE INCREASED BY

**1,366**  
ATTENDEES  
30% INCREASE FROM 2012

BUSINESS SHOWCASE FEATURED  
**225 EXHIBITORS**

**6,000** ATTENDEES

## Membership by Industry Sector

NAICS*	Industry	
11	Agricultural, Forestry, & Fishing	0.28%
21	Mining	0.00%
22	Utilities	0.48%
23	Construction	5.37%
31-33	Manufacturing	6.82%
42	Wholesale Trade	4.82%
44-45	Retail Trade	7.78%
48-49	Transportation & Warehousing	2.00%
51	Information	3.65%
52	Finance & Insurance	16.32%
53	Real Estate & Rental Leasing	5.37%
54	Professional, Scientific, & Technical Services	15.36%
55	Management of Companies	0.07%
56	Administrative & Support, Waste Management	6.27%
61	Educational Services	2.62%
62	Health Care & Social Assistance	6.27%
71	Arts, Entertainment & Recreation	2.13%
72	Accommodation & Food Services	7.51%
81	Other Services except Public Administration	6.54%
92	Public Administration	0.34%

\*North American Industry Classification System codes as of March 14, 2013

**"At Business Before Hours I was able to network with a banker from M&T Bank. This great connection opened the door for additional referral and business opportunities!"**

**–Nayda Pacheco, ITT Technical Institute**

**"Our membership has resulted in an impressive return on investment. We were contacted by a Fortune 100 company due to our membership listing on the CenterState CEO website, which led to new projects and tremendous opportunities!"**

**–Maureen Baringer, Baringer & Associates, LLC**

Membership in CenterState CEO is open to any business within the 12-county CenterState New York footprint. Members receive direct benefits from a wide range of programs and services, and use CenterState CEO, its many work groups, and task forces as a vehicle for government advocacy and to promote business, economic and community development. CenterState CEO offers two broad levels of membership.

### Investors

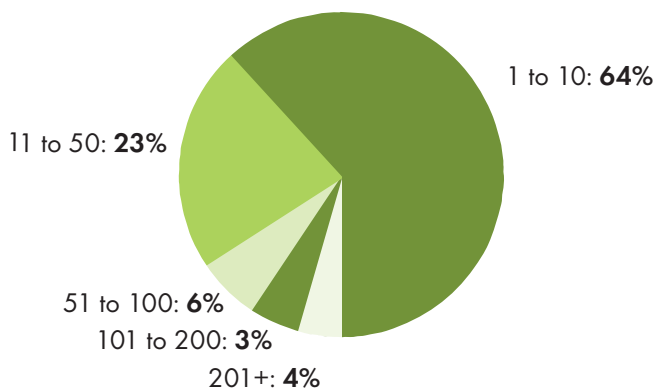
Investors are the region's most prominent business, academic and not-for-profit leaders. These forward thinkers set, support and implement the organization's development agenda. Sharing a perspective that extends well beyond their own employees and organization, Investors drive a unified vision of innovation, collaboration and transformation.

### Partners

Partners benefit from a full suite of services specifically designed to facilitate the success of small and medium-sized businesses. Members have access to programs that save them money, connect them with other members, accelerate growth and profitability, develop staff knowledge and skills, and increase visibility for their company.

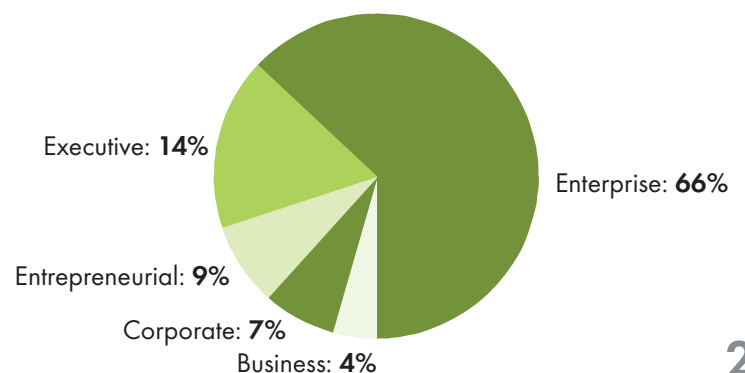
### Membership Employee Profile

< 50 Employees 87%  
 >=50 Employees 13%



### Membership Levels

Partner (5 Tiers) 86%  
 Investor 14%



# OUTREACH



## Social Media Reach

- 1,306 people engaged through Facebook & Twitter

## Facebook

- 879 people talking about CEO in 2012
- 150% increase in fans

## Twitter

- 1,430 followers
- 841 tweets
- 427 retweets

## CEO Communications

- 130 weekly eblasts, e-newsletters, and member updates viewed by 123,895+ people
- 36,000 *CEO Essentials* newsletters distributed
- 4,000 *Community Guides to Greater Syracuse* distributed

## Media Hits

- 400+ print, radio, TV & web hits featuring CenterState CEO & Affiliates

## NATIONAL MEDIA COVERAGE

WASHINGTON TIMES  
WASHINGTON POST  
HUFFINGTON POST  
NEW YORK TIMES  
OTTAWA CITIZEN  
WALL STREET JOURNAL  
BLOOMBERG NEWS  
REUTERS  
CHAMBER EXECUTIVE  
CRAIN'S NEW YORK BUSINESS  
CITY & STATE  
BUSINESSWEEK  
FOOD NETWORK

# FINANCIAL SNAPSHOT\*

## Assets

	Amount
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 3,338,643
Investments/Receivables/Prepaid Expenses	2,194,917
Other Assets	253,374
<b>Total Current Assets</b>	<b>5,786,934</b>

<b>Property &amp; Equipment</b>	
Net Property and Equipment	3,826,574
<b>Total Assets</b>	<b>\$ 9,613,508</b>

## Liabilities & Net Assets

	Amount
<b>Current Liabilities</b>	
Accounts Payable/Accrued Expenses	\$ 1,564,671
Current Portion of Long Term Debt	1,153,952
Deferred Revenue	846,538
<b>Total Current Liabilities</b>	<b>3,565,161</b>

<b>Long Term Liabilities</b>	
Long Term Notes Payable	367,464
<b>Total Liabilities</b>	<b>\$ 3,932,625</b>

	Amount
<b>Net Assets</b>	
Unrestricted Net Assets/Retained Earnings	\$ 5,621,474
Temporarily Restricted	59,409
<b>Total Net Assets</b>	<b>\$ 5,680,883</b>
<b>Total Net Assets &amp; Liabilities</b>	<b>\$ 9,613,508</b>

## Change in Net Assets

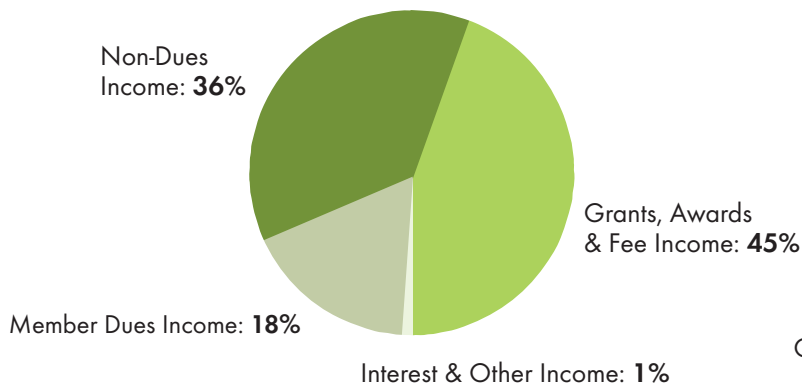
Total Revenue	\$ 10,355,700
Total Expenses	10,130,497
<b>Revenue in Excess of Expenses</b>	<b>225,203</b>
Taxes, Corporate	(165,811)
<b>Net Revenue</b>	<b>\$ 59,392</b>

## Key Performance Indicators

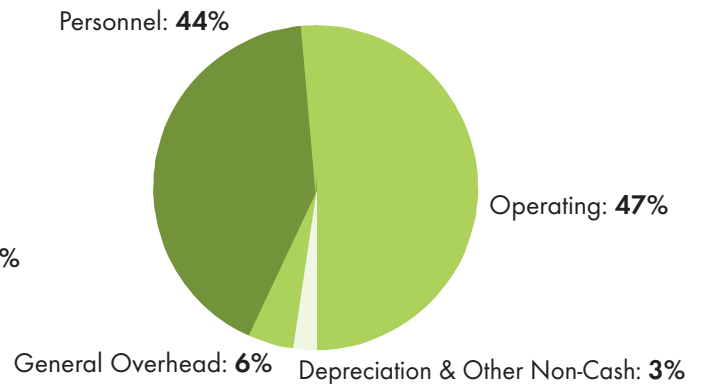
Current Ratio	1.62
Debt to Net Assets Ratio	0.69
Profitability	2.17%
General Overhead Rate	6.08%

\*As of December 31, 2012 (preliminary and unaudited)

## Revenue



## Expenses



## ACKNOWLEDGEMENTS

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

Hon. Andrew M. Cuomo, Governor, New York State  
Hon. Robert J. Duffy, Lieutenant Governor, New York State  
Hon. Daniel Maffei, U.S. House of Representatives  
Hon. Charles E. Schumer, United States Senate  
Hon. Kirsten E. Gillibrand, United States Senate  
Hon. Sheldon Silver, Speaker, New York State Assembly  
Hon. Dean Skelos, Temporary President & Majority Coalition Leader, New York State Senate  
Hon. David J. Valesky, Deputy Leader, Independent Democratic Conference, New York State Senate  
Hon. John A. DeFrancisco, New York State Senate  
Hon. Patty Ritchie, New York State Senate  
Hon. William A. Barclay, Deputy Minority Leader, New York State Assembly  
Hon. Al Stirpe, New York State Assembly  
Hon. William B. Magnarelli, New York State Assembly  
Hon. Sam Roberts, New York State Assembly  
Hon. Joanne Mahoney, Onondaga County Executive  
Hon. Stephanie Miner, Mayor, City of Syracuse



**CENTERSTATE  
CORPORATION FOR ECONOMIC OPPORTUNITY**

**Leading Business and Economic Growth in CenterState New York**

P: 315.470.1800 • F: 315.471.8545 • E: [ceo@centerstateceo.com](mailto:ceo@centerstateceo.com)

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

