

## HADC 2009 Annual Corporate Report

To Our Members,

Looking back overall, the year of 2009 is going down historically as the “Great Recession” and HADC felt that pain along with the rest of the nation. Many Hartford industries had a 30 – 40% reduction in headcount and in some cases, an even larger decline in revenue. Sadly, one of the Dodge Industrial Park’s businesses was not able to withstand the economic crisis; USPL closed and the building went up for sale. Fortunately the remaining 60+ Hartford industrial businesses weathered the storm and a couple, surprisingly, had record years of profitability.

The annual employment survey was completed for 2008 in 1Q09 and revealed economic decline with an employment loss of 322 in the manufacturing sector. Based on an increase in government and healthcare jobs, there was an overall loss of 250 Hartford area positions.

Besides the external turmoil, HADC experienced internal turbulence caused by leadership turnover in 2009. Ed Majkowski was Executive Director up until March, and then Ray Jaroch stepped up from the Board of Directors to lead the corporation in an interim role as a search committee found a replacement. Finally, a new Executive Director, Patrice Hoeschele, was hired in June.

The second half of 2009 was devoted to:

1. Surveying the scene, developing a strategic plan and core initiative focus.
2. Relationship building, business development and Hartford advocacy.
3. Operational auditing, cost reduction and brand identity renovation.

Per the Board of Directors, the first task at hand was to personally visit key Hartford industrial leaders. This was accomplished; reconnecting and reaffirming HADC’s commitment to the business community along with asking what services are most needed.

Additional significant networking reach has been aggressively extended to “virtual” connections including: City of Hartford (i.e. Administrator, Mayor, Attorney, Department Heads, City Council Members), Wisconsin Public Power Inc. (WPPI), WE Energies, University of Wisconsin System (UW), Moraine Park Technical College (MPTC), Waukesha County Technical College (WCTC), Wisconsin Department of Commerce (DOC), Wisconsin Department of Labor (DOL), Southern & Wisconsin Railroads, Wisconsin Entrepreneurial Network (WEN), Wisconsin Economic Development Association (WEDA), Chamber of Commerce, Washington County Workforce Development Center (WFDC), Wisconsin Business Council (WBC), Wisconsin Manufacturers & Commerce (WMC), Wisconsin Manufacturing Extension Partnership (WMEP), M7 Region, MRA-The Management Association, Society of Human Resource Management (SHRM), and American Society for Quality (ASQ).

As a dynamic Economic Development Washington County (EDWC) Board member, HADC energetically represented our industries at meetings, events, committees, strategic planning sessions and in recruitment of a new Executive Director who was hired in December.

Long overdue coordination between the HADC, Business Improvement District (BID) and Chamber of Commerce was initiated to ensure continuity of Hartford’s promotional efforts and elimination of redundant efforts. Clearly defined expectations were established and on-going, regular communication has proven to be successful.

Activism took a front seat, providing the “face of HADC” at the City, County, Southeastern WI regional, State and National level including but not limited to: conferences, meetings, seminars, exhibitions, judging, workshops, competitions, community events, cultural exhibits, volunteering and fund-raising, public relations exposure opportunities, Rotary, MPTC Strategic Planning team, Hartford Joint #1 and several HUHS groups including: Engineering, Education and Technology (TEE) committee, Project Lead The Way (PLTW) and strategic planning participation.

HADC, Key Logo and City of Hartford honored Werner Wolpert, the late Executive Director, with a special day on 25Mar09. Although chilly weather prevailed, a great turnout of >90 guests participated in tours of the business center, building dedication, memorial ceremony and lunch at the Chandelier Ballroom.

During the fiscal year ended 31Dec09, the Board of Directors held 12 regular meetings. All Board members except two attended at least 75% of the monthly meetings in 2009 with an average of 77% attendance overall. The 2008 Annual Corporation meeting was held on 22Apr09.

Archived land sale leads were minimal, and followed up on, none coming to fruition with the exception of a potential start-up company and a few current business expansion opportunities. The two large businesses expected to move into Hartford in 2009, intended for the HADC to justify additional land purchases, both went other directions. There were negligible additional property leads from EDWC, WI Department of Commerce or M7. Still, the visionary Board decided to look to the future and follow through on using the revenue generated from the sale of the Incubator building. The HADC made an investment acquiring an additional 65 acres of undeveloped fields from the Groth and Rettler family farms with the projection to fill in the gaps towards the 30 year Hartford Land Use Plans.

HADC's Board of Directors went through an inaugural Strategic Planning session in October, determining a high level direction for the organization moving forward. Extensive metrics of internal and external data sources were evaluated to determine where the HADC has been and provide guidance as to what the best course for the future should be. The Mantra, Mission, Guiding Principles and Value Propositions were defined; Expectations for Board members were refined; Dangers, Opportunities and Strengths were articulated; Destination Points were determined; and Areas of Focus / Strategies were outlined.

Along with a very high priority on land sales through business recruitment, it was determined to place a heavier emphasis on development of existing businesses through *Economic Gardening*, focusing on helping companies achieve sales growth: drawing new money into the community and keeping money from leaking out to increase economic circulation within Hartford. Aligning with feedback from industrial leaders throughout the year, the three tenants HADC is applying towards an entrepreneurial approach to economic development are:

1. Provide access to information and resources needed by businesses to survive and thrive.
2. Create a human support infrastructure that supports access to intellectual resources, talent, expansion, and change.
3. Connect businesses, individuals, and organizations through formal and informal networks to reach new growth levels.

These business expansion strategies extended HADC's client services including specific revenue generating consultation and projects such as: strategic planning and visioning, business development and financing, entrepreneurial support, public relations reach, governmental funding research, workforce and talent acquisition, technical assistance, executive forums, training and education, program development, process improvement and technology design.

HADC held a collaborative 4Q09 lunch and learn with OnTech Solutions and Barracuda Networks at the Schauer Arts Center on *Trends in Network Security & Cutting Edge Techniques*. The event was well attended and several businesses had follow-up technology installed to help protect their business information.

A recurring revenue model was designed and is rolling out in 2010 in the form of membership participation to support the value-added services provided by the HADC such as: industrial evangelist and watchdog, business voice and promotion, informational resource, access to state and federal funding, job growth facilitator, site and facilities tour guide, employment advocate, public policy influencer, and extended marketing exposure of Hartford industries. Contributions will be used to carry out the mission statement of the HADC facilitating economic growth and decision making to promote commerce in the Hartford area.

HADC's goals include: job creation support in specific areas of existing and emerging skill-based pools; increasing the number of partnerships, operating agreements and cooperative projects between area businesses; ensuring local and regional labor talents are widely known and hired by appropriate target industries; and plans to address business development infrastructure needs.

Administrative and organizational processes were thoroughly audited and activities evaluated. Restructuring occurred and expenses were cut to reduce costs. Office space was updated and condensed, renegotiating

rent reduction of 40%. The office area was cleaned up, painted, uncluttered and updated with contemporary "on-loan" furniture (thanks to a generous local vendor - J.L. Business Interiors); the old pieces were sold or donated to area businesses.

HADC moved into the 21st century through automation and streamlining via on-line bill pay, virtual elimination of fax communication, transitioning to email instead of postage-laden snail mail, executing direct deposit payroll, setting up a debit card to reduce invoice costs and changing to electronic subscription services.

Average monthly expenses in 2009 were reduced by 22% by 1Q10. There is an additional 2010 land development notes payable incurred to WE Energies based on a 2004 commitment on unfulfilled planned usage.

To creatively extend promotional exposure in far-reaching and economical ways, concept and campaign strategies to attract new business and industry were updated via innovative social marketing tools including Twitter <http://twitter.com/hoeschele>, and extensive, cutting edge LinkedIn [www.linkedin.com/in/patricehoeschele](http://www.linkedin.com/in/patricehoeschele) applications.

Social networking via LinkedIn provides introductions (as of 15Apr10):

- ❖ 648 1st level connections - trusted friends and colleagues
- ❖ 49,000+ 2nd level connections - friends of friends
- ❖ 3,185,600+ 3rd level connections - users through a friend and one of their friends
- ❖ 3,235,200+ Total users can contact through an Introduction
- ❖ 65,000,000+ Total users can contact directly

Entire brand identity rejuvenation was executed with a modernized marketing look and feel. The logo has been updated to grass green and sky blue to highlight quality of life aspects of a beautiful, clean, safe, rural, family environment with affordable housing, centrally located between the Milwaukee-Madison-Fox Valley corridor and community charm that businesses look for in choosing Hartford for their home. The color scheme aligns with Wisconsin Department of Tourism, Washington County's Visitor's and Relocation Guide, EDWC, Hartford Chamber of Commerce and BID. HADC's mantra, "*live where you work*" targets one of the top selling points.

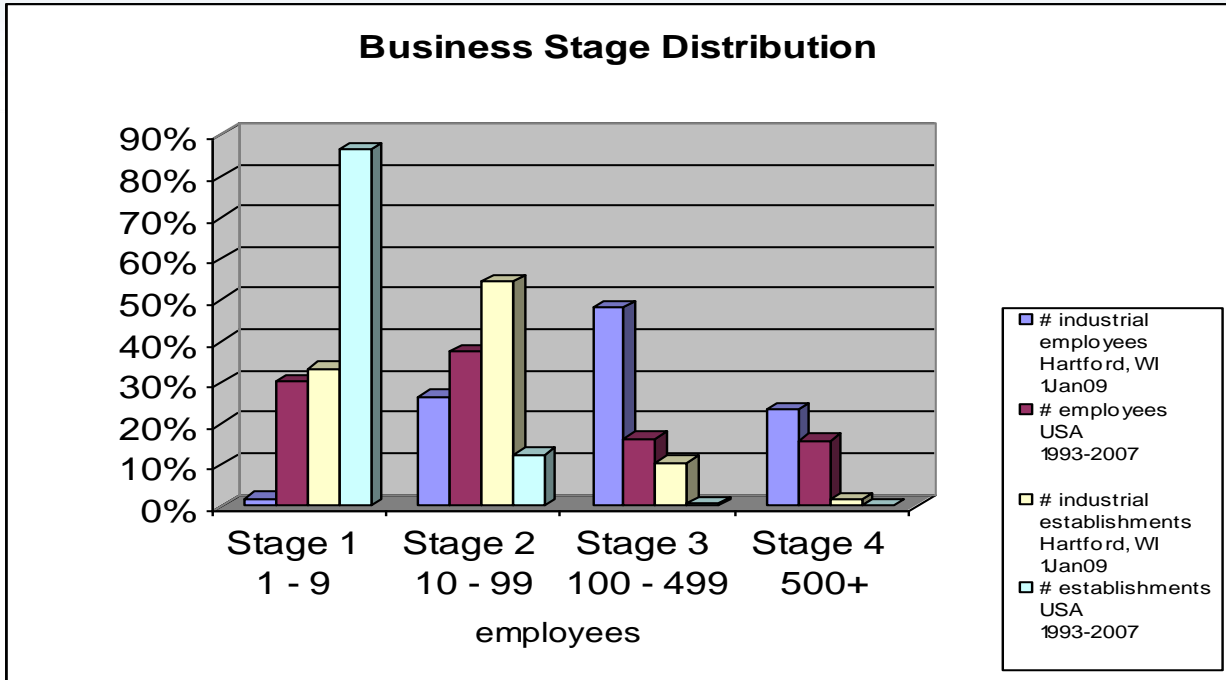
A new website was developed using Search Engine Optimization (SEO) techniques, Google Analytics capabilities, content management, RSS feeds, AdSense advertisements, email contact system and social media connections <http://www.hadc.org>. The site, along with a variety of associated marketing collateral, was launched 1Q10.

Economic indicators forecast a very slow recovery for commercial and industrial development. Real estate may not rebound until late 2011 or 2012 due to an abundance of vacant properties left in the wake of the multitude of companies that didn't survive the past couple of years. HADC will be prepared with well-developed marketing concepts, materials and campaigns to attract new business and industry as the economy rebounds.

The upcoming workforce tsunami will hit when the baby boomers start leaving and predictions are clear that there won't be enough bodies to fill the gap. It is part of the HADC's role to research, develop and communicate information and to assess and implement strategies and marketing tools that will strengthen existing and emerging talent pools.

The "new normal" drives the HADC to assist in the creation, enhancement and growth of local businesses back to profitability, sustaining and creating jobs, keeping expenses lean, greening the environment and pocketbooks, monitoring healthcare reform strategies, researching finance options, exploring business development investment into the future and helping in the advancement of countywide and community infrastructure plans and policies that support the local economy. We have developed an extensive and expanding referral network to assist businesses with financial, technology, human resources, wellness, accounting and other essential services.

HADC supports and readily responds to large employers down to one person start-up companies. Our industrial base, benchmarked with US averages, indicates a slightly different mix of business stage distribution and defines where our focus should be. We will continue asking our industrial leaders what services they need and will be driven by that input.



Hartford has a long history of industrial development and commitment to progressive, aggressive planning. Our business climate and quality of life is the envy of other Wisconsin communities. The HADC works closely with Hartford City's administration who maintains a "how can we make it work" mentality evidenced by pro-business, forward-thinking, results-oriented leadership, steady municipal tax rates, low energy costs, fast emergency responsiveness, and a dedicated, knowledgeable workforce.

It is our hope that by reading this annual report, our members, business owners and community leaders have a better understanding of what goes on at the HADC. We are grateful for the significant support given by private citizens and businesses and plan to continue the level of intense growth in a new electronic age first towards recovery, then onto new levels of economic development. How great is it that we get the honor of helping this deserving community create jobs and enhance the quality of life?

Respectfully Submitted,

*Gary Wendorff*  
President

*Patrice Hoeschele*  
Executive Director