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State easing back into new highway projects after falling gas prices
sidetrack contracts for a year; jobs being reprioritized

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**KENTUCKY
ROAD FUND
RESTART**


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PERSPECTIVE

KENTUCKY LOSES A HERO

Jim Bunning stood his ground
for principle, those he served

BY PAT FREIBERT

KENTUCKY lost a proud citizen of distinction and hero recently when former U.S. Sen. Jim Bunning passed away May 26, 2017, at age 85. Jim and his wife, Mary, were devoted parents to 11 children (including two sets of twins) and proud grandparents to 35 grandchildren, as well as great grandparents to 14.

Sen. Bunning's distinguished political career followed a very successful professional baseball career. He pitched two no-hitters, the first when he played for Detroit Tigers and the second when he played for the Philadelphia Phillies. He played professional baseball from 1955 until he retired in 1971. His legendary baseball career concluded with his election to the Baseball Hall of Fame. Unlike many modern professional athletes, Bunning completed his education first, at Xavier University with a degree in economics.

Kentuckians know Jim Bunning as their former two-term U.S. senator, and before that a six-term member of the U.S. House of Representatives for Kentucky's 4th Congressional District. Prior to his service in Washington, he was the Republican leader in the Kentucky Senate. In politics, he focused his energy and support for the traditional conservative issues that guided his life.

His conservatism showed through often as he opposed measures for programs not paid for but simply added to the deficit. He believed government must pay for its programs and mandates as it proceeds, and not simply defer ever more debt to our children and grandchildren.

Sen. Bunning was an imposing figure to be reckoned with, whether on the athletic field or in the halls of Congress. At 6'3", he was fearless as a baseball pitcher. He was just as fearless in politics. His 20-plus years in the U.S. Congress demonstrated the same skills he learned in earlier athletic contests.

Bunning never toadied to the institutional media – in fact, sports writers and broadcasters never did vote him



into the Baseball Hall of Fame. His induction vote finally came from the veteran players themselves.

His family always came first, and his love and dedication to them was always clear. Today, it remains a family that cherishes each other. Father's Day 2017 will have a special feeling this year for his beloved widow Mary and each member of that large family. Family first – that's the way it's always been in the Bunning family – and that's the way it should be.

Sen. Bunning never did scrape or bow to the political media either; it was not his nature to curry favor. And he always regarded the House and Senate seat he occupied as belonging not to him but to the people of Kentucky.

Whether you agreed or disagreed with Bunning's position on issues, you could always trust that he would do what he believed to be the right thing for the people he represented and the people of our country.

Jim Bunning loved his family, he loved his friends, and he served his Creator. While he worked hard when he campaigned, in one campaign in the '80s, he refused to campaign on Sundays because he and Mary had earlier agreed to be Eucharistic ministers on Sundays at their home church. No campaign stops on Sunday when they needed to be home and at their church.

Jim Bunning was an exceptional athlete, well educated, an excellent husband and father, an accomplished public official, but most of all, a good man. Farewell, Jim – you have served your family and your fellow Kentuckians with untold loyalty and energy. And in addition to all these accolades, you have been a team player, willing to help your fellow Republican candidates navigate the rocky path to a win on Election Day. It was a high honor to share that path with you. ■



Pat Freibert is a former Kentucky state representative from Lexington. She can be reached at editorial@lanereport.com.

COMMUNITY PROFILES

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FAST LANE

A compilation of economic news from across Kentucky

HARRODSBURG: APPLE INVESTING \$200M INTO PLANT THAT MAKES GORILLA GLASS FOR IPHONE SCREENS



Corning employees prepare glass sheets for finishing at the company's plant in Harrodsburg, which produces Gorilla Glass for Apple products.

TECH giant **Apple Inc.** is investing \$200 million in **Corning Inc.**'s Harrodsburg plant, which produces the cover glass found on Apple's iOS devices.

Corning is the first company to receive an investment from Apple's new Advanced Manufacturing Fund as part of the company's commitment of at least \$1 billion to foster innovation among American manufacturers. The investment will support Corning's R&D, capital equipment needs, and state-of-the-art glass processing done at the Harrodsburg facility.

"Corning is a great example of a supplier that has continued to innovate and they are one of Apple's long-standing suppliers," said Jeff Williams, Apple's chief operating officer. "This partnership

started 10 years ago with the very first **iPhone**, and today every customer that buys an iPhone or **iPad** anywhere in the world touches glass that was developed in America. We're extremely proud of our collaboration over the years and we are investing further with Corning, who has such a rich legacy of innovative manufacturing practices."

Since the inception of Corning's **Gorilla Glass** – a specialized product designed to be thin, light and damage-resistant – in 2007, the partnership between Apple and Corning has created and sustained nearly 1,000 U.S. jobs across Corning's R&D, manufacturing and commercial functions, including over 400 in Harrodsburg.

STATE: CHAMBERS OF COMMERCE PLAN PARTNERSHIP TO HELP KY BUSINESSES ADDRESS HEALTHCARE COSTS

GREATER Louisville Inc. and Commerce Lexington have partnered with **Humana** to help businesses save money on health insurance for their employees, while the **Kentucky Chamber of Commerce** has teamed with **Lifestyle Health Plans** to offer a different kind of health solution for Kentucky businesses.

The new **GLI/Commerce Lexington HealthSolutions** plan is available exclusively to investors in both chambers who join an employer industry sub-association. Businesses that enroll in the special association plan can potentially save between five and 20 percent on health insurance premiums.

"Health insurance is often one of the biggest expenses for businesses," said GLI President and CEO Kent Oyler. "This is really a forward-looking partnership as the landscape of healthcare continues to evolve in the United States."

Chamber members are eligible to join an association with employers in their industry that will help the chambers address industry needs, including health coverage for employees. A business must have two or more employees and a qualifying standard industrial classification (SIC) code to participate in an industry association and enroll in Humana HealthSolutions.

"The cost of entry is very low compared to the cost of other plans," said Commerce Lexington President and CEO Bob Quick. "The industry association plans benefit businesses of all sizes by pooling resources and offering discounts to investors."

A company with 19 employees typically pays an annual premium of \$64,000 for health insurance. With HealthSolutions, the same premium is around \$57,600, a savings of more than \$6,000. Savings will vary depending on company size and type of coverage, but HealthSolutions prices are on average 5 percent to 20 percent less than typical plans.

The Kentucky Chamber of Commerce plan is being offered to employers with five or more employees and boasts a robust wellness component. Incentives include deductible and cash-back credits for wellness activity, free telemedicine, free lab services, free diabetic testing supplies and more. All Kentucky Chamber members and partners are eligible to participate. Premium savings are estimated to range from 5 to 15 percent.

[GLI] GREATER LOUISVILLE INC.
The Metro Chamber of Commerce

Commerce Lexington
The Greater Lexington Chamber of Commerce, Inc.

LOUISVILLE: KENTUCKYONE HEALTH TO SELL MOST OF ITS LOUISVILLE FACILITIES

CITING a healthcare landscape that has strained the company's financial stability, **KentuckyOne Health** has announced that it plans to sell its flagship hospital in Louisville along with several other Louisville-area hospitals and physician practice groups and will focus its operations on a smaller footprint in central and eastern Kentucky.



KentuckyOne Health™

KentuckyOne Health President and CEO Ruth W. Brinkley, who has since announced that she will step down from the position effective July 14, said, "The great change and great uncertainty in the healthcare industry has strained our financial health. Market forces have evolved to the point that change is needed to allow ongoing support for health and wellness in Kentucky."

In a statement announcing the decision, KentuckyOne Health said "work is underway to identify future owners who will be better equipped to continue the commitment to quality care, employee engagement and community support."

Facilities affected by the decision include: **Jewish Hospital, Frazier Rehab Institute, Sts. Mary & Elizabeth Hospital, Medical Centers Jewish East, South, Southwest and Northeast, Jewish Hospital Shelbyville, Saint Joseph Martin, and KentuckyOne Health Medical Group** provider practices in Louisville and Martin. KentuckyOne Health will continue to operate the facilities and services until a new owner is in place.

Facilities remaining under the new structure of KentuckyOne Health will include **Our Lady of Peace, Flaget Memorial Hospital, Saint Joseph Hospital, Saint Joseph East, Saint Joseph Jessamine, Saint Joseph Mount Sterling, Saint Joseph London and Saint Joseph Berea**, as well as **KentuckyOne Health Partners Clinically Integrated Network** and KentuckyOne Health Medical Group provider practices in central and eastern Kentucky and Bardstown.

KentuckyOne Health was formed in 2012 through the merger of **Jewish Hospital & St. Mary's Healthcare Inc.** in Louisville and the **Saint Joseph Health System** in Lexington.

LEXINGTON: THOMA BRAVO ACQUIRING ALL LEXMARK ENTERPRISE SOFTWARE UNITS

LEXINGTON-based **Lexmark International** has announced that it is selling its enterprise software business to **Thoma Bravo**, a California-based private equity firm.

Lexmark's **Enterprise Software** business, which was once the central focus of the company's business strategy, consists of three primary businesses: **Kofax**, **ReadSoft** and **Perceptive Software**. Upon closing of the transaction, which is expected to occur in the third quarter of 2017, the Perceptive Software business will be sold to **Hyland Software Inc.**, an existing Thoma Bravo portfolio company and leading provider of enterprise content management software led by President and CEO Bill Priemer.



Lexmark

The Kofax and ReadSoft businesses will create a single, newly independent Thoma Bravo portfolio company under the Kofax brand, and will be led by Reynolds C. Bish, who currently serves as president of Lexmark Enterprise Software.

"The Lexmark Enterprise Software business... contains some of the most advanced digital transformation technologies in the industry," said Seth Boro, a managing partner at Thoma Bravo. "The Perceptive Software business is highly complementary to Hyland, providing innovative technologies and vertical expertise. We're equally thrilled to partner with Reynolds and his management team under the Kofax brand as a new Thoma Bravo portfolio company. Their vision to digitally transform and simplify initial customer interactions with businesses, or what they term the 'First Mile,' represents an exciting opportunity across all industries."

Financial details and information regarding how many Lexington employees will be affected by the sale have not been disclosed.

LOUISVILLE: \$33M LINAK INVESTMENT TO DOUBLE PRODUCTION, ADD 413 JOBS

LINAK, a Denmark-based company that produces linear actuators, has embarked on a \$33 million expansion that includes building a second manufacturing plant in Jefferson County.



WE IMPROVE YOUR LIFE

The expansion is expected to add 413 jobs to the company's existing 300-member staff.

Linak is constructing a 145,000-s.f. building that is double the size of its existing manufacturing plant in Jefferson County. Company officials said the investment, which includes new production equipment, will allow Linak to improve efficiency, generate higher profits and produce more reliable deliveries to customers while also lowering production costs by 25 percent.

Linak operates facilities in 35 countries around the world and maintains its Americas headquarters in Louisville. The company has introduced linear actuators to many existing products, which improves the ease of operation. Linear actuators use low-voltage DC motors to convert rotational movement into linear motion. Uses for actuators include in hospital beds, agricultural appliances, adjustable workstations and office desks.

Linak opened its first Louisville operation – a sales office – in 1994 and established its manufacturing facility there in 1999.

BUSINESS BRIEFS

BARREN COUNTY

■ The **Barren County School District** has partnered with local manufacturer **Span Tech** to create an apprenticeship program that will enable area high school students to begin an industrial manufacturing technician apprenticeship at Span Tech starting in their junior year of high school. Founded in 1978, Span Tech is a small family-owned business that manufactures conveyor systems for food processing, packing, and manufacturing. In addition to helping to strengthen Span Tech's workforce, founder and CEO Bud Layne said he hopes the program will encourage other area employers to buy into the model and help keep the community's best and brightest students locally employed.

BOWLING GREEN

■ **Vector Horizon Technology**, a Bowling Green-based company that specializes in advanced mechatronics for the



global truck industry, has been acquired by **Aventics**, a global manufacturer of pneumatic components and systems. Aventics executives said Vector Horizon's focus on engine emissions technologies, electric actuators, valves and emissions controls to increase vehicle efficiency and reduce emissions will support and enhance further development of Aventics' commercial vehicle sector. Aventics' corporate headquarters in the United States is located in Lexington.

CALVERT CITY

■ The Kentucky Department of State Parks is requesting information from private developers to build and operate a 150-acre campground at **Kentucky Dam Village State Resort Park** near Calvert City. The public-private partnership campground would include improved sites with electric and water as well as primitive sites, Wi-Fi access, bathhouses and playgrounds. Interested parties should visit the emars.ky.gov/webapp/vssonline/AltSelfService, choose "Guest Access" and search "campground." The request for information is open through July 25, 2017.

EASTERN KENTUCKY

■ **WellCare of Kentucky** is funding two new scholarship programs aimed at increasing the number of doctors and nurses working in primary medicine and psychiatry in Eastern Kentucky. WellCare, in conjunction with the **University of Kentucky Medical School** and **College of Nursing**, will award \$5,000 scholarships to 20 incoming medical students who have a strong interest in UK's Rural Physician Leadership program and are interested in serving an underserved population within Kentucky. Data shows that physicians who train in more rural areas are more likely to stay in those areas to practice.



■ Registered nurses at nine **Appalachian Regional Healthcare** hospitals in Kentucky and West Virginia have voted by an overwhelming majority to ratify a contract agreement they say will help recruit and retain the most qualified nurses for communities served by the hospitals and lead to improved patient care. **National Nurses**

United represents 700 RNs who will be covered by the three-year agreement. Contract highlights include a new wage scale to help recruit and retain experienced registered nurses, as well as improved paid time off and call back pay. National Nurses United is the largest union of registered nurses in the country, with more than 150,000 members nationwide.

GREENUP

■ The Jesse Stuart Lodge at **Greenbo Lake State Resort Park** has reopened following repairs from a fire that closed the building in 2015. The newly opened lodge features updated guest rooms as well as new paint, carpeting and flooring. Additional meeting space was also added as part of the renovation project.

BUSINESS BRIEFS

HEBRON

■ As more airlines have been added at the **Cincinnati/Northern Kentucky International Airport** (CVG), consumers are not only gaining more flight service but seeing lower fares as well. Statistics recently released by the **U.S. Department of Transportation** show that the average CVG fare dropped to No. 42 in the nation for the fourth quarter of 2016, compared to No. 22 in the same quarter of 2015. The average fare was in 4Q 2016 was \$367 – compared to \$419 in 4Q 2015 – and was the lowest of the major Kentucky airports. Louisville's average fare for the quarter was \$404; Lexington's average fare was \$395.

■ **Southwest Airlines** has added cargo services to its new operation at the **Cincinnati/Northern Kentucky International Airport**, where it also introduced passenger service earlier this month. The carrier is offering cargo services on its normally scheduled domestic flights through **Wright Brothers Aero Inc.**



LEXINGTON

■ **Valvoline** executives were joined by state and local officials on May 11 for the official dedication of the company's new \$35 million, 162,400-s.f. world headquarters in Lexington. Valvoline, which produces premium lubricants for cars, has been headquartered in Lexington for more than 30 years, but was recently spun off from Covington-based **Ashland Global Holdings Inc.** to

become a standalone global company. Valvoline employs about 5,500 people worldwide, approximately 650 of whom work at the Lexington headquarters facility.

LOUISVILLE

■ A section of west Louisville along West Muhammad Ali Boulevard has been formally designated as the **Russell Arts and Cultural District**. The goal is to create a destination spot for food, music, arts and theater, and provide opportunities for small-business owners and entrepreneurs.

■ The **University of Louisville's Conn Center for Renewable Energy Research** is planting two varieties of industrial hemp and a strain of kenaf on the Belknap Campus to demonstrate "energy crops." The crops support biofuels research at the Conn Center utilizing Kentucky-grown plants as part of the **Kentucky Department of Agriculture's Industrial Hemp Research Pilot Program**. Faculty and students at the center are working to find uses for hurd, the inner core of the hemp plant stem, which is a by-product after the outer fibers of the hemp are removed. Hurd has potential for use in fuels, chemicals and polymers.



■ Louisville has unveiled the first phase of its **Bourbon District**, an initiative that pays homage to the city's rich bourbon history and recognizes the current bourbon-industry boom. Downtown Louisville is already home to four distillery "experiences" and three more are planned, in addition to a number of other bourbon-related attractions slated to open over the next several years. The new initiative will capitalize on the surge in tourism and development that the bourbon renaissance has created and will include historical site and destination signage; a sculptural element that is part of an informational and interactive center; and distinctive pedestrian areas.

■ **Louisville Metro Government** has purchased a former grocery store in the city's Parkland neighborhood with plans to explore redevelopment options. The city hopes to use the building as a catalyst for community economic development in the neighborhood.

STATE: TRAINING SCHOLARSHIP PROGRAM DESIGNED TO FILL HIGH-DEMAND JOBS

THE **Kentucky Education and Workforce Development Cabinet** has unveiled a campaign aimed at educating Kentuckians about job openings across the state and the availability of scholarships to help train them to fill those jobs.

The **Help Wanted Kentucky** campaign was developed in

response to an increasing demand for skilled workers in five Kentucky industries: advanced manufacturing, business and information technology, construction trades, healthcare, and transportation and logistics.

Through a website (helpwantedky.com), social media platforms and digital advertising, the Help Wanted Kentucky campaign will highlight occupations in each of the five industries and the certifications necessary to obtain those jobs. Those who want to pursue a certification and job are eligible for tuition-free certifications through the Work Ready Kentucky Scholarship (WRKS).

"Employers are clamoring for more highly educated workers, and this scholarship will help businesses fill job openings," said Jay Box, president of the **Kentucky Community and Technical College System**, which offers programs in all five of the high-demand job sectors.

To be eligible for the Work Ready Kentucky Scholarship, Kentucky citizens must have not previously obtained an associate's degree or higher. Once the student has enrolled at a participating WRKS school, and applied for federal and state financial aid, they can apply for the Work Ready Kentucky Scholarship.



Kentuckians looking to pursue jobs that are in high demand across the state may be eligible for tuition-free certifications through the new Work Ready Kentucky Scholarship program.

BOWLING GREEN: KOBE ALUMINUM ROLLS OUT \$51M EXPANSION PLAN, 129 JOBS

KOBE Aluminum Automotive Products (KAAP) plans to expand for a seventh time in Bowling Green, investing more than \$51 million and creating 129 full-time jobs.

KAAP, which manufactures lightweight aluminum parts for the automotive industry, will add more than 108,000 s.f. to accommodate new production lines and equipment, including a melting furnace, forging presses and heat-treatment, casting and machining lines. The additional capacity will allow the company to meet increased sales goals. Company leaders expect the project to take approximately one year, with the start of production targeted for fall 2018.

KAAP, based in Kobe, Japan, has served its home country's aircraft and automotive industries since 1937, primarily manufacturing forged aluminum suspension products. The company first established its Bowling Green plant in 2004 and has invested a total of \$293 million to expand the facility over the years. The plant, which now employs 500 full-time employees, is seeing increased demand for its products, which help reduce overall vehicle weight, providing better fuel economy and lower emission levels.

HENDERSON: BIG RIVERS ELECTRIC OK'D FOR 7 FACILITIES TO TEST SOLAR

THE Kentucky Public Services Commission (PSC) has approved a proposal by Henderson-based **Big Rivers Electric Corp.** to build seven small solar-power facilities across its service territory.

In its application to the PSC, Big Rivers said the facilities would be used to test how well solar power can be integrated into the utility's grid and also would serve to educate the public about solar energy. The PSC also noted that the company is responding to requests from customers that the utility develop solar power programs.

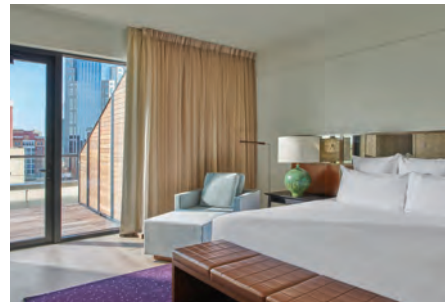
Big Rivers is owned by and provides power to three electric distribution cooperatives: **Jackson Purchase Energy Corp.**, **Kenergy Corp.** and **Meade County Rural Electric Cooperative Corp.** (Meade RECC). Together, the three cooperatives serve about 114,000 customers in 22 counties in western Kentucky. The seven solar facilities, with an aggregate output of 120 kilowatts (kW), will be located at schools, parks or other public facilities, where they will be readily visible. The selected sites are: **Livingston County Middle School**, **McCracken County High School**, **Mike Miller Park** (Benton), Kenergy offices in Henderson and Owensboro, and Meade RECC offices in Brandenburg and Hardinsburg.

The total cost of the facilities is estimated at \$500,000. Big Rivers said it will pay for the facilities out of its cash reserves and hopes to recoup \$125,000 of the cost through a grant from the **U.S. Department of Agriculture's** Rural Energy for America Program.

BUSINESS BRIEFS

LOUISVILLE

■ Louisville-based **21c Museum Hotels** has opened its seventh property in downtown Nashville, Tenn. Building on its mission of supporting the revitalization of American downtowns, the company has rehabilitated the historic **Gray & Dudley Building** near Printer's Alley. Like all 21c hotels, the Nashville location will feature contemporary art exhibition space open free of charge to the public.



■ **Diversified Consultants Inc.**, a collection services company for major telecom clients, has opened a new Louisville office in the **Commerce Crossings** business park space that previously housed a **Vantiv** call center. DCI officials say they now expect to hire up to 1,000 employees, more than twice the number originally projected for the Louisville office.



■ **ZirMed Inc.**, a Louisville-based company that focuses on cloud-based financial management solutions for healthcare organizations, has sold its value-based care analytics business – including its clients, solutions and core staff – to **Koan Health** for an undisclosed sum. The ZirMed platform purchased by Koan, a Dallas-based healthcare analytics and advisory firm, aggregates clinical and financial data from electronic health records and insurance claims to deliver real-time quality tracking, identify gaps in care, stratify at-risk patients, and provide deep cost and utilization analyses.



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BUSINESS BRIEFS

LOUISVILLE

■ **The Cordish Co.**, the developer and owner of Louisville's **Fourth Street Live** entertainment complex, plans to open a business incubator in the Fourth Street Live space previously occupied by two nightclubs. **Spark Louisville** will occupy approximately 20,000 s.f. and will be based on a similar project the company has launched in Baltimore. Tenants will have the option of paying on a month-to-month basis, with the rent tied to how much space they utilize.



■ **Google** is moving forward with plans to bring its super-fast internet **Google Fiber** to Louisville. The network construction will be done in phases to allow a more efficient build and reduce disruption. The company also plans to test new ways to deploy the network - such as

microtrenching, which involves shallow, narrow cuts to install fiber-optic cable - and is working on advancing wireless capabilities to connect communities even faster. The initial build out will focus on a handful of communities and neighborhoods.

OWENSBORO

■ **Brescia University** has received a grant of \$500,000 from the **James Graham Brown Foundation** in Louisville to expand and support the continued growth of the **Marilyn Younger-Conley School of Social Work**. Brescia will utilize the funds to help construct a new academic building that will house the School of Social Work, grow endowment funds, and hire faculty to fully launch the university's new master of social work program. Enrollment in Brescia's School of Social Work has grown by 800 percent over the past eight years and currently has 483 students, a number that represents 37 percent of Brescia's total enrollment.



PRESTONSBURG

■ **Big Sandy Community and Technical College** has launched the state's first community dental health coordinator program. Community dental health coordinators offer outreach, community education and preventive services to help break the barriers that prevent people from receiving regular dental care. BSCTC has signed an agreement with the **American Dental Association** to offer the program and has partnered with **Avesis** to provide a \$2,000 scholarship for each member of the inaugural class. The certificate program is being offered completely online.



SCIENCE HILL

■ **Camtech Manufacturing Solutions**, a factory automation, machining and custom engineering services provider, has opened a new 16,200-s.f. headquarters facility in Science Hill that provides more than twice the production and engineering space of the company's previous building in Somerset and nearly four times the office space. The additional room is enabling Camtech to expand its parallel lines of business,

including machining of custom parts, fabrication of factory-floor structures - such as decks, ladders, enclosures and mezzanines - design services and on-site engineering support.

SPARTA

■ The **Kentucky Speedway** has unveiled a new corporate luxury suite, designed to offer patrons with smaller party sizes to enjoy a first-class suite experience. The Paddock Club features top-quality food, inside/outside seating and trackside view, a private cash bar, restroom access and a club-like atmosphere. The 2017 season at Kentucky Speedway begins in July. Guests can purchase up to 10 passes to The Paddock Club.

STATE: 16 KENTUCKY SMALL BUSINESSES RECOGNIZED FOR THEIR ACHIEVEMENTS

SIXTEEN small businesses from across the commonwealth received Pacesetter recognition and Small Business Administration honors in early May during the Kentucky Celebrates Small Business event, presented by the **Kentucky Small Business Development Center** and the Kentucky District Office of the **U.S. Small Business Administration**.

The 2017 Kentucky Small Business Person of the Year is **Debra Dudley**, co-founder and president of **Oscarware Inc.** in Bonnieville. Dudley was also the runner-up for the national U.S. National Small Business Person of the Year award.

Winners of the Pacesetter awards were chosen based on how they are changing Kentucky's economic landscape through the introduction of innovative products, increasing sales and/or production, boosting employment and serving their communities. This year's awards were presented to: **Bluegrass Electrical Consultants Inc.**, Burlington; **Doc Lane's Veterinary Pharmacy**, Lexington; **Imperial Fisheries**, Middlesboro; **Limestone Branch Distillery**, Lebanon; **Oscarware Inc.**, Bonnieville; **The Miller House Restaurant**, Owensboro; **Two Rivers Fisheries Inc.**, Wickliffe; **Universal Compressor Solutions**, Mayfield; **Verbal Behavior Consulting Inc.**, Lexington; and **Victory CNC Plasma**, Owensboro.

The 2017 Kentucky Small Business Administration award winners are:

- **Kentucky Small Business Media Advocate of the Year:** Tim Preston, editor of the *Grayson Journal-Enquirer* and *Olive Hill Times*, in Grayson.
- **Kentucky Financial Services Advocate of the Year:** Robert Brandon Feltner, business banking officer at Citizens Bank of Kentucky, in Prestonsburg.
- **Kentucky Minority-Owned Small Business of the Year:** El Kentubano LLC, in Frankfort. Luis David Fuentes is the owner and publisher.
- **Kentucky Veteran-Owned Small Business of the Year:** Land Shark Shredding LLC, in Bowling Green. Don Gerard is the president and CEO.
- **Kentucky Woman-Owned Small Business of the Year:** Puzzles Academy and Puzzles Fun Dome, in Louisville. Kimberly Stevenson is the president.
- **Kentucky Young Entrepreneur of the Year:** Josh Barrett, owner and operator of Josh Barrett and Associates, in Richmond.



Chai White Photography photo

Kentucky Secretary of State Alison Grimes, Ralph Ross of U.S. SBA Kentucky District office, Oscarware President Debra Dudley, and Kentucky Lt. Gov. Jenean Hampton gathered to celebrate Dudley being named as the 2017 Small Business Person of the Year.



We want to know what's going on at your company! If you have news to share with Kentucky's business community, please forward your press releases and photos/logos/graphics to editorial@lanereport.com. In order to reproduce well, images must be large enough to publish in high resolution (300 dpi).



LOUISVILLE: INTERAPT TO ADD 250 JOBS AT NEW HQ SET FOR WEST LOUISVILLE

INTERAPT LLC, a tech development startup company that focuses on business innovation services and workforce development, is establishing its headquarters in Louisville, where the company expects to add 250 jobs over the coming years.

Interapt develops mobile, web and high-tech wearable applications that help businesses improve their processes, communication and bottom lines. Customers include **Baptist Healthcare, Eurofins, Humana, Kindred Healthcare, YUM! Brands** and **General Electric**, among many others.

Last year, the company collaborated with multiple companies and nonprofit organizations to develop a technology workforce-training initiative that includes TechHire Eastern Kentucky (TEKY), which has successfully retrained under-employed individuals in the Appalachia region.

Ankur Gopal, who founded Interapt in 2009 and now serves as chief executive officer, said he hopes the company's growth inspires the next generation of Kentuckians to start their own entrepreneurial journey, and that other global technology companies take notice and consider Kentucky when expanding their businesses.

Interapt plans to renovate a 22,000-s.f. manufacturing and warehousing facility in Louisville's Portland neighborhood near downtown to serve as its new headquarters. The new headquarters will include dedicated space for community-focused workforce development and technology training programs.

BUSINESS BRIEFS

UNION

■ A groundbreaking ceremony was held on May 11 for **Boonespring Health Care and Rehabilitation Center**, a \$24 million project in Boone County that is expected to be complete by fall 2018. The 94,000-s.f. center will employ a staff of 200 and have a total operating budget of more than \$12 million. Carespring COO John Muller noted that "Boone County is the fastest-growing county in Kentucky but has one of the fewest number of (nursing) beds. We are working as fast as we can to complete the project and bring a modern, state-of-the art nursing care and rehabilitative facility to the citizens."

WILMORE

■ **Asbury University** has received a \$1 million grant from the **James Graham Brown Foundation** that will support the construction of the university's new collaborative learning center (CLC). Upon completion, the 80,000-s.f. CLC will house labs, classrooms, faculty offices, two conference rooms and a 300-seat auditorium.

STATE

■ The economic impact of tourism in Kentucky surpassed \$14.5 billion in 2016, according to figures released by the **Kentucky Tourism, Arts and Heritage Cabinet** and the Department of Tourism. All nine of the state's tourism regions registered gains in 2016 and the figure represents the strongest overall economic impact growth rate since 2005. The industry supported nearly 193,000 jobs and generated more than \$1.5 billion in tax revenue, with \$195.1 million going directly to local communities.

Ky. Department of Travel photo



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INTERSTATE LANE

Business news from Indiana, Ohio, Tennessee and West Virginia

BUSINESS BRIEFS



BW photo

INDIANA

■ **BeijingWest Industries Co.**, a China-based company that designs and manufactures brake and suspension systems, plans to locate its first U.S. production facility in Greenfield, Ind. The company is investing more than \$80 million to build and equip

a new facility that will create 441 jobs by 2021. The company plans to break ground this summer and launch production in August 2019.

■ **Angie's List**, an Indianapolis-based company that provides information and reviews for hundreds of home-related service companies, has entered into a definitive agreement to merge with **IAC's HomeAdvisor** in a deal valued at \$505 million. The merger will form a new publicly traded company that will be called **ANGI Homeservices Inc.** and will be headquartered in HomeAdvisor's Golden, Colo., location. Angie's List employs approximately 1,500 people in the Indianapolis area. HomeAdvisor has some 150 Indianapolis-area employees.

OHIO

■ Cincinnati-based **Kroger**, the nation's largest supermarket chain, has launched a meal kit service similar to that of market leader **Blue Apron**. The \$1.8 billion meal kit industry is growing rapidly, with Blue Apron currently delivering more than 8 million meals per month. Kroger's move addresses consumers' shift away from frozen or takeout food and toward more freshly prepared meals. The **Prep+Pared** kits are fresh, with all ingredients pre-measured. The kits are priced from \$14 to \$18 and feed two adults.



■ **Fifth Third Bank** has launched a maternity concierge program for female employees who are pregnant or who have a baby up to 1 year old, to help with everything from planning baby showers to researching child-care options. The Cincinnati-based company designed the program to assist employees with the unique challenges they face during pregnancy, after the baby is born and especially upon their return to work. In the program's first four months, more than 170 women enrolled.

TENNESSEE

■ Memphis-based **First Horizon National Corp.** has entered into a merger agreement with **Capital Bank Financial Corp.**, of Charlotte, N.C. The merger accelerates First Horizon's plan to expand its presence in the Southeast and will create the fourth-largest regional bank in the Southeast. The combined organization will have \$40 billion in assets, \$32 billion in deposits, \$27 billion in loans and more than 300 branches across eight states. First Horizon, which is headquartered in Memphis, Tenn., will retain its First Tennessee bank brand in Tennessee, where it has a 153-year history. Branches outside Tennessee will use the Capital Bank name.

■ **IASIS Healthcare**, headquartered in Franklin, Tenn., has entered into a definitive agreement to merge operations with **Steward Health Care**, a Boston-based national healthcare services organization. The merger will create the nation's largest private for-profit hospital operator with 36 hospitals across 10 states and projected 2018 revenues of nearly \$8 billion.

WEST VIRGINIA

■ The president of the **U.S. Chamber Institute for Legal Reform** has praised West Virginia for the passage of a bill to reduce frivolous lawsuits and improve the West Virginia business climate. "S.B. 563 will reduce frivolous lawsuits regarding debt collection practices by permitting creditors to remedy violations before debtors resort to litigation," said ILR President Lisa Ricard. "The legislation will prohibit abusive litigation while protecting victims from fraudulent conduct."

TENNESSEE: NEW \$360M NOKIAN TYRES PLANT DRIVES CREATION OF 400 JOBS

NOKIAN Tyres is investing \$360 million to build a new plant in the southeast Tennessee community of Dayton that will create at least 400 new jobs. The project represents the largest-ever foreign direct investment in the county's history.

Headquartered in Finland, with a North American sales office in Vermont, Nokian Tyres supplies tires for cars, trucks and special heavy machinery that need tires that will perform well under special challenges such as snow and harsh driving conditions. The company's new Tennessee facility will focus on manufacturing passenger, SUV and light-truck tires.

Construction on the new 830,000-s.f. plant is expected to begin in early 2018, with completion targeted for 2020.

Tennessee Gov. Bill Haslam credited the recent passage of Tennessee's IMPROVE Act (Improving Manufacturing, Public Roads, and Opportunities for a Vibrant Economy) for helping the state land the Nokian investment. The IMPROVE Act, among other things, reduces the Tennessee corporate franchise and excise tax for manufacturers and allows companies to opt for a tax valuation based on a single-sales tax factor. Haslam said the IMPROVE act makes Tennessee more competitive for plant expansions by companies already operating in the state as well as those looking for a new location.



Nokian Tyre photo

Nokian Tyres specializes in vehicle tires that face demanding driving conditions.

INDIANA: NEW INFOSYS HUB WILL BRING 2,000 JOBS TO INDIANAPOLIS BY 2021

INFOSYS, a global leader in consulting, technology and next-generation services, is investing more than \$8.7 million to establish operations in Indianapolis, where it plans to add up to 2,000 new high-skill jobs by the end of 2021.

The tech hub, which is expected to launch operations in August, will focus on cutting-edge technology, including artificial intelligence, machine learning, user experience, emerging digital technologies, cloud and big data, serving businesses in key industries such as financial services, manufacturing, healthcare, retail and energy, among others.

Infosys, which already employs more than 140 associates across Indiana, will be hiring developers, analysts, architects, domain consultants and other technology professionals following the opening of its new Indiana office. The company plans to ramp up its hiring over the next five years, adding 100 new jobs by the end of 2017 and 400 new jobs by the end of 2018.

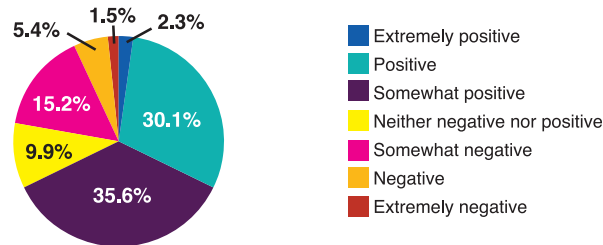
The company will also institute training programs for new employees as well as for students in partnership with higher education institutions in key technology and computer science competencies.

Founded in India in 1981, Infosys now has a presence in more than 50 countries across the globe and has more than 18 offices in the U.S. The company has committed to establish four new technology and innovation hubs in the U.S. over the next two years, creating 10,000 new jobs.

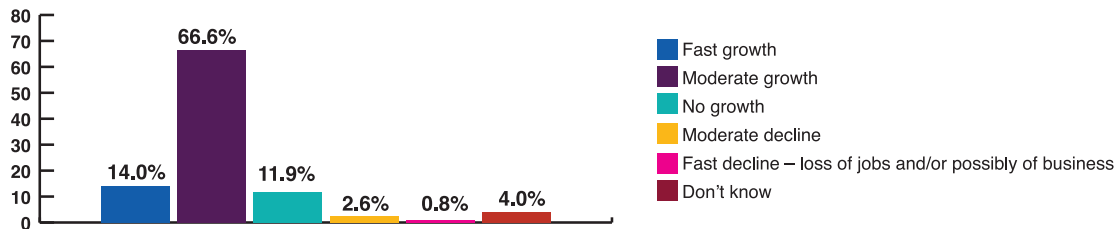
BRIDGING THE TALENT GAP

A recent survey of nearly 1,100 Kentucky businesses provides some interesting insights on the current state of conducting business in the Bluegrass State and workforce issues. The survey – sponsored by the Kentucky Community and Technical College System, the Kentucky Society for Human Resource Management and the Kentucky Center for Education and Workforce Statistics – reveals that projections for business expansion and job growth look good. However, employers continue to say there aren't enough skilled workers to fill the 51,000 jobs currently open across the state. Of the businesses surveyed, 55 percent represent small businesses (1-200 employees), 31 percent represent mid-sized businesses (201-1,000 employees) and 14 percent represent businesses with more than 1,000 employees.

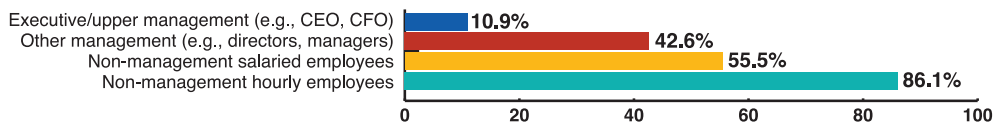
OVERALL, HOW WOULD YOU DESCRIBE THE ECONOMIC CONDITIONS IN YOUR COMMUNITY OR AREA?



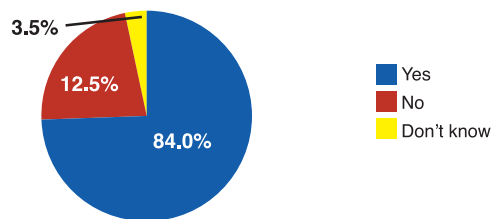
OVER THE NEXT THREE TO FIVE YEARS, WHAT IS YOUR ORGANIZATION'S PROJECTED GROWTH?



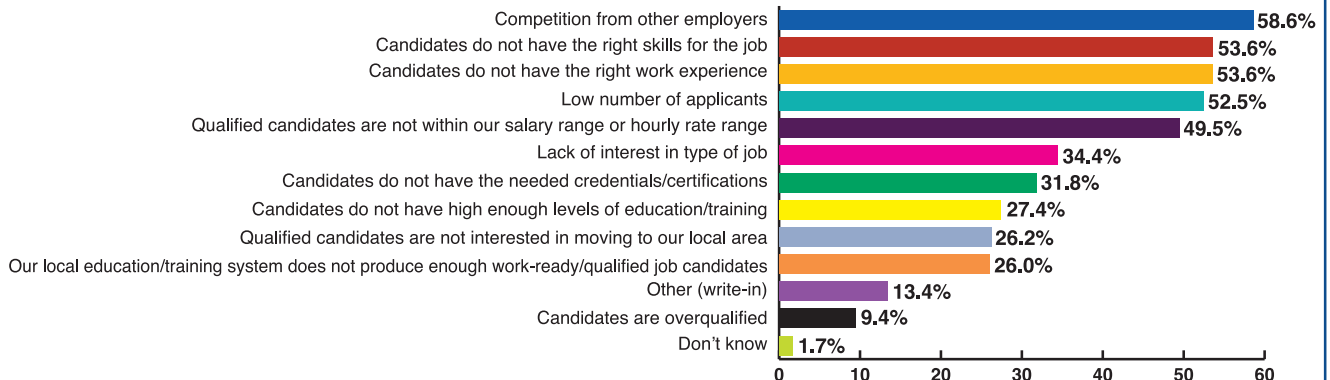
AT WHAT LEVEL(S) IS YOUR ORGANIZATION CURRENTLY HIRING FULL-TIME REGULAR STAFF?



IN THE CURRENT LABOR MARKET, ARE YOU HAVING A DIFFICULT TIME RECRUITING FOR CERTAIN TYPES OF POSITIONS THAT ARE OPEN IN YOUR ORGANIZATION?



WHAT ARE THE MAIN REASONS YOUR ORGANIZATION EXPERIENCES DIFFICULTY IN HIRING QUALIFIED CANDIDATES FOR FULL-TIME REGULAR POSITIONS?



Source: KYSHRM TALENT ALIGNMENT SURVEY REPORT

CORPORATE MOVES

New leadership for Kentucky businesses

BANKING

■ **Ashley Conn** has been named residential lending manager, vice president for Community Trust Bank.



Ashley
Conn



Betty
Frederick

Betty Frederick has been named as the bank's market vice president for Campbellsville.

■ **Joe Meyer** has been appointed president of Henderson-based Field & Main Bank. **Dale Sights**, current president of the bank, will move up to the position of president of the bank's holding company, Field & Main Bancorp Inc.



Joe
Meyer

■ **Thomas W. Burns** has been named chief executive officer of Cove Federal Credit Union in Edgewood.

■ **Louis R. Straub II** has been named president of Independence Bank.

BUSINESS DEVELOPMENT

■ **Tyrone Tyra** has been promoted to senior vice president of community and minority business development for Commerce Lexington Inc.

■ **Gene Kirchner** has joined the Northern Kentucky Chamber of Commerce as senior vice president and chief operating officer.



Gene
Kirchner

■ **Dawn Denham** has been named executive director of the NKY Chamber Foundation and program director of Leadership NKY.

CONSTRUCTION

■ **Quincy Cutshaw** has been named vice president of marketing for Lexington-based Denham-Blythe Co.



Quincy
Cutshaw

■ **Tim Terrell** has been named executive vice president and chief financial officer for Fort Mitchell-based Drees Homes. He succeeds **Mark Williams**, who is retiring this month.

EDUCATION

■ **Dr. Todd Cheever** has been named as associate dean for the new University of Kentucky College of Medicine – Bowling Green campus.



Todd
Cheever



Don
Brown

Dr. **Don Brown**, a Bowling Green vascular surgeon who also serves as director of medical education at the Medical Center in Bowling Green, has been named assistant dean for the College of Medicine's Bowling Green campus.

■ **Moira Scott Payne** has been named the first dean of the Kentucky College of Art + Design at Spalding University.

■ **Danielle Jostes** has joined the University of Kentucky College of Agriculture, Food and Environment as equine philanthropy director.

■ **Colin Crawford** has been named dean of the University of Louisville Louis D. Brandeis School of Law.



Colin
Crawford

■ **Sharon Kerrick** has been named dean of Bellarmine University's W. Fielding Rubel School of Business.

■ **Dan McBride** has been named executive director of alumni engagement at Eastern Kentucky University.



Dan
McBride

■ **Daniel Patterson** has been named system director of virtual student services for the Kentucky Community and Technical College System.

■ Asbury University has announced the following appointments: **Mark Troyer** – vice president of institutional advancement; **Bill Hall** – vice president of enrollment management; and **Josh Fee** – dean of the School of Graduate and Professional Studies.

■ **Daniel A. Durbin** has been named associate vice president for health affairs/chief financial officer for the University of Louisville Health Sciences Center.



Daniel
Durbin

ENGINEERING

■ **Michael Nantz** has joined Lexington-based ECSI as director of business services.

FINANCE

■ **Thomas B. Kessinger III** has been named president of Hilliard Lyons and will also join its board of directors. Kessinger succeeds **James R. Allen**, who remains CEO and will become chairman of the company.



Thomas
Kessinger



James
Allen

FOOD/SPIRITS/HOSPITALITY

■ **Heaven Hill Master Distiller Denny Potter** has been named vice president of operations for the Bardstown-based company.

GOVERNMENT

■ **Vivek Sarin** has been named an executive officer in the Kentucky Cabinet for Economic Development.

■ The Kentucky Department of Agriculture has announced the following promotions: **Chris Caudill** – director of the shows and fairs

DEPARTURES

■ **Ruth Brinkley** will step down as president and CEO of KentuckyOne Health, effective July 14.



Ruth
Brinkley

■ **Michael Jinkins** has announced that he will retire as president of the Louisville Presbyterian Theological Seminary, effective Sept. 2, 2018.

division; **John Chism** – director of the livestock division; **Tyler Madison** – grape, wine and spirits program manager; and **Sharon Spencer** – director of the direct farm marketing division. **Chad Smith** has joined the department as director of the promotion and development division.

■ **Nancy G. Atkins** has been appointed commissioner of the Kentucky Department of Insurance. **Patrick O'Connor** has been named deputy commissioner of policy for the Department of Insurance.

HEALTHCARE

■ **Jason Chesney** has been named director of the University of Louisville's James Graham Brown Cancer Center.



Jason
Chesney

■ **Marcie Timmerman** has been named executive director for Mental Health America of Kentucky.

LEGAL

■ **Brian M. Vines** has been named a partner with the law firm of Hare Wynn. Vines operates out of the firm's Lexington office.

NONPROFIT

■ **Amanda Ferguson** has been named executive director of Surgery on Sunday Inc., a Lexington nonprofit organization that provides essential outpatient surgical procedures at no cost to uninsured/underinsured individuals who are not eligible for state or federal assistance.

■ **Brian Roy** has been named executive director and CEO of the Kentucky Association of Counties. He succeeds **Denny Nunnelley**, who is retiring.

REAL ESTATE

■ **Pamela Rudd** has joined Horizon Commercial Realty in Louisville as controller.

■ **Becky Norton** has joined TRIO Property Management in Louisville as managing partner.

RETAIL

■ **Ann Reed** has been promoted to president of Kroger's Louisville division.

OTHER

■ **Chris Black** has been named executive vice president and chief financial officer for Sgsco, a Louisville-based company that specializes in package production and related marketing services.

■ **Tom Delancenserie** has been appointed president and CEO of the Kentucky Lottery Corp. Delancenserie previously served as secretary and CEO of the Florida Lottery.

ON THE BOARDS

Kentuckians named to organizational leadership roles

ASSOCIATION OF AMERICAN PHYSICIANS

■ Dr. **Mark Evers** has been elected to the Association of American Physicians. Evers is the director of the UK Markey Cancer Center, the Markey Cancer Foundation Endowed Chair, and professor and vice-chair for research in the UK Department of Surgery. He also serves as the physician-in-chief of the oncology service line for UK HealthCare.

GREATER LOUISVILLE INC.

■ **Evelyn Strange** has been elected chair of the board of directors for Greater Louisville Inc. Strange is president of AES Advanced Electrical Systems Inc.

KENTUCKY BICYCLE AND BIKEWAY COMMISSION

■ The following individuals have been appointed to the Kentucky Bicycle and Bikeway Commission: **William Eugene Brundage Jr.**, Louisville; **James Younger**, Independence; **Alexander Gaddis**, Louisville; and **Jason Kent Morrison**, Ashland.

KENTUCKY BOARD OF LICENSURE AND CERTIFICATION FOR DIETITIANS AND NUTRITIONISTS

■ **Deborah Gill** and **Megan Finnie** have been appointed to the Kentucky Board of Licensure and Certification for Dietitians and Nutritionists. Gill, of Versailles, is a treatment coordinator. Finnie, of Lexington, is a registered dietitian.

KENTUCKY BOXING AND WRESTLING COMMISSION

■ Dr. **Tad Dean Seifert** has been appointed to the Kentucky Boxing and Wrestling Commission. Seifert, of Louisville, is a neurologist.

KENTUCKY FOUNDATION FOR MEDICAL CARE

■ The Kentucky Foundation for Medical Care has elected the following individuals to leadership roles: President – Dr. **Shawn Jones**, Paducah; Vice President – Dr. **John R. White**, Lexington; and Secretary-Treasurer – Dr. **Linda H. Gleis**, Louisville.



Shawn Jones



John White



Linda Gleis

KENTUCKY PHARMACY AND THERAPEUTICS ADVISORY COMMITTEE

■ **Andrea M. Tucker** has been appointed to the state's Pharmacy and Therapeutics Advisory Committee. Tucker is an obstetrician/gynecologist in Winchester.

KENTUCKY REAL ESTATE APPRAISERS

■ **Terry Lewis Bunnell** has been appointed

to the Kentucky Real Estate Appraisers board. Bunnell, of Glasgow, is chairman and chief executive officer of the Peoples Bank and Peoples-Marian Bancorp Inc. in Crittenden and Barren counties.

KENTUCKY REAL ESTATE COMMISSION

■ **Billy Joe Beckham** has been appointed to the Kentucky Real Estate Commission. Beckham, of Smiths Grove, is the general manager of Southern States Glasgow Cooperative.

KENTUCKY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

■ **Douglas Allen** has been named to the board of directors of the Kentucky Society of Certified Public Accountants. Allen is system director of financial services at Kentucky Community and Technical College System.

Announcements for the Corporate Moves and On the Boards sections of The Lane Report can be submitted to editorial@lanereport.com. Due to space restrictions, announcements for the Corporate Moves section are generally limited to upper management positions. Photos to accompany announcements are welcome. High-resolution images (minimum 300 dpi) are required in order to reproduce well.

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LANE ONE-ON-ONE

Kentucky's leaders express their opinions



William "Bill" Lear

William "Bill" Lear is chairman emeritus of Stoll Keenon Ogden PLLC law firm and chairman of the Kentucky Chamber Board of Directors. Lear is a former chairman of Commerce Lexington, a former five-term state legislator and is an active civic leader in Lexington and Louisville. In the General Assembly, he chaired the House Economic Development Committee and served as co-chair of blue ribbon task forces on tax reform, workforce development and economic. He is a Trustee of Keeneland Association, Vice-Chair of The Jockey Club and as a member of the Board of the Kentucky Seed Capital Corporation. He has been inducted into the Kentucky Economic Development Hall of Fame, the Bluegrass Business Hall of Fame and the U.K. College of Law Alumni Hall of Fame. He and his wife Evangeline live in Lexington and have three children and six grandchildren.

POLITICS OF BROAD TAX BASE, LOW RATES HARD BUT IT WILL GROW STATE'S BUSINESS

Bill Lear, Kentucky's economic development law author, discusses the difficult reforms needed to prepare for even harder pension fix

BY MARK GREEN

Mark Green: You've managed a major law firm, been Lexington legal counsel, served 10 years as a legislator, wrote the law creating Kentucky's Cabinet for Economic Development, been an urban developer, serve on the Jockey Club board and as a Keeneland trustee, headed the Commerce Lexington board, and now head the Kentucky Chamber of Commerce board. What advice would you offer someone aspiring to active successful roles in the private, public and civic sectors?

Bill Lear: Sounds like I ought to be worn out! First of all, you can only do a lot of different things if you're genuinely interested in them, and each of those things you mentioned, I have been very interested in. Some of them, all the way to passionate about.

And the things you need to have in your quiver of arrows to do those things: First, organizational skills are really high on my list of traits of successful people. I'm a list maker, and I do it on paper. That's one of the things I do. Work ethic and organizational skills often trump sheer brainpower. You have to learn to compartmentalize, meaning be able to segregate and focus on one thing to the exclusion of all others; that's difficult in this day because interruptions from all of our communication

systems and devices are so pervasive. The other thing I've had the luxury of, that not everybody does, is enormous support from my law firm that has given me a lot of flexibility.

For me, time is a fungible commodity. You have to be able to take a couple of hours in the middle of the day and do something other than your main job, maybe a civic function; not just go to meetings but really work on something. This may mean you do some of your primary job early in the morning; I do that a lot. I don't work evenings like I used to; I reserve that time for me and my wife, I don't take business calls at night and read a lot of emails. But during the day, I will go in several directions, and hopefully not all at once.

MG: What is your best advice to those who manage law firms, large or small?

BL: The toughest challenge in managing a law firm is similar to managing any business organization: Keep your eye on the strategic view, do not let the urgent overtake the important. We all have names for it: administrative default, administrivia. When you're in management, it can interrupt your day over and over to the point you either forget or don't have time to do that which really moves the needle. That's No. 1.

No. 2 is, one of my most important jobs as managing partner was to walk the halls, without any particular purpose, and spend time with people in the firm – not everybody every day, but over time stay connected so you know what they're doing, they know you, they know and appreciate the fact that you care about them and what they're doing.

MG: Has the economy's slow recovery reached the legal services sector?

BL: The recession changed a lot of things for law firms. As the economy went downhill, demand for legal services did. A lot of business firms pulled things in-house or decided they didn't need legal services for certain work. That has rebounded, but we're not in "go-go" years like we were in the '80s, the '90s and the first part of this century. We're also not at a time in the profession when there's one of the great new waves of legal work. For example, in the early days of environmental regulation, environmental law was huge. And as healthcare grew, healthcare law was a big, explosive new area. With the dot-com era and the technological explosion of the '90s and the first part of this century, and continuing today, intellectual property law was an exploding area. The same was true of mergers and acquisitions in the '80s. Each of those areas is mature now. There are still significant practices in those areas, and I encourage new people to take a hard look at them.

MG: What practice specialties might you recommend to law students or early-career attorneys?

BL: Employment lawyers seem to be in great demand. Healthcare is still strong. Intellectual property is strong. The most notable one that's down is bankruptcy, debtor-creditor law. Litigation is strong in spots, but we're in a pretty long-term change from litigation that goes to trial to controversies being resolved by mediation and arbitration. Litigation is not what it used to be. In my first year and a half as an attorney, I tried two jury trials, and today almost nobody, unless they're in criminal law, gets that kind of experience early on.

I recommend developing a diverse set of skills. When I started, you had to learn transactions, and I handled my share even though I wanted to be a trial lawyer. You had to do real estate work; I did a fair amount though I never wanted to be a real estate transaction lawyer. I even had to do divorces. Some grounding in litigation and some grounding in transactions is very useful.

Then look at what industries appear to be growing in the geographic area where you want to practice. In Central Kentucky, there is viewed to be a specialty in equine

law. But at the end of the day, the folks who are successful in equine litigation are basically business litigators who have learned the subject matter of the equine industry. The folks who are successful in doing the horse deals are good transaction lawyers who have learned the industry subject matter. The same is true for tax and up and down the practice areas. You're taking skills that can be applied in a lot of industries, learning the subject matter of that specific industry and applying those skills there.

MG: As a legislator, you wrote some of Kentucky's primary economic development law. How did that come about?

BL: I began serving in January 1985. After four or five years, the speaker of the House came to me and said, "I would like you to take over the Economic Development Committee. I think we need to shake things up because I'm not satisfied, and a lot of people are not satisfied." I created a really blue-ribbon task force to look at our economic development programs and structure. It met for a couple of years. We brought in national economic development experts. We created an entity unlike any other in the United States, a true public-private entity with significant private-sector authority and positions on the governing board, the Kentucky Economic Development Partnership.

We tried to accomplish three things. One, remove politics from the economic development function. We heard lots of stories about out-of-state prospects coming to Kentucky to establish factories and being taken to the industrial park of a friend of somebody close to the seats of power, so we wanted to get politics out of it.

Second, we wanted continuity. Kentucky had had a series of economic development secretaries who came in with a new governor, took a year to understand the job, worked for a couple years, then spent the last year of the term looking for a new job. We had an on-and-off thing. Where that's really important is relationships: The best economic development people forge relationships, and it's really important with people outside of the United States to have long-term relationships and establish trust. It's equally important with the economic development site consultants around the country; if they don't know who's in charge one week to the next, one month to the next, it's impossible.

The last thing, which goes hand-in-hand, is a greater level of professionalism. We made the head of economic development exempt from the salary cap applicable to other parts of state government; to get the kind of people you need, you have to do that in this day and time.

MG: Did Kentucky pick among others' best practices or come up with some of its own?

BL: The structure we ended up with was unique. I'm told it's been copied other places around the country. As of that time, nobody else in the United States ran or had an organization like the one we created. There were some best practices from others – we had two consultants who had worked around the country. Other places had strategic plans for economic development. Kentucky had never had one; this legislation required us to have one. Other places had had great success with developing clusters of like-kind businesses, and we put emphasis on developing clusters of like-kind businesses. The best example in the country is Silicon Valley. We weren't geniuses breaking all new ground; we did copy the best. But the structure was new and unique.

MG: Economic development nowadays includes incentives. Kentucky's incentives were updated in 2009 to make investment by existing businesses eligible also. Do you think Kentucky is up-to-date and competitive today with its incentive package?

BL: I do. We still offer some of the incentives Gov. Paul Patton came up with actually before he was governor. Some of those were in place when I became chair of the economic development committee in 1990; some were adopted while I was there and others since. We've got a competitive array. Most of our incentives are not giveaways. Most are earned credits based upon creating jobs of an appropriate level that weren't here before. I think we're in good shape.

Incentives are always going to be a part of a winning package, but today the most important factor is caliber of workforce. That's something every state in the country is facing. Both technical skills and what are referred to as "soft skills" are really important. Quality of place, quality of life, which is everything from healthcare to housing costs to what sort of interesting and fun things there are to do in your community, all are important. But workforce and its handmaiden, education, are the two most important criteria. Some people criticize incentives, but if you don't want to do incentives you don't want to be in the game because they're part of every deal of any consequence.

MG: State leaders aim to reform the state tax system and fund the pension shortfall later this year. You have some expertise in this area. Is there any low-hanging fruit to go after first?

BL: The lowest-hanging fruit, in terms of the easiest money, is probably increas-

ing the cigarette tax. But politically that's difficult because Kentucky was for a long time such a tobacco-growing state; it is to an extent still. We're also the state with about the highest incidence of smoking and lung cancer. Most people would consider that low-hanging fruit, except that it's pretty tough. And after that, it is a challenge.

MG: During the Brereton Jones administration, you were on a blue-ribbon tax reform panel. But, as with other seriously compiled recommendations, no action followed. Why has this happened multiple times?

BL: The "T" word is like poison in political circles. Since ours in the mid-'90s, two other blue-ribbon task forces have turned our tax code inside out and come up with recommendations. That's probably why Gov. Matt Bevin says he's not going to use a task force; we've had two, maybe three, strikes and not gotten anywhere. The reason is you can't do genuine tax reform without creating winners and losers. And the winners, by and large, will tell you that they thought they were always entitled to it, and they don't show nearly the appreciation that those who would lose show anger. So that's probably the single biggest impediment.

And there's the general anti-tax view in the electorate. A lot of legislators in both parties get elected on a promise they will never raise taxes, period, end of story. If you've got 50 taxes and increase four of them and decrease 10 and leave the rest the way they are, somebody's going to accuse you of violating your pledge because you raised the ones that you raised. It's a daunting task, but if it didn't need to be done we wouldn't have had the task forces we've had, and wouldn't have the current governor and most of the legislative leaders agreeing we need to do tax reform.

MG: Some tax reform discussion references Tennessee's consumption-based tax structure as a model. If Kentucky attempts to shift from income-based to consumption-based tax revenue, what will be the obstacles?

BL: The simplistic description of Tennessee's tax code is, they rely heavily on the sales tax. Their statewide sales tax is 7 percent (5 percent on food), and it approaches double digits when you include local sales taxes. They don't have an income tax.

I don't think it's economically feasible to eliminate Kentucky's income tax. To lower it and raise the difference from the sales tax – let alone raise additional money if that's what the governor believes to be necessary, and the pen-

sion crisis probably does make it necessary – you’ve got to do one of two things. You’ve got to expand the base dramatically or up the rate. We have a 6 percent sales tax that produces about \$3.6 billion, so each penny is worth \$600 million. The most interesting discussions going on, and that cause the most debate and consternation, are about expanding the base. The ideal tax rate has the broadest possible base and the lowest possible rate.

But if you look at one of these tax expenditure studies, for fiscal year 2016 through 2018 you will see yearly sales tax (revenue) is \$3.6 billion, and there’s about \$3.5 billion exempted. So you say, “Well, this is not hard. We’ll just expand it to everything and cut the rate back to 3 percent, and we’ll be in exactly the same place we are now.” But to expand everything like Tennessee, we have to tax food bought at grocery stores. We have to tax residential utilities. We have to tax prescription medications, prosthetic devices and the like. We have to tax churches and charitable organizations on their purchases, which Kentucky doesn’t. What sounds like a great idea in concept runs into things that people don’t consider a “loophole.” A loophole is something somebody else gets and you don’t; the big ones in Kentucky are exemptions, meaning everybody gets them. So that’s what you run into.

And then there’s the whole issue about services. If the sales tax at the 6 percent rate were expanded to all services, that’s another \$2.5 billion in revenue, but Florida tried it many years ago (1987), and it blew up in their face. In my years in the legislature, we would see states try things, and it would blow up like a lab experiment and everybody else would say, “Whoa, that’s a bad idea.” That was 30 years ago, but even the task force I chaired recommended expanding taxes on services to some degree.

MG: Do reform efforts to expand the base ever discuss phasing in changes to soften them?

BL: I’m not aware of any, but that would certainly be possible. I’ll give you a flip side, though, that relates to our current dilemma about pensions. I have suggested what might be a useful approach to paying for pensions is: Do tax reform to make our tax code as competitive as possible, simplify it, make it more efficient, more attractive to business location and growth, get it like we want it to be for the next many years; and then for a finite period of time, tack an additional penny on the sales tax dedicated only to eliminating the pension gap and sunset it. Figure out how long it would

last, sunset it, and you can park that issue off to the side and go about the business of trying to grow the state.

That is a suggestion from the cheap seats, but it’s at least one way – assuming you could get the base to the point where that generates the revenue and you’ve reformed the pension system to stop the bleeding going forward and all you’ve got to deal with is this unfunded liability.

MG: The phrase “a business-friendly tax code” is used to describe the most desirable outcome. What is the business community’s preference for a structure that would best support economic growth, job growth and income growth?

BL: There are some very specific things. The inventory tax that’s viewed as discouraging to many types of businesses could be eliminated. There are still some death taxes left that, while they’re not big, create the impression this is not a place wealthy folks want to live their final years. Those are some fairly easy ones. Some accounting differences would help that I probably should leave up to the accountants to explain. The biggest ones are making the corporate income tax as low as possible – and the personal income tax, which in the eyes of a lot of people, is pretty high in Kentucky because local occupational license tax (on individual wages and business net profits) gets tacked on top. If you’re a person at the high range of the Kentucky tax, which most business leaders and companies are likely to be, you’re paying 6 percent to the state, and then you’re paying an extra 2 to 3 percent, depending on what city you live in, so you may have an effective state and local income tax of 8 or 9 percent. It is a lot when you add it on top of the federal income tax burden. Those would be the top-of-the-line items to create a more business-friendly tax code.

MG: Any fix for Kentucky’s now worst-in-the-nation unfunded pension liability is going to be costly and painful. Barring the return of a high-growth economy that would generate strong investment returns, is there a least worst way to begin to take on this problem? You suggest a dedicated, sunsetted penny sales tax.

BL: Well, that’s how to get us out of the hole we’re in. The longer-term issue is how to reform the pension systems themselves so that we are solvent and solid going forward. There really are no easy fixes.

I’ll give you some basics: Public employees are going to have to work longer. I remember vividly from my days in the legislature the bills to reduce the amount of time for full pension benefits

from 30 to 27 years. In the House of Representatives, there were two or three of us who voted against it. Nothing against public employees, but private-sector employees weren’t having that privilege. Historically, the thinking was we pay public-sector employees less, so we’ve got to be more charitable in their pension system. I don’t think that’s true anymore, and defined-benefit plans are a real thing of the past. There were reforms adopted in 2013 that are going to help, but they won’t help enough and won’t begin to have an impact for another 12 to 15 years. We have to deal with how long people have to work to qualify for full benefits.

We have to deal with the issue of what pay level you use to determine pension benefits. People’s pay escalates over time and is at the highest level in their final years. The issue is how many years you base the pension level on – their last three, their last five, their last X years? From a mathematical formula basis, if most of your career you pay in at a low level then your pension is computed at the highest level, that math doesn’t work. We have to deal with that. We’re going to have to deal with cost-of-living increases.

There may be legal handcuffs on dealing with these as it relates to existing employees because there’s a doctrine called the “inviolable contract” in pensions. The basic concept of it is – and there’s actually a statute that says that – pensions and benefits represent an inviolable contract between state employees and the state. That’s been interpreted to mean once they have come to work under a given benefits system, you can’t cut it back for them. You can only cut it back for new hires. How far that goes is not entirely clear under the law. That may be a subject for discussion in the pension reform efforts.

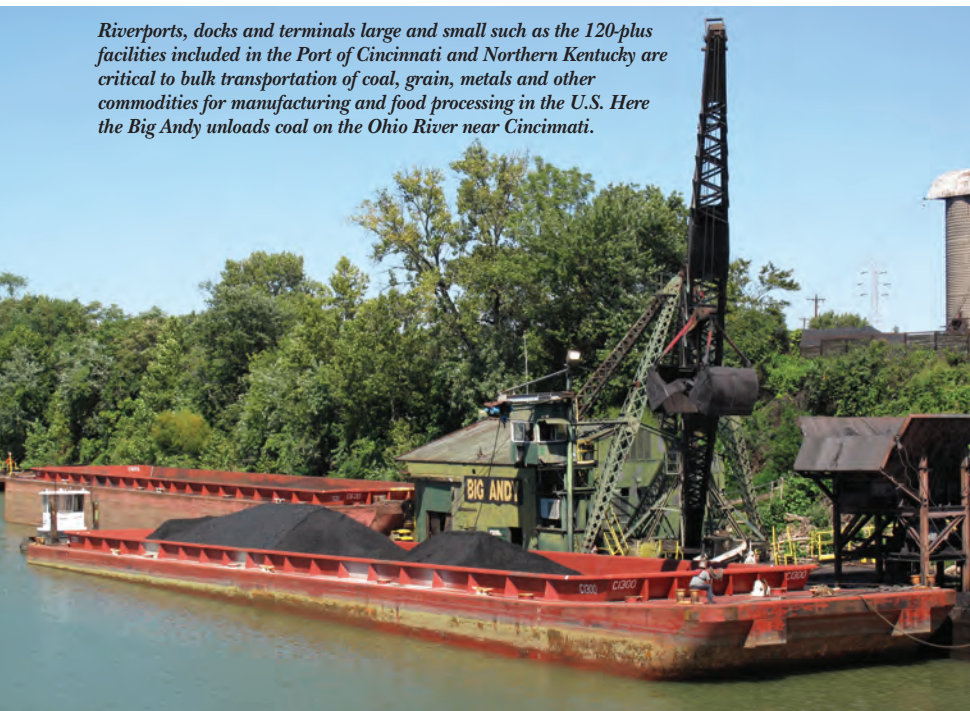
MG: Do you have any closing comment?

BL: I’ve had a lot of young people come to me and talk about getting involved in politics: “Should I run for this? Should I run for that?” I always tell them I believe getting in politics is an admirable thing. I believe elective office is the highest calling in a democratic society; I really believe that. But I tell young people, be successful in whatever your chosen career is first, and then decide to run for office. I see too many people who run too early, and even if they succeed in getting elected, they never reach the level in their career that they otherwise might. ■



Mark Green is executive editor of The Lane Report. He can be reached at markgreen@lanereport.com.

Riverports, docks and terminals large and small such as the 120-plus facilities included in the Port of Cincinnati and Northern Kentucky are critical to bulk transportation of coal, grain, metals and other commodities for manufacturing and food processing in the U.S. Here the Big Andy unloads coal on the Ohio River near Cincinnati.



Riverports Grow As Exports Flow

Kentucky's public water logistics facilities signaling world's freight shippers that they can handle the job

BY SEAN SLONE

Editor's note: In a two-part Lane Report series in 2012, Sean Slone examined the role of Kentucky's public riverports in regional economic. He checks in on what's changed over the last five years and what the future may hold for the industry.

EXPANDING riverports are adding Kentucky logistics capacity to support an ongoing rise of export business. At-capacity U.S. aircraft production and vehicle producers' shift from steel to aluminum are factors, along with a world that wants Appalachian hardwood and every fourth row of commonwealth corn.

Kentucky shipped \$29.2 billion in goods and services abroad in 2016, a 6 percent rise. Additionally, last fall's long-anticipated opening of an

expanded Panama Canal initiated ripples in global freight movement that have yet to reach Kentucky's fourth-largest-in-the-U.S. inland waterway system.

At the Owensboro Riverport, much has changed over the last five years but one thing has not. It is still the most successful of the state's public riverports, according to Brian Wright, the Owensboro native who took over as president of the Owensboro Riverport Authority in September 2013.

"Based on the numbers that we see across the state, we're still the highest-volume public authority of the eight active ports that exist in Kentucky," said Wright, who also is chairman of the Kentucky Association of Riverports. "Over the last three years we've topped out at 960,000 tons fairly consistently,

Kentucky's Active Public Riverports and Primary Businesses/Commodities



- **Eddyville Riverport:** Fertilizer (dry and liquid), grain
- **Greenup-Boyd County Riverport:** Specialty aggregates
- **Henderson County Riverport:** Scrap metal, fertilizer, wire rod coils, zinc, grain, lumber, aluminum fluoride
- **Hickman-Fulton County Riverport:** Fertilizer, coke, grain, steel wire rod, steel shapes, general cargo
- **Louisville-Jefferson Riverport International:** Coal, coke, steel coils, stainless scrap, industrial development
- **Meade County Riverport:** Grain
- **Owensboro Riverport:** Aluminum, steel coils, grain, fertilizer, nitrate, rebar, paper products, alloys, wire rod coils
- **Paducah-McCracken County Riverport:** Fertilizer, sand, limestone, rubber, steel shapes, rebar, coke, general cargo, grain

Source: Kentucky Association of Riverports

and that's combined river, rail and barge inbound goods."

Two significant additions in 2014 set the riverport on a slightly different course and enhanced business.

The riverport partnered with Houston-based Solvay Chemical to build a \$24 million facility on site to toll sodium bicarbonate, a commonly used laboratory chemical.

"That (facility) employs seven employees right now, and it has made a significant change for us as it's related to revenue," he said. "Tonnage-wise, because of the industry that it supplies, we're only averaging around 35,000 or so tons per year through that facility. But it was built primarily to feed the energy sector for emission control; several of the power plants in this vicinity are required to treat for emissions and sodium bicarbonate is one option to do that with."

The other 2014 development was the construction of a new \$7.5 million, 210-foot cargo dock, which is now home to a mobile harbor crane purchased in February 2015.

"The primary purpose of this dock is to help support multiple commodities but primarily the aluminum and steel sector," Wright said.



Brian Wright,
President,
Owensboro
Riverport
Authority



With the depletion of much of the aluminum stockpile warehoused in the Detroit area after the 2008 recession, the Owensboro Riverport has found itself inundated with imported aluminum coming up the Mississippi River from New Orleans, Wright said.

“Over the last several months ... we’re running six days a week, 10 to 12 hours a day dedicated to aluminum off that new dock,” he said. “The purpose of that dock being constructed in 2014 and the purpose of that crane is now really coming into play in 2017, and we anticipate that to continue.”

The new dock has allowed the riverport to achieve some redundancy and avoid costly shutdowns due to high river levels.

Other developments at the riverport since 2012, according to Wright include:

- Construction of a 1 million gallon bulk tank for a sulfur-based fertilizer called Thio-Sul that is used in side-dressing corn and other crops.

- Construction of a \$1.5 million facility adding 100,000 bushels of grain capacity to existing facilities and raising a conveyor belt to further reduce outages caused by high water.

- A new inbound/outbound scale office allowing the riverport to optimize its ability to turn trucks faster and improve traffic flow.

- Upgrades to the port security system, including control gates so that all traffic inbound to the port is via gate and/or security guard.

- Addition of two rail spurs as part of the Solvay project. Another rail track expansion to the riverport loop is in the planning stages.

Owensboro Riverport is handling increasing volumes of aluminum ingot freight as the automotive industry shifts from heavier steel to improve gas mileage.

- Designation of the riverport as an approved delivery site by the London Metal Exchange and the Chicago Mercantile Exchange for primary aluminum and other commodities.

- The nomination of the riverport for Global Metal Service Provider of the Year in 2016 and 2017 by S&P Global Platts.

“What being nominated tells us is that we’ve always considered ourselves as a key strategic location for aluminum, (and) we continue to see our inbound and outbound aluminum grow,” Wright said. “We continue to take on new customers every month, all in efforts to supply the future of aluminum demand in Kentucky.”

Recent months and years have seen the announcement of major in-state expansions by aluminum companies such as Braidy in Greenup County, Kobe in Bowling Green, Logan in Russellville and Aleris in Hawesville.

The Owensboro Riverport’s recent success has happened simultaneously with efforts to revitalize the city of Owensboro and enhance economic development in the area.

“We work really hand in hand with the economic development group here in Owensboro for multiple opportunities for expansion,” Wright said. “We’re working on projects now where the manufacturer needs a mode of transportation other than truck, so we work ... to help develop those and give them opportunities for outbound rail, inbound rail, outbound truck, outbound barge, inbound barge.”

Madison Silver, former president/CEO of the Greater Owensboro Economic Development Corp. and now president of real estate development and property management company The Malcolm Bryant Corp., said the port has played a huge role in the city’s recruitment efforts because it is multimodal and seen as a good aluminum delivery site.

Other Developments Impacting Kentucky’s Public Riverports

The last five years have seen numerous developments impacting Kentucky’s public riverports. Among them:

- **The Kentucky Riverport Improvement Program:** “The biggest change for the state has been the introduction of state-funded grants available to operating public riverport authorities,” said Wells, of the Kentucky Transportation Cabinet. “This started in FY 2013. This has been a successful grant program with \$500,000 available per year and with an equal match required by grantees. Through FY 2017, the funding has contributed to over \$6.5 million in projects at our riverports. ... (Funding is) available through fiscal 2018.” Some advocate more state support. “I believe the level of funding must be increased substantially to ... achieve true intermodal compatibility and functionality,” said Paul “Chip” Jaenichenm, a former administrator with the U.S. Maritime Administration. “Doing so would stimulate business development that relies on logistics, which in turn would bring jobs and other investment in the cities, towns and regions around riverports.”

- **Long-Range Planning:** “Several of our riverports have kept their long-range plan up to date, have recently updated one (to bring it) more in line with their community goals, or are developing brand new long-range plans for the first time,” Wells said. They will become part of the freight plan Kentucky and all other states are required to submit to the Federal Highway Administration under the Fixing America’s Surface Transportation (FAST) Act approved by Congress in 2015, Jaenichen said: “The Maritime Administration is working closely with FHWA to review plans to ensure states and regions with navigable rivers and waterways include those transportation assets as an integral part of their freight plans.”

- **Developing Riverports:** In addition to eight active, operating public riverports, Kentucky has five developing ports. These are public riverport authorities without actual port facilities. Wells said the long-term prospects for these developing ports vary widely but they have taken key steps to examine what it would take to come online. “The Kentucky Transportation Center at the University of Kentucky recently completed a feasibility study for the Maysville-Mason County Riverport Authority,” he said. “The study identified potential riverfront property, commodities, services and employment base that could come together to form an active riverport. ... There’s (also) a big push for centralizing a port down in Western Kentucky around Hickman ... a multi-county, multifunctional port to be developed ... to drive more utilization of the inland river system and drive economic development for that area.”

- **Meade County Becomes Operational:** For inspiration, the developing ports might look to a riverport that in 2012 was still considered developing but now is included among Kentucky’s active, operating ports. In 2014, after years of trying, the Meade County Riverport Authority acquired a tenant for its facility when the Consolidated Grain and Barge Co. agreed to build a new terminal to buy, store and ship grain.

"It helps us attract companies that are using aluminum and support our (Kentucky) auto industry as they start transitioning (from steel) to more aluminum, so it's an incredible asset from that perspective," Silvert said. "We use it all the time when we're marketing our community."

Meanwhile, the city's use of tax increment financing has allowed it to move forward with projects like Gateway Commons, a long-awaited residential and commercial development, and a downtown redevelopment that will include an 830-job customer engagement center for California-based company Alorica, along with a much-needed downtown parking structure.

Improvements to the region's roadways are another factor expected to increase economic growth both at the riverport and in Owensboro as a whole in the years ahead.

"We have two designated future (interstate) spurs – the Audubon Parkway will be a spur of I-69, and the Natcher Parkway will be a spur of I-65," Silvert said. "As far as what that means to economic development for Owensboro, I think anytime you have more industrial land options that are within 10 miles of an interstate, that provides us with better opportunities to respond to requests for proposals from site consultants that come into the state on a pretty regular basis."

Northern Kentucky Port re-designation

One of the biggest success stories involving Kentucky's public riverports in recent years was getting the U.S. Army Corps of Engineers to redesignate a combined Port of Cincinnati and Northern Kentucky to include 219 miles of the Ohio River and 7 miles of the Licking River.

"Unlike some areas in Kentucky, the Northern Kentucky Port Authority does not actually have port facilities," said Roger Peterman, Northern Kentucky Port Authority Board chairman. "The port authority still exists without a port, and the primary purpose is to provide whatever support we can to the private port developers in this Cincinnati area."

There are 68 docks and terminals on the Ohio side and 54 on the Kentucky shore plus seven on the Licking River. ("Putting the Ports of Cincinnati and Northern Kentucky on the Business Map" was *The Lane Report's* June 2015 cover story.)



Madison Silvert, former President/CEO, Greater Owensboro Economic Development Corp., new President, The Malcolm Bryant Corp.

The redesignation has proven to be a great marketing tool, according to Casey Wells, who is freight, rail and waterways coordinator in the Kentucky Transportation Cabinet's (KYTC) Division of Planning in Frankfort.

"It puts them in the top 15 of all U.S. water ports, including both ocean ports and inland river ports for freight tonnage," he said. "It sent a clear message that that region is comfortable and capable of handling very large volumes of freight, and it further supports the fact that the

Midwest is primed for logistics and distribution."

Cincinnati/Northern Kentucky is positioned to be a major multimodal logistics hub, Peterman said, with the world's first Amazon Prime air freight services facilities slated to join DHL's existing world hub at the Greater Cincinnati-Northern Kentucky Airport.



Roger Peterman, Chairman, Northern Kentucky Port Authority Board



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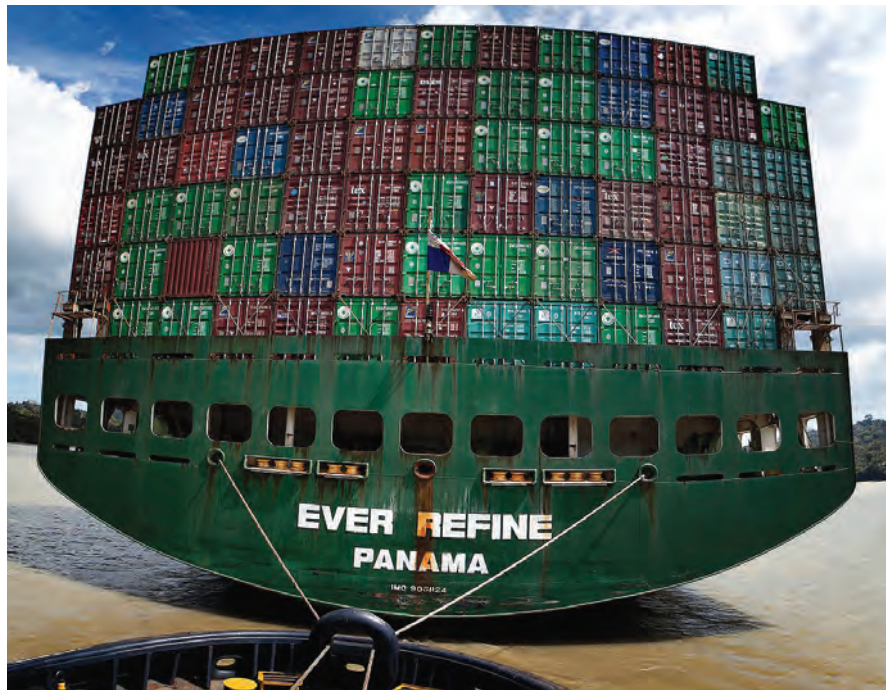


Kentuckians for Better Transportation

Kentucky Riverport Statistics

- The commonwealth has more than **1,590 miles** of navigable waterways and ranks fourth nationally in inland waterways.
- Waterways and ports in Kentucky support more than **15,000 jobs** and contribute **\$2.5 billion** to the economy annually.
- Commodities shipped to and from Kentucky through its waterways and ports include: **\$26 billion** in manufactured goods, **\$10 billion** in chemicals used in consumer products, **\$6 billion** in agricultural and food products.
- With **101 million** short tons of cargo transported on waterways in 2012, Kentucky ranked 7th in the nation.
- **8** active public riverports
- **5** developing riverports
- More than **100** private port terminals

Source: Kentucky Chamber. "A Citizen's Guide to Kentucky Infrastructure." May 2017 Accessed from: http://issuu.com/kychamber/docs/the_citizens_guide_to_kentucky_infr?e=7759251/48862376&mc_cid=87d3787fb3&mc_eid=f4ca7fd1c



"Our air freight services will be second to none, I would think, in volume," he said. "You add to that the intersection of several interstate highways and rail service in this area, added onto the Ohio River transportation system. We think for transportation and logistics, that's something that makes this area very attractive and very competitive when moving products around the country and around the world."

Meanwhile, redesignation of the Northern Kentucky and Cincinnati ports could have a significant impact for other commonwealth riverports by setting a successful example.

"We're in the process of looking at ... the opportunity to do something very similar (with the Western Kentucky ports)," said Owensboro's Wright. "When you look at the tonnage report that's issued every year, even though we're a million-ton port, we're still listed down in the 20s and 30s (nationally). But if you combine the total tonnage of Western Kentucky (ports), then it makes it much more competitive and brings much quicker awareness of what the Western Kentucky ports do."

Such a move could serve the Western Kentucky ports region well, said Wells at the Transportation Cabinet.

"I think that would be an exemplary situation because they have like industries, like geography, similar economics, culture," Wells said. "They do similar services, same commodities. Most of them are agriculture-based, including fertilizer. I think it would be a great showing of their commitment to move by waterways but also their partnerships

with one another, and I think it would further solidify the message delivered by our northern and northeastern Kentucky ports that the state is a major player in the waterways industry. I feel like it's a slam dunk."

Northern Kentucky's Peterman believes it could work as well.

"Shipping ... is an international business and being identifiable by potential customers around the world is important," he said. "If they think, as the port facilities here thought, that that high-volume designation would make an area more noticeable, then that might make sense for them."

Panama Canal expansion impact

In 2012, much of the discussion about the future of the river commerce industry concerned the widening of the Panama Canal, then expected to be completed in 2014. Many expected a wider canal's capability to handle larger container ships would rearrange U.S.-Asia shipping routes and increase freight traffic to Gulf Coast ports, where their contents could be offloaded to vessels that could navigate the Mississippi River and connect to Ohio River ports in Kentucky.

After multiple delays, the canal expansion project finally began commercial operation in June 2016. There is still hope that Kentucky will see an impact, but most say the commonwealth has yet to feel it.



Casey Wells,
Freight, Rail
& Waterways
Coordinator,
Division of
Planning,
Kentucky
Transportation
Cabinet

Panama Canal expansion completed in October 2016 can transit ships with 12,000 or more 20-foot containers compared to a former "panamax" of about 5,000 containers. The impact on shipping economics is expected to create more business for Kentucky ports as volume freight movement to and from U.S. markets via Gulf of Mexico ports and up the Mississippi and Tennessee-Tombigbee Waterway becomes cheaper than circling South America.

"The Gulf ports have continued to develop significantly in support of the increased volume of the Panama Canal," Wright said. "However, there is still currently an imbalance or has been an imbalance in shipping rates through the Panama Canal versus shipping around the south end of Africa versus rail rates. It's going to take some time for those to balance out (and) for some of the significant (international freight) volume to come into the Gulf."

Perhaps that's just as well.

Although ports on the inland river system have made progress in preparing to accommodate greater container traffic, Wright said, Kentucky facilities aren't quite there yet.

"Everyone wants to be there and that's obviously what's going to be coming through the Panama Canal, but there are still many obstacles from a regulatory, infrastructure standpoint that have to change for us to get there," he said.

However, one Kentucky public riverport last year made significant moves towards taking on more container traffic, said Paul "Chip" Jaenichen, a Kentucky native who served as maritime administrator during President Obama's second term.

"In October 2016 ... (then-)Secretary of Transportation Anthony Foxx approved the Marine Highway Project designation for the Paducah-McCracken County Riverport Authority's proposed container-on-barge service to Mobile and New Orleans," Jaenichen said.

It is a green light for commercial shipping customers.

"This project would establish Paducah, with its strategic location at the confluence of the Ohio and Tennessee rivers and just a short distance to the Mississippi River, as a transportation hub for barges loaded with both domestic and international shipping containers," he said. "Containerized and unitized or break-bulk cargoes would be able to be moved via barge along the Tennessee River-Tombigbee Waterway, (and on the) Cumberland, Ohio and Mississippi rivers, with Paducah serving as the operational hub."

The Paducah Riverport, Jaenichen said, has recently installed a new waterfront crane capable of handling shipping containers and is working to secure regularly scheduled service between the region and New Orleans



Paul "Chip" Jaenichen,
Former
Administrator,
U.S. Maritime
Administration

via the Mississippi and Mobile via the Tenn-Tom. Optimizing utilization of Kentucky's ports can be possible, Jaenichen believes, if they take on more of the characteristics of coastal ports.

Paducah will host a conference later this year that will allow the riverport and the city to market themselves, said Bill Miller, executive director at the Paducah-McCracken County Riverport Authority.

"The purpose of the event is to highlight the region's many benefits for economic development – uncongested multimodal abilities, our innovative workforce training programs, and the available sites for manufacturing and distribution," Miller said.

Owensboro's Riverport is ready, too, when container traffic comes to call. But Wright said patience may be needed.

"You have to develop a sustainable container business and show over time that you can sustain it," he said. "You have to have the appropriate investors, you have to have the infrastructure in place, the barge lines have to be on board to support



Bill Miller,
Executive
Director,
Paducah-
McCracken
County
Riverport
Authority



High capacity tower cranes such as this Linden Comansa 30LC1450 recently erected in Paducah, Kentucky are helping busy ports like the Paducah/McCracken County Riverport Authority deal with today's vessel traffic and be ready for tomorrow. The crane's addition furthered the Riverport capabilities in international shipping and receiving and was cited in its application for Foreign Trade Zone designation.

the container movement. ... We have the infrastructure. We have the crane to support it. We have the cargo dock to support it. We have the systems here in place to support it. We're just looking for that right opportunity to latch on to sustainable container movement." ■

Sean Slone is the director of transportation and infrastructure policy at The Council of State Governments in Lexington.

Good Roads Save Lives

Kentucky's transportation system is the foundation on which the businesses and communities of Kentucky are built. The members of the Kentucky Association of Highway Contractors (KAHC) help build and maintain the current transportation system and stand ready to provide good paying jobs while creating a more modern, safe, and efficient transportation system in Kentucky.



**Kentucky Association
of Highway Contractors**

On behalf of the 152 contractor members and 139 associate members of the Kentucky Association of Highway Contractors, we are proud Kentuckians and look forward to providing the infrastructure to make Kentucky the place where companies want to locate and people want to work, play, live, and raise families.



Kentucky Road Fund Restart

State easing back into new highway project after falling gas prices sidetrack contracts for a year; jobs reprioritized

BY SUSAN GOSSELIN

DROPS in gas prices are a cause for rejoicing in most business quarters, unless you're in the business of building roads. Kentucky has been all but out of the highway construction business for a year, having hit the brakes to keep its Road Fund from falling completely to empty.

In July, Transportation Cabinet officials, legislators and Gov. Matt Bevin are

ready to cautiously restart activity after having had to re-engineer the route to fiscally sustainable roadbuilding for a commonwealth whose large and growing logistics sector is reliant on strong transportation infrastructure.

Kentucky's road budget is funded in large part from gas tax revenues, and those revenues are pegged to the price of gas. So, when gas prices floated down from their 2009 highs in the \$4 a gallon

Highway construction funded by Kentucky's Transportation Cabinet was paused in 2016 to rebuild balances in the state Road Fund. State gas tax rates, set by a formula based on wholesale prices, was adjusted to a minimum of 26 cents per gallon. The cabinet plans to issue \$50 million in new construction contracts in the fiscal year beginning in July.

range back toward a price sometimes nearing \$2 a gallon, incoming road fund revenues fell precipitously.

In fiscal year 2016, the Kentucky Transportation Cabinet said revenues declined overall by 6.5 cents per gallon of gas sold in the state – it added up to a \$195 million subtraction from receipt totals for 2015.

And it accelerated already growing concern in Frankfort. The legislature voted to create a floor for the state's gas tax rates, which vary under a formula that starts with wholesale costs. Additionally, the Kentucky Transportation Cabinet halted all state highway projects during fiscal year 2017 as part of its "Pause 50" program. The program ran from June of last year through this month.

When cabinet officials presented the recommended highway plan early in the 2016 legislative session, they anticipated the capacity to do some \$80 million in "new project starts" in fiscal year 2016 and \$160 million in FY2017. Cabinet cash balance forecasts, however, quickly drove home a view that they would not fund the recommended highway plan. The eventually enacted highway plan anticipated no capacity for "new project starts" until FY2018 and even then only \$50 million, hence Pause 50.

And commonwealth officials say the plan worked – revenues are properly banked, and state highway work is scheduled to kick up again to the tune of \$50 million in projects starting in July. But the road ahead is hardly certain, as the backlog of highway projects continues to grow every year, officials say.

"Each year, when you combine federal funds for federal roads, and state funds for state roads, Kentucky has a \$1 billion budget for road maintenance," said Greg Thomas, secretary for the Kentucky Transportation Cabinet.

"We took a big hit when that ended up getting reduced to \$750 million a year.

"Pause 50 has helped us to get ourselves on more solid footing. But it doesn't change the fact that we have a pavement backlog that grows by 500 miles a year," Thomas said. "Everyone is in agreement that something has to be done. There are a lot of people in



Greg Thomas, Secretary, Kentucky Transportation Cabinet

Frankfort who are working to address it, from several different angles.”

State Projects vs. Federal Projects

The key to understanding Kentucky's transportation budget is to understand who owns what pots of money. Under President Obama, the states were given an additional \$50 million of funding for maintenance and repair of federal roads in Kentucky, bringing the annual budget to \$700 million a year, each year until 2020. This money goes exclusively to the maintenance of federal roads, such as interstates.

The remaining \$400 million in the state's yearly road fund comes from state taxes. State road funds are a bit more complex. According to the Transportation Cabinet, approximately 48 percent of state road funds are, in actuality, given out to cities, counties and municipalities, who conduct work on roads in their jurisdiction. The remaining amount goes to state road projects and state routes.

Approximately 51 percent of money for state roads comes from taxes on gas. The rest of the state road fees come from a combination of usage fees for licenses, registrations, taxes on new vehicles, and the like. While the state did have a momentary dip in miles driven and cars purchased, they report that these numbers have recovered, and are expected to be largely flat, only up 1 percent in the 2018 fiscal year.

Gas tax will continue to drive state road revenues. The amount of tax collections is determined by two things: how much gas is sold, and the price of that gas.

“The tax is calculated by adding an additional 9 percent to the average wholesale price of gas, and then adding on an additional 6.4 cents of fees per gallon,” said Robin Brewer, executive director of the Office of Budget and Fiscal Management for the Kentucky Transportation Cabinet. “To give you an idea of



the difference, in 2014, when gas prices were high, Kentucky was netting 32.5 cents a gallon. When prices dropped by half, that was a real problem for our budget. We had spent down our road fund reserves and were quickly going to go into negative numbers if something wasn't done, and fast.”

Setting a floor on revenue risk

The Kentucky State Legislature recognized the risk, and took aggressive measures to stem the revenue fallout. The 2015 legislative session passed a “Freeze the Floor” law that keeps the amount of tax collected per gallon from falling below a set amount.

Representatives for the road building industry hailed the measure, saying it shields the state's roadway projects from unnecessary shocks. While the gas tax is still pegged to the price of gas, it can no longer go below 26 cents a gallon, no matter how low the price of gas falls.

Construction workers with The Allen Company uses plantmix asphalt to repave a section of U.S. 60 Versailles Road in Woodford County before the state's “Pause 50” program was implemented last year.

Applying the current percentages the state uses in its formula, the gas tax calculation reaches 26 cents when gas gets to around \$2.17 cents a gallon wholesale. As of late May, the wholesale price was about \$1.80 a gallon, but the gas tax remained at 26 cents. If prices rise above \$2.17 a gallon, the gas tax amount will begin again to rise with it.

“We really pushed for that law,” said Chad LaRue, executive director



Chad LaRue, Executive Director, Kentucky Highway Association Contractors

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COVER STORY

Highway construction and maintenance is paid for by a combination of federal and state money, with funds coming primarily from gas taxes. Collections have decreased significantly since the severe recession of 2008-09 as U.S. motorists cut back on miles driven then gasoline prices decreased by nearly 50 percent.

for the Kentucky Association Highway Contractors. "We wish the floor was set at a higher number, but it has still been an enormous help, and done much to keep the flow of work going to our members."

Pause 50: Reset button for state budget

Fixing the floor was not nearly enough to fix the state's road budget woes, however. To do that, The Kentucky Transportation Board took the radical step of "pausing" most of its state roadwork, as part of the "Pause 50" program.

"We started Pause 50 last summer so we could put our budget on a more sustainable track," Thomas said. "And after a year, it's turned out exactly as we hoped. All our projections came in pretty much as we thought they would. We've been able to replenish our required operating reserves, pay off projects that were already underway, and put enough money aside to get our projects rolling again."

Pause 50 allowed the state to replenish its rainy day fund, which had been low for years. The real trouble began in 2014, when current and projected expenses exceeded revenues by more than \$498 million. By stopping projects, revenues could be used to complete projects that were already underway, while putting money in reserve the state needed to keep the road fund above its \$100 million recommended operating reserve.

Too much work at the end of the money

Though the Pause 50 program has done much to solve the state's immediate monetary woes, the commonwealth has far more potential projects than it has money to do them. According to its own numbers, the Transportation Cabinet has more than 1,400 projects now in the highway plan pipeline. Only half are even partially funded – multiple money sources that may be used only for specific elements of projects, such as utilities infrastructure, must be allotted on a coordinated basis – and most of the dollars now committed are federal ones.

As a two-part *Lane Report* series in 2012 detailed, under normal conditions it often takes a decade for a project to reach fruition after officially being put into Kentucky's highway plan.

"Years of overpromising has done a lot to undermine public confidence,"



said Brewer. "The public can't count on projects that have been put into the plan."

In fact, more than 90 percent of the state-funded projects in the current highway plan don't have state dollars to pay for them. The cabinet estimates that \$7.16 billion in state road projects have been promised, while there's only \$690 million in anticipated revenue to pay for them.

While most people agree more road funding is needed, there is no agreement yet on the best way to collect those funds. A work group has been established in the state legislature to study the issue, and make recommendations.

SHIFTing focus

Part of making the numbers work on the state level is being strategic about the money that's spent, Thomas said. At the request of Gov. Bevin, the Transportation Cabinet has adopted a data-driven program called Strategic Highway Investment Formula of Tomorrow, which will help it figure out how to prioritize work in progress. Officials hope it will help them untangle the commonwealth's road priorities.

SHIFT is designed to score programs using data from the field, opinions of local road officials and information about the regional importance of the road to "weight" jobs appropriately by level of importance.

"If you give us \$10 of road money, we'll be able to tell you the best way to spend it," Thomas said. "Specifically, we will look very closely at every project, and rank it based on rider safety, congestion, economic development and asset management, as a start. Then we will also look at the regional importance of the road, and how important an artery the road or bridge is in connecting communities to economic opportunities."

"We started it at the first of the year, and it has been great to give us some

objective measurements. It's worked in states like North Carolina, and we're stealing it to make it work for us," Thomas said.

Paul Looney, deputy state highway engineer for the Cabinet, said that extra attention is being paid to doing smaller, less invasive repairs, sooner. The department now has a van that travels the state to "grade" requested road projects by the SHIFT scale.

"For instance, we have hundreds of structurally deficient bridges in Kentucky. But they vary, from those that are crumbling in, to those that just need joints strengthened. We're putting a priority on trying to get bridges the proactive help they need."

"That bridge that needs the bolts tightened on its joists and rust removed will be able to get it, and get its tonnage levels back to where they need to be because when a heavy truck can't travel over a bridge, you are often cutting off economic resources to the people who live on the other side," Looney said.

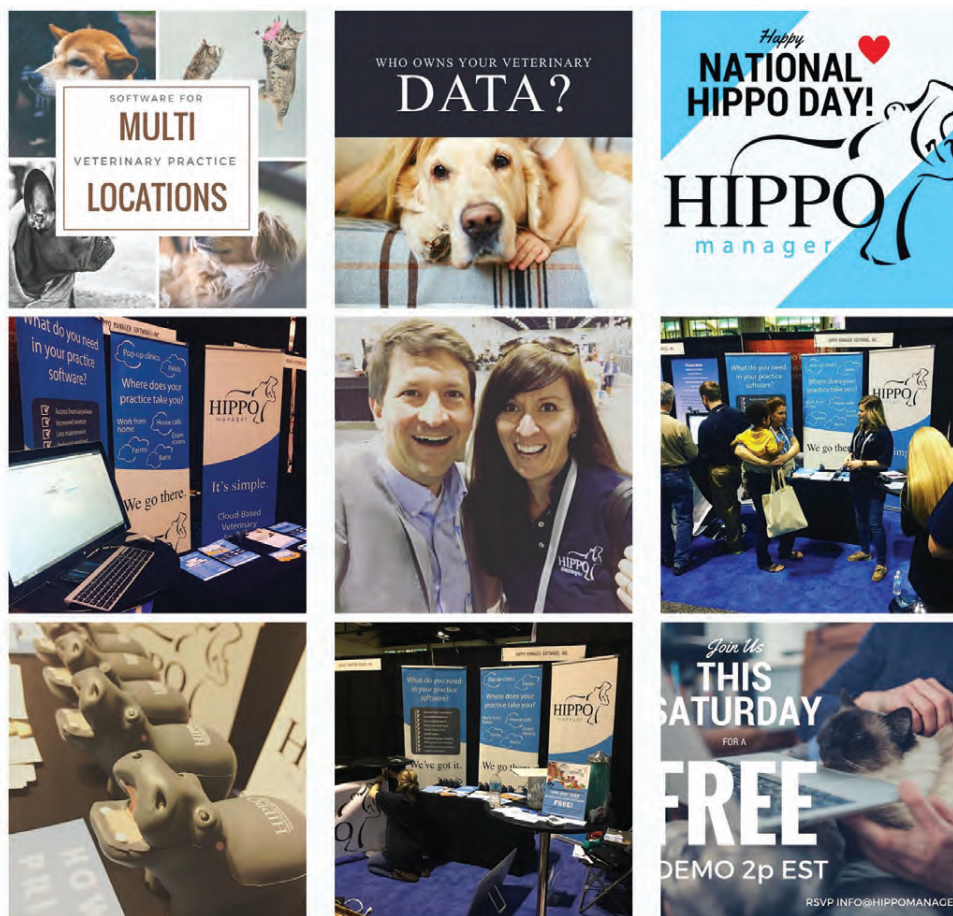
Economics are at the heart of roads to the people who build them as well.

"Road-building jobs are one of the great blue-collar opportunities still out there. They are hard jobs, but they pay well," LaRue said. "Our contractors have made sacrifices to keep their businesses going through this period. We're very happy to see the jobs starting to flow again, and we're encouraged by the steps the cabinet and legislature are making to create a sustainable future for our roads. When you have good roads, you have a state that's attractive to business." ■



Paul Looney, Deputy State Highway Engineer, Kentucky Transportation Cabinet

Susan Gosselin is a correspondent for The Lane Report. Shee can be reached at editorial@lanereport.com.



Hippo Manager has developed high quality social media marketing materials, including these images from its Instagram page, after crafting increasingly targeted content for its “pitch deck” presentations to potential investors.

startups. During the past five years, though, opportunities to raise funds from angel investors and venture capitalists have been growing. (see A Value Proposition for Venture Capital, *The Lane Report*, March 2017).

Hippo Manager, headquartered at 110 West Vine St. in Lexington, has added eight employees in the past year, and currently serves 400 active veterinary practices in the U.S. and nine countries (hippomanager.com). Its logo uses a hippopotamus, but its software serves veterinarians who treat horses, cows, cats and dogs, etc. Razor said the name originates from the HIPAA form that we humans sign in our hospitals, and so it shows that Hippo Manager “takes very seriously the idea of privacy and protection of information for clients who use our software,” he said. “Since we do animal records, that’s the bar we try to reach.”



Sam Razor,
President/CEO,
Hippo Manager

Their software handles veterinary business operations from A to Z – scheduling, medical records, point-of-sale system, inventory management – “everything to help the office operate,” said Razor. The product is subscription-based at \$60 per month per veterinarian, a price point accessible to all sizes of practices – from single practitioners up to the largest customer with 14 locations.



Bart Conrad,
Chief of
Information
Technology,
Hippo Manager

Razor, who is from Mount Sterling, and Conrad, who is from Evansville, Ind., worked together in the mid-2000s at DVM Manager, which sold software to manage veterinary offices, but was set up on local servers and computers. They both have degrees from the University of Kentucky. Razor also earned a master’s in public administration with a focus on healthcare delivery degree at Eastern Kentucky University.

He and Conrad wanted to work and start a company together, and tapped their

Kentucky’s Venture Capital Trail

Beyond its good product, Hippo Manager raised money by understanding and pitching its path to market

BY MICHAEL AGIN

TWO years into creating a 2012 startup to develop management software for veterinarians, Sam Razor and Bart Conrad realized that the money was about to run out. Convinced that creating and delivering cloud-based veterinary practice-management software services held strong potential, Razor and Conrad in late 2014 began looking for investors for Hippo Manager Inc.

“We started with our own money and ‘bootstrapped’ it for as long as we could,” Razor said. “In order to get scaling and growth, it was going to take more resources than what we could put into it ourselves. There’s been times when life has been pretty stressful.”

The cofounders set out on the new Kentucky trail in search of angel investors and venture capitalists, and the support and programs available for

experiences working at DVM Manager. When they were forming the ideas to create Hippo Manager in 2012, they were “astounded to discover that nothing had changed” in years in the veterinary practice management software market, he said.

It followed the decades-old business model of installing software on local servers and computers, and providing little support for customers. There was no use of cloud technology to access software running on powerful remote servers from local desktops, laptops and mobile device applications.

“The gap in the market was the opportunity we saw, and it lined up with our backgrounds,” Razor said. “We really had gotten to know the business space, and really enjoyed working with veterinarians.”

Hippo Manager’s first stop on Kentucky’s investor trail was getting help from the Kentucky Innovation Network, an initiative to provide resources and mentoring to create and grow new businesses.

KIN (kyinnovation.com) consists of 12 offices located throughout the commonwealth. Created in 2001, the network is managed in partnership with the Kentucky Cabinet for Economic Development and Kentucky Science and Technology Corp., along with local partners who pay half of the operating expenses. Local partners include universities and chambers of commerce. Business leaders and educators are recruited to become mentors.

Hippo Manager’s cofounders worked with the Lexington KIN office, and its director at the time, Warren Nash. The current director is Eric Hartman.

“Warren was just an enormous resource for us,” Razor said, by introducing him to potential investors and business mentors who could answer the hundreds of questions that come up about growing a business, and much more.

KIN offers assistance with business development, growth strategies, or funding sources.

It is “a one-stop shop so you don’t have to go 16 different directions,” Nash said. (He now is the executive director of the Von Allmen Center for Entrepreneurship at UK, which is a resource developing students into potential entrepreneurs.)

Nash’s guidance led them to develop their “pitch deck,” in which the entrepreneurs present a PowerPoint about their business before audiences of potential investors. It typically goes

through several revisions to reflect what is learned each time the pitch deck is presented.

A pitch deck explains why the business is unique, how it disrupts the old ways of doing business in its market and defines how money will be used to reach specific business milestones, such as the first prototype or the first customers and revenue. Pitch decks are developed at the same time entrepreneurs are growing and operating their new business.

“I don’t know how many hundreds or maybe thousands of drafts of my pitch deck that I have been through, but it’s a process!” said Razor. “It is something that takes a lot of time and a lot of effort to get in good order.”

“Fundraising in general I have found to be really taxing.”

“Fundraising in general I have found to be really taxing.”



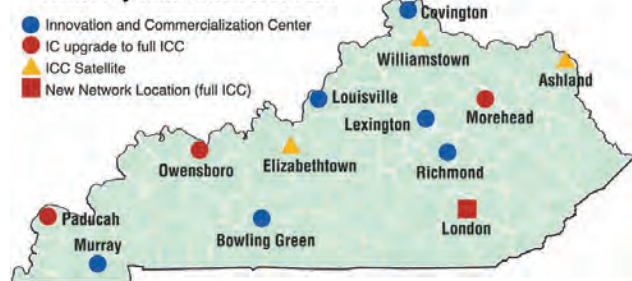
The first audiences on Kentucky’s investor trail for Hippo’s pitch came at competitions in which grants are awarded, which range from a few hundred to a few thousand dollars. These competitions are offered throughout Kentucky, sponsored by KIN, angel investor groups, chambers of commerce, universities, etc.

Nash said such pitch competitions and grants are important for early-stage companies so they can use the money to create the company’s first prototype or attend their first tradeshow to do some customer validation, all of which is important to become an “investable company somewhere down the road.”

In 2015, Hippo Manager won a \$4,000 grant from the Lexington-based Bluegrass Angels investor group at an annual pitch competition it sponsors. The grant included mentorship from a Bluegrass Angel fund manager, Brian Luftman, a former Chicago Mercantile Exchange floor trader.

The grant, plus more funds from friends and family, and then a convertible note investment from the Kentucky Science and Technology Corp. kept them going. Hippo Manager launched a public beta version of the software in 2015, and started marketing the software in the fourth quarter of 2015.

Kentucky Innovation Network



Although some pitches were unsuccessful at getting funds, Razor said he wasn’t discouraged “because nothing about this process of a startup has been easy, so I didn’t have any expectation that raising money would be either.”

“You learn as much if not more at times when it didn’t work out as times when it does work out,” he said. “From our first pitch decks to where it is now is a major transformation.”

One thing he learned from all the pitches he made was to spend less time demonstrating the software, and more time on how Hippo Manager will get customers and revenue.

“We created software that was very visual and easy to use. We are extremely proud of it. The desire to show it off is something we had to really learn to fight against,” he said. “Regardless of how good your product is, you need to exhibit an understanding of where your path is for your market.”

At another stop on the Kentucky investor trail, Hippo Manager’s cofounders gave their pitch before the virtual Kentucky Angel Investors Network created in November 2013 (kyanegels.net). Its 84 accredited investors from nearly every region of Kentucky telecommute into its regular meetings to hear pitches, then they take surveys to express whether they are interested. Nash manages the meetings, and connects those interested with the entrepreneur. KAIN members who are involved in other angel investor funds may invite entrepreneurs to pitch to them, too.

Hippo also used another resource that has become influential in the Kentucky entrepreneurial ecosystem, known as an incubator. In Lexington, Awesome Inc. (awesomeinc.org) provides office space, support and several innovative programs at its East Main Street location to help very early-stage ventures that focus on web and mobile software, software-as-a-service and data solutions. It receives financial support from KAIN and Commerce Lexington.

Awesome Inc., which helps companies get access to mentors and investors,



Warren Nash,
Executive
Director,
Von Allmen
Center for
Entrepreneurship,
University
of Kentucky

Hippo Manager began in 2012 as a startup to develop veterinary practice management software served to terminals and mobile devices via cloud computing. Founders Sam Razor and Bart Conrad began seeking investors to complete their undertaking in 2014. Today they have 400 practices as customers.

legal services and technical talent, awarded Razor an Entrepreneur Hall Of Fame Fellowship.

"The resources and expertise provided by the fellowship have been immeasurably valuable to the development of my business," he said. "Awesome Inc. helped us stay focused on our goals and forge important partnerships for long-term success."

In early 2017, the Hippo team finally felt ready to pitch for its biggest fundraising commitment to large angel investor groups, such as the Bluegrass Angels Venture Fund, one of Kentucky's oldest investing funds with 52 current members. Hippo intentionally waited until they were "further along before they made their first impression on those investors," Razor said. "If it doesn't go well with the Bluegrass Angels, then the doors can start shutting. The number of opportunities here are limited. You want to put your best foot forward when you reach out to them."

Hippo Manager found its success on the Kentucky investor trail in 2017, and convinced the Bluegrass Angels, the Kentucky Science and Technology Corp. and Commonwealth Seed Capital to invest nearly \$500,000. It will use the funds to "scale operations and continue to grow as fast and faster than we have over this past year."

As its software product matures, the Hippo team plans on "offering more and more tools to those practices, not



just to facilitate data capture, but to help run their businesses in a more efficient and more profitable way."

Hippo Manager is just one example of startups pitching to the growing number of angel investor groups in Kentucky. Other examples from this year include:

PowerTech Water – the cofounders (Cameron Lippert and James Landon) of this high-tech and unique water treatment process, which could decrease costs for municipalities, bourbon distillers and various industries, recently pitched to the Bluegrass Angels for \$300,000, which would be a steppingstone for seeking Series A funding of \$1-2 million in 2018. (powertechwater.com).

FrogDice – Michael Hartman, founder of this independent video-

game developer, told Bluegrass Angels the Lexington company is preparing to launch its biggest game in the company's history, and made a pitch to investors for \$300,000. (frogdice.com).

SmartFarm Systems – Bob Farnelli, CEO and one of the founders of the company, gave a pitch to the Bluegrass Angels for \$100,000 for its next phase to expand operations and sales in 2017. The company is using innovative technology with wireless monitoring devices to enable large farms to control and operate remote equipment in farm fields. (smartfarmsystems.com) ■

Michael Agin is a correspondent for The Lane Report. He can be reached at editorial@lanereport.com.



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Women Worthy of Note



Women who are making a difference
in the commercial life of Kentucky

BY LORIE HAILEY

OUR occasional feature, Top Women in Business, highlights some of the women around Kentucky making an impact in business, the professions, politics and economic development. The intent is to recognize not those who already are prominently known but those in key roles whose work ethic and body of work are making important

contributions to commerce in the commonwealth.

The eight women featured in this issue are among the many such women *The Lane Report* editorial board has identified. We welcome your suggestions for others around Kentucky who also are deserving of recognition for their efforts to boost Kentucky's economy. Send your recommendations to editorial@lanereport.com.

Beth Avey



Beth Avey lives in Elizabethtown.

Title/Company: President of Heartland Communications Consultants

How long at company/position: 10 years

Previous jobs/positions: Major, U.S. Army; director of marketing, Office of the Chief of Army Public Relations

Top accomplishment: I consider marking our 10-year business anniversary as a top accomplishment. Being a small-business owner wasn't anything I ever envisioned when I left the Army 11 years ago.

Education: Bachelor of Arts, Syracuse University; MBA, Western Kentucky University

Person(s) who most influenced or mentored me: My 93-year-old great aunt, Rena Brunori, is a mentor and a lifelong influencer. Known as the "Cake Lady," she ran a successful cake-baking business from her commercial kitchen in the basement of her house. She was my original 'mamapreneur' long before women were in the workforce in the numbers they are today – she was hardworking, fiscally wise, and would do anything for family and friends. I admire her beyond words.

What inspires/drives me: At Heartland Communications, we have the privilege of helping tell the story of so many amazing clients. We support hardworking entrepreneurs in a variety of fields. What they all do to make Kentucky such a great place to call home

inspires me. Equally inspiring is the work our team does in support of our wonderful clients. They are expert communicators and creative, amazing storytellers. When I have a moment to step back and reflect, I am always awed by what this small but mighty team can accomplish together.

Hobby/interests/volunteer work: My young daughters are gymnasts, so much of my time is spent supporting them and their gym. I have the privilege of serving on the board of the newly established Knox Regional Development Alliance that advocates for Fort Knox and defense-related businesses in our region. I also serve on the board of the Brown Pusey House, a historic home in downtown Elizabethtown that serves as a community gathering place for many events. I serve on two committees for the Heels Together Women's Fund of the Central Kentucky Community Foundation. My daughters and I also help serve dinner every month at Warm Blessings, the local soup kitchen. Lastly, I'm interested in anything about the Pittsburgh Steelers, six-time Super Bowl champions, in case you didn't know.

Currently reading and/or recent movie/play/concert attended: I'm currently reading "Girl on the Train" by Paula Hawkins. I saw the Dixie Chicks when they came to Louisville, and I always enjoy seeing Ben Sollee perform.

My biggest challenge and how I overcame it: The biggest challenge has been managing growth. It's a good problem to have but challenging nonetheless. It's continuous so it's not something we've overcome, but building your team and providing value to your growing client base without sacrificing quality service or your firm's culture is a constant challenge. The firm's managing partners are continually evaluating pain points and how to address them. We also seek the feedback and advice of more experienced business owners who have been through this phase in their business.

My advice to younger women in business: Don't be afraid to build a team of people who are smarter than you. I'm surrounded by incredibly talented people who are more creative than me, more entrepreneurial than me, have far more expertise in digital communications and web design than me, are expert photographers, videographers and editors and so much more. That team of talented experts will be the key to success.

Sheila Currans



Sheila Currans is a lifelong resident of Harrison County, Ky.

Title/company: CEO, Harrison Memorial Hospital

How long at company/position: I started as a registered nurse in 1974, so 43 years as a full-time employee.

Previous jobs/positions/education: I began at HMH as a registered nurse. The first 20 years of my career were spent in nursing roles that include bedside nursing, emergency department nursing, intensive-care nursing and nursing leadership. I served as director of nursing for several years. In the 1990s, I received additional certifications in risk management and clinical quality, serving

as the hospital's risk manager and quality manager. I also transitioned the utilization department to a clinical case management department, managed infection control, and health information. I returned to college to pursue a business degree. In 2000, I was named chief operating officer for HMH, and then in late 2008, I was named as the CEO and began my responsibilities in January 2009.

Person(s) who most influenced or mentored me: My mother, Bettye Marshall, was also a registered nurse and served as director of nursing at HMH. I remember as a child being in the hospital to visit. When I was 16, I volunteered in the candy striper program on the weekends and later became a student nurse. During these years, I had so many wonderful mentors, beginning with my mother, and other very professional and dedicated nurses like Jeanette Hehr, R.N. As a young nurse, I found several strong mentors in physicians who helped me see aspects of healthcare different from my perspective as a nurse. H. Todd Smiser, M.D., was a great teacher as was William Frank McKemie, M.D. Once I transitioned more into hospital leadership, I was blessed to work with Darwin Root, CEO of HMH for 13 years. Most importantly, my husband, Gregg, has been my steady and strong supporter through all of these years.

My biggest challenge and how I overcame it: When you work for an institution that is more than 110 years old, you come to understand that you are part of a continuum. I have been part of an era that will give way to another era and so on. I have worked to make every day count for someone. Healthcare is about serving others 24 hours a day seven days a week. My goal for HMH has always been to provide highly reliable quality care. That is why my greatest challenge has been the recent \$17 million building and renovation project. It has taken significant planning and daily decision making to provide absolutely no interruption in care while building all around



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WOMEN IN BUSINESS

the environment. I and my family live in the community. I see the people my decisions impact every day. Improving the bricks and mortar of HMH was a necessity, but keeping all operations running efficiently during these improvements has been a challenge. The undertaking takes the hard work and coordination of many and I am blessed to work with leaders who are just as committed to HMH.

What inspires/drives me: Healthcare at HMH is my passion. It has been since I was very young. I am grateful for the passion because I believe it is what allows you to have a fulfilling career.

My advice to younger women in business: When asked what makes for a long and fulfilling career I respond with the same answer: It takes hard work, a realization that you must be flexible and forever open to new lessons. Most of all it takes a very dogged persistence. I think you only find this level of persistence if you are truly passionate about what you are doing.

Vicki Blevins-Booth



Vicki Blevins-Booth resides in Fayette County.

Title/company: Executive director, Kentucky CancerLink Inc.

How long at company/position: Nine years

Previous jobs/positions: Business owner

Top accomplishment: Being a grandmother

Education: Attended Midway College, organizational management; certified mastectomy fitter, certified patient navigator.

Person(s) who most influenced or mentored me: A very special aunt, many teachers and business associates.

What inspires/drives me: I try to live each day with passion, purpose and direction. I love what I do and do what I love every day.

Hobby/interests/volunteer work: I really enjoy working out!

Currently reading and/or recent movie/play/concert attended:

Reading "Hillbilly Elegy" by J.D. Vance; I recently went to see the movie "Beauty and the Beast."

My biggest challenge and how I overcame it: Fear of failure! Taking the leap of faith and landing on both feet. It is never as bad as you imagined it to be.

My advice to younger women in business: Surround yourself with smart, like minds who relate and share your passion and dreams.

Rhonda R. Whitaker



Rhonda is a native of Oregonia, Ohio, "but I like to say that I live in Northern Kentucky, and I sleep in the Lebanon, Ohio, area, as I spend the majority of my work week, evenings and even weekends in NKY."

Title/Company: District manager, government & community relations, Duke Energy Kentucky

How long at company/position: 25 years with Duke; 16 years in current role

Previous jobs/positions: At Duke Energy (formerly Cinergy), held positions in community affairs, corporate foundation, large account management, strategic planning, shareholder services and investor relations.

Top accomplishment: I am not sure which I would consider my top accomplishment, but here are a few: First woman to chair the NKY United Way Campaign in 2011, raising over \$4 million, a 5 percent increase over 2010; recipient of the Outstanding Woman

of Northern Kentucky Award in 2012; recipient of a 2016 Leader Award for "Strengthening Our Region," presented by the United Way of Greater Cincinnati; recipient of 2016 A.D. Albright Outstanding Business Leader Award presented by the NKY Education Council and the NKY Chamber.

Education: Bachelor of Arts in Political Science and a Bachelor of Arts in Public Administration from Miami University, Oxford, Ohio

Person(s) who most influenced or mentored me: A former boss at Cinergy (Duke Energy), Joe Hale, taught me the significance and the art of networking and relationship management. He was a brilliant visionary leader and great facilitator and negotiator. He believed strongly in giving back to one's community and collaborating with others to produce results for the benefit of the community, and he had the great ability to passionately inspire others to action.

What inspires/drives me: The many talented leaders who wake up every day with a passion to make our community a better place for existing residents and future generations. I thrive on collaborating with others to produce opportunities in our community. I have a passion for solving problems and being a connector, or promoter/advocate, and frequently a mediator and negotiator. I enjoy working with the many different departments within Duke Energy that have a multitude of interactions with our communities and customers.

Hobby/interests/volunteer

work: One of the most exciting and rewarding volunteer positions I took on was when I co-chaired and helped found the (NKY) Advanced Manufacturing Workforce Development Coalition, comprised of industry leaders and workforce partners engaged in filling the talent pipeline in advanced manufacturing. The many volunteer positions I have held at our NKY Chamber have enabled me to contribute to efforts that have benefited our overall NKY community. I am enjoying my role as chair-elect of the NKY Chamber Board. In 2011 some colleagues and I started Duke Energy's Urban Revitalization Initiative, which I led for five years. Our initiative (funded through The Duke Energy Foundation) has invested over \$1.6 million in urban revitalization projects in our Greater Cincinnati/NKY urban core.

Currently reading and/or recent movie/play/concert attended:

I recently attended a Delbert McClinton concert in NKY with a friend who introduced me to this very talented

blues musician, who not only created great music over the years, but also influenced many well-known artists.

My biggest challenge and how I overcame it: Growing up with little means but not realizing it, I was surrounded with such love and support by my family and mentors within my school district. I learned what it was to work hard and put in effort to achieve success. That resulted in my becoming valedictorian of my high school class. I realize now that I was faced with many challenges as a youth, but found something deep within that still drives me today in all that I face in life. I want to always give 100 percent at whatever I do; to use my God-given talents as He would want me to for the betterment of others, not just myself.

My advice to younger women in business: Never burn bridges. How you treat others, especially if it's negative, can always come back to haunt you. No matter how tough of a matter you encounter with someone, you should always be respectful and professional. My life-long motto is "take the high road." Attitude is everything. Remember that integrity is critical; trust is earned.

Penny D. Cox



Penny Cox is a native of Barbourville, Ky., who resides in Versailles.

Title/Company: Associate vice president, administration, University of Kentucky

How long at company/position: 44 years at UK

Previous jobs/positions: All at UK: housing project implementation director; associate vice president informa-

tion technology; assistant dean, college of dentistry; housing director; senior accountant; executive assistant.

Top accomplishment: Over the past five years, I have had a tremendous opportunity to serve in a leadership role with the UK campus transformation, with a focus on creating an environment to support student success. Helping to oversee building of the 14 new residence halls – 6,850 beds to support living and learning – is a hallmark of my career in higher education. The friends that students will make in these buildings will last a lifetime.

Education: University of Kentucky, Bachelor of Arts, 1981; MBA, 1983.

Person(s) who most influenced or mentored me: My grandmother, Mollie Bain; my dad, Tom Gregory; my mentor, John T. Smith, UK's first vice president for minority affairs.

What inspires/drives me: I have four passions: family, social responsibility, leadership development, and lifelong learning.

Hobby/interests/volunteer work: Zumba at least four times a week. I volunteer at Christ Church Cathedral

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WOMEN IN BUSINESS

as a member of the Altar Guild and breakfast teams.

Currently reading and/or recent movie/play/concert attended: Opera has become an important part of my life. My oldest granddaughter, Diane Clements, is a member of the UK Women's Choir and is studying vocal performance. I attend most events at the Singletary Center.

My biggest challenge and how I overcame it: My biggest challenge was being a first-generation college-going student. My father had a fourth-grade education; he wanted more for his baby girl. He was my encourager.

My advice to younger women in business: Find a mentor, be a mentor.

Sarah Howard



Sarah Howard is a native and a resident again of Owensboro after spending 12 years working in Louisville.

Title/company: Senior vice president/chief financial officer at First Security Bank

How long at company/position: One year

Previous jobs/positions: Financial reporting manager, PBI Bank in Louisville; statutory reporting manager, Humana in Louisville; senior associate, Crowe Horwath in Louisville.

Education: Bachelor's degree in international relations from Centre College, post-graduate accounting work at Belarmine University

What inspires/drives me: In this role, I learn something new every day, which keeps me engaged and drives me to improve. It has been an incredible opportunity for me in terms of professional and personal growth. I love working in a community bank, which allows me to participate in and lead a number of different



functions, as well as interacting with our employees and the communities that we serve. We have made significant strides in our company this year, and I'm inspired every day by our entire team and the things that we are accomplishing.

Hobby/interests/volunteer work: I love to cook, and enjoy reading, watching movies, and spending time with family and friends. Since moving back to Owensboro, I have become involved with Court Appointed Special Advocates (CASA) and Impact 100 (a women's philanthropic organization), including a new branch of Impact 100 for high school students that I am very excited about.

Currently reading and/or recent movie/play/concert attended: I just finished "Hidden Figures," which was a fascinating book, and "Hillbilly Elegy" is next on my list. I love a good concert, and some recent favorites were Leon Bridges and the Lumineers, and I'll never turn down a chance to see Bruce Springsteen live!

Maria Veyon



Maria Veyon is a native and resident of Winchester.

Title/company: Executive vice president, Service Delivery, SIS, LLC

How long at company/position: Three years

Previous jobs/positions: Johnson & Johnson, senior director of IT Service Management Transformation; Accenture, partner.

Education: Bachelor of Science in journalism; Master's degree in telecommunications at the University of Colorado.

Person(s) who most influenced or mentored me: My husband, who has continued to help me focus on what is important every day: focusing on being a better Christian every day.

Hobbies/interests/volunteer work: I enjoy activities with our church and family, as well as photography, gardening, crafts and hiking. Living on a farm in the country provides lots of opportunities to work on home projects. I also enjoy activities in the community involving church and participating in business-community events such as mentoring at local career fairs, building beds for needy children, and providing food for local elementary schools.

Currently reading and/or recent movie/play/concert attended: I recently read "Extreme Ownership: How U.S. Navy SEALs Lead and Win" by Jocko Willink and Leif Babin, which has some great examples of leadership and team motivation. The book reminds me that there are no bad teams, just bad leaders.

My biggest challenge and how I overcame it: Learning to balance life, work, family and church. No one thought I would ever leave my promising career as a partner at Accenture, but the time had come to focus on family and church. I found that redefining how I looked at success helped me to achieve a more fulfilling life and relationship with others.

My advice to younger women in business: Don't let others define success for you. Only you know what will lead to a fulfilling life and making those the most important objectives to accomplish will keep you centered throughout the twisty turns of life.

Denise Jerome



Denise is a native of Louisville, Ky., who lives in Oldham County.

Title/company: Michaelis Events LLC

How long at company/position: 17 years

Previous jobs/positions: Management, sales and marketing for environmental companies

Top accomplishment: Never giving up. Keeping my commitments even when times are tough.

Education: Bachelor of Arts in biology from the University of Louisville; Bachelor of Science in chemistry from the College of Charleston.

Person(s) who most influenced or mentored me: My mother taught me about family priorities, commitment, and most importantly, my faith.

What inspires/drives me: I love the challenge of creating something new. I also love sharing it with others and lifting them up, particularly women. Women don't always have the confidence to dare to be great. I want to be an example for my three daughters. Boundaries are set and removed by us individually. We are responsible for our own destinies and the consequences that result from those decisions.

Hobby/interests/volunteer work: I love going to the lake. It is so peaceful! I love hiking, gardening, and remodeling. I also love my Jeep Wrangler (especially with the top down!). Professionally, NAWBO (National Association

of Women Business Owners) has been my "volunteer work" the past several years. I love pushing women outside their boundaries!

Currently reading and/or recent movie/play/concert attended: I read the book "The Shack" many years ago and recently saw the movie. It still hits home with me.

My biggest challenge and how I overcame it: My biggest challenge is my own "head trash." I limit my own growth by not having enough faith in others and myself. I am always working on this. However, my greatest realization came at a very difficult time with our business when I finally had to just hand it over to God. He always keeps his promises!

My advice to younger women in business: Get mentors. Aspire to grow and be great! Think big. Have faith. ■

Lorie Hailey is a correspondent for The Lane Report. She can be reached at editorial@lanereport.com.

TOURISM WORKS FOR KENTUCKY



Tourist Activity in Shelby County
for 2016 generated \$66,672,928 in direct tourist spending and \$104,809,843 in total tourist spending. It supported 1,071 jobs and produced \$23,507,384 in worker income. As a result of the taxes generated, each of Shelby County's 15,888 households paid \$691 less in local and state taxes.

STABLES, TABLES
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ShelbyKY Tourism
www.VisitShelbyKY.com 502.633.6388

EMERGING LANE

Kentucky's young professionals and creatives



Above: The Canopy Crew builds custom treehouses all over the world and has treehouses available to rent in Red River Gorge.

Left: You can rent a yurt in Red Lick Valley, 20 minutes east of Berea College's campus. Enjoy hiking, arts and scenic views while you're there.

Glamping in Kentucky

Treehouses and yurts top the list of places to camp this summer

NEED a weekend getaway off the grid this summer? A rustic setting with no Wi-Fi or cell service or other brain disrupters, and in a rustic yet beautiful setting? Then glamorous camping, or glamping, is the way to go. For a single night or several in a row, here are some glampsites right here in Kentucky, including treehouses!

EarthJoy Tree Adventures

Germantown, Ky.
climbky.com

Just outside Maysville, EarthJoy Tree Adventures offers tree climbing experiences for folks to get a different perspective on the world from 40 feet up, and yoga retreats to get grounded. It's on the 200-acre family farm of Shelly and Bill Byrne. A true respite from the concrete



jungle, you can rent overnight stays in the Kentucky Climber's Cottage. Built in late 2014, the two-story timber frame treehouse has barn doors and a loft bedroom with a king-sized bed. There's no plumbing up in the tree, but there is a separate bathhouse on the property. And feel free to hike a four-mile trail through a creek bed, and rest a spell in a three-person tree hammock the Byrnes set up.

HomeGrown HideAways

Berea, Ky.
homegrownhideaways.org

A yurt, y'all. You can rent a yurt at Jessa and Nathan Turner's 100-acre farm in Red Lick Valley, 20 minutes east of Berea College's campus. They have a domed yurt 18 feet in diameter that sleeps up to six people. It has reclaimed hardwood floors, a woodstove and large deck. A treehouse yurt named Abi's Arboreal Abode & Hammock Haven, or AAAHH, sleeps up to four. Both accommodations are served by a fancy outhouse with solar-heated showers and skylights. Or bring sleeping bags for up to 10 people for a back-to-basics camping experience in a 24-foot tepee. Primitive campers and ultimate glampers alike have access to the courtesy kitchen and all appliances,

Left: Just outside Maysville, EarthJoy Tree Adventures offers tree-climbing experiences, yoga retreats and overnight stays in the Kentucky Climber's Cottage.

including stove, refrigerator and a coffee-maker with organic, fair-trade coffee. A farm-stand fridge has produce for sale such as eggs, fruits and veggies grown on the farm. HomeGrown HideAways operates as a social enterprise, donating a portion of proceeds to different charities, one of which is the Red Lick Volunteer Fire Department, where Nathan Turner is a member.

The Canopy Crew

Red River Gorge, Stanton, Ky.
thecanopycrew.com

Django Kroner has been building treehouses since 2009. He started the Canopy Crew in 2013 to build custom treehouses for people all over the world. He also has two (soon to be three) treehouses already built and available to rent in Red River Gorge. The Sylvan Float treehouse feels as if it is floating through nature for the one or two people it can host to enjoy scenic views from the wraparound deck and lofted bedroom. To get to the Observatory treehouse requires a slight hike of 200 steps above the forest floor, but talk about taking an adventure to new heights. It's worth the climb to be able to fall asleep under the stars in the great outdoors—with protection from the elements, that is, as the glass bedroom is 50 feet off the ground.

Getaways, hideaways, campsites and glampsites are a great way to recharge your batteries. Check out the Kentucky Department of Parks for 17 lodges and 31 campsites among the 49 state parks in the commonwealth. Also, the Kentucky Department of Tourism has a list of certified Kentucky Trail Town communities that are big on outdoor recreation.

—Kathie Stamps



Lisle Adams, an experienced endurance athlete, is recovering from a catastrophic accident and is helping others in the meantime. Here he is participating in RunTheBluegrass Half Marathon.

Running Back After Catastrophe

Lisle Adams promotes organ donation after traumatic accident

ON Sept. 13, 2016, Lisle Adams was on his way to work – he runs a Lexington wholesale company called Shuffle Bean Coffee – when he had a fender bender on a busy stretch of New Circle Road. He pulled over to check the damage. Then another driver had a seizure, drove off the road and pinned Adams between the two vehicles. The driver's foot was still on the gas pedal.

People stopped, broke the driver's window and stopped the vehicle, pulled Adams away and called an ambulance. The accomplished triathlete and distance runner was rushed to the University of Kentucky Chandler Hospital, where he stayed for 16 days. His injuries included extensive soft-tissue damage to his leg, a compound fracture of the femur and a shattered pelvis, necessitating 10 different surgeries in just under eight months.

After his hospital stay, he was bed-ridden for another two months. Being incapacitated for so long was difficult for someone so active. He swam for Transylvania University while majoring in accounting from 2005 to '09, cross-trained during the summers with cycling, then took up running after college and wound up competing in 5K races, sprints, Olympic-distance triathlons, nine marathons and two half-Ironman competitions.

Adams, married to Chrissie Adams, had wanted to have an Ironman triathlon under his belt before he turned 30, so last year he registered for Ironman Maryland. It was set to take place on Oct. 1, six days before his 30th birthday.

On that Tuesday morning in September as he left for work, with his dream goal only two-and-a-half weeks and 600 miles away, Adams had no idea his life would change so drastically.

"I had 11 blood transfusions, and am still anticipating the eventual use of donor tendons to fix my ACL and PCL ligaments," he said.

Through his "Titanium Man" blog he is chronicling his recovery and training schedule as he prepares for the Gift

of Life 5K at College Park in Winchester, Ky., on Sept. 16.

"That's the first race on my books," he said. "That's the first one I have scheduled for this comeback."

The 5K benefits the Trust for Life program, created in 1992 by the Kentucky Association of Circuit Court Clerks, and Clark County's Arthur Walson in particular. As circuit clerk, Walson had the idea for people to become organ donors via their drivers' licenses. The plan was implemented and has become a national model for organ donor registries. In Clark County, 88.9 percent of the eligible population is on the registry as organ donors.

Paula Joslin, Walson's niece and current Clark County Circuit Clerk, has known Adams all his life. She is friends with his mother, who is a retired circuit judge.

"The whole community was shocked by his accident and has followed his recovery," said Joslin, who is also president of Trust for Life's board of directors.

"I try to ensure all 120 counties are actively promoting Trust for Life and help new circuit clerks become familiar with the program," she said.

Because of his receipt of blood and eventual tendons and his affiliation with his aunt, Clark County Deputy Clerk Charla Hylton, Adams – who calls himself a "proud Clark Countian" – was named the chairperson for the Gift of Life 5K.

"Every day when I wake up, I can make the decision to work to get better or sit here and stay the same and get worse," he said. "I have so many people rooting for me. As long as you know you'll get better you'll get through."

The next time you get your license renewed at a circuit clerk's office, you can become a registered organ donor through the Trust for Life program. Every 10 minutes, someone is added to the nation's organ transplant waiting list. One tissue donor can help 75 people. Visit trustforlife.org. —Kathie Stamps

Louisville Pets Have It Made

Thanks to a new pet resort featuring an indoor dog park and dog pool, canine companions in Louisville will live like kings and queens.

Pet Station Country Club is a state-of-the-art, 15,000-s.f. pet boarding, daycare, grooming, and training resort. Amenities include a 4,000-s.f. indoor dog park complete with a custom-engineered obstacle course and a zero-entry mineral pool just for dogs. The park is temperature-controlled year-round, laid with K9Grass specially designed for canine comfort and harnesses with anti-microbial protection technology. When the weather is good, dogs can move between the indoor park and outdoor yards at their leisure.

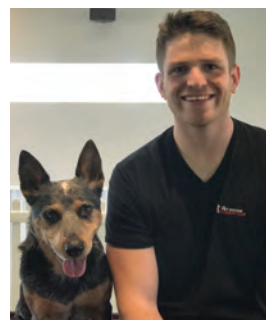
"The Pet Station Country Club sets a new standard for excellence in pet care," said Scott Burnley, co-owner and certified canine trainer and behavior specialist. "Our approach is to provide a top-class facility along with a knowledgeable and caring staff."

Adam Barr, co-owner and grooming director for the Pet Station Country Club, added, "Pet owners are looking for ways to keep their animals healthy and active. Many are also looking for their pets to be socialized with other dogs and cats. With the demanding work and travel schedules of today, we want to be a unique and locally owned option for those devoted to their pet's health and happiness."

Pet care is a big business in the United States, with industry expenditures – including food – reaching nearly \$62 billion in 2016. That is up from \$38.5 billion in 2006.

Burnley is the proud friend and owner of Tag, an Australian Cattle Dog he adopted from a shelter in 2015.

The Pet Station Country Club is located at 4800 Murphy Lane in Louisville. For more information visit thepetstationinc.com.



Scott Burnley, pictured with his Australian Cattle Dog, is co-owner of Pet Country Club.

CycleBar Opens at Summit at Fritz Farm



The nation's hottest indoor cycling craze, CycleBar, is now in south Lexington at the all-new Summit at Fritz Farm and boasts "unparalleled multi-sensory, intoxicating" experience.

Another example of the rapidly growing boutique fitness trend, it features edgy music mixes, personalized cycle statistics and an afterparty atmosphere once the sweat session is over.

CycleBar is targeting young professionals in its upscale new location on Nicholasville Road at Man O War Boulevard. CycleBar is rapidly expanding across the country and the Fritz Farm location is the first in Central Kentucky.

Visit fritzfarm.cyclebar.com to learn more.

SPOTLIGHT ON THE ARTS



Wood sculptor Tim Hall carves birds in realistic settings and is an artist in the Kentucky Arts Council's Kentucky Crafted Program.

The Art of Manufacturing

Artists use their skills to create unique products

“WHEN I say ‘creative,’ rarely does manufacturing come to mind. Yet making and manufacturing are the original forms of creation, and manufactured goods are at the core of our economy. Keeping manufacturing local is critical, not just for the direct jobs it creates, but for the induced economic growth (three times that of retail), keeping innovation local, and maintaining resilience and national security.” says Krisztina “Z” Holly, tech entrepreneur and founder of innovation centers at the Massachusetts Institute of Technology and the University of Southern California.

“Manufacturing is sexy,” says Holly. Where else in the world are artistry and the craft of making something to solve problems so appreciated?

In a consumer-driven market, for nearly 30 years, customized manufacturing that meets consumers’ unique needs has become the manufacturing norm – and I believe we see this best in the creation of art pieces for the sake of innovating our physical spaces.

One difference in the manufacturing of art is the pace of the process. In the

creation of customized art, it’s “really slow manufacturing,” according to Pennsylvania’s Festival of Making, something to be valued because the pace actually creates the uniqueness and quality of the product. Often, the slower the process, the more valuable product. In creating the one-of-a-kind production, an artist puts to use operations skills and harnesses his or her own Six Sigma Black Belt mindset to avoid waste and provide the best product possible.

Another difference is the location of the blueprint – customized art pieces start from a different place. Potentially a piece will be functional in other ways and provides utilitarian purpose as well, but the location of the blueprint starts somewhere in the manufacturer’s (artist’s) soul.

In the case of wood sculptor Tim Hall, who carves birds in a variety of realistic settings at his garage studio in Ravenna, his blueprint is divinely inspired. Each piece he creates is signed, numbered and bears the inscription “Made by Tim Hall with God’s help.”

Hall, an artist in the Kentucky Arts Council’s Kentucky Crafted program,

had a traditional manufacturing-related job – carpentry – until high interest rates hit the housing market in the late 1970s and early ’80s. When his carpentry career waned, Hall parlayed that love of working with his hands and wood into his hobby, carving.

That blueprint, though, is a work in progress, he told the *Lexington Herald-Leader* in 2015.

“I’m still studying and trying to improve (my work),” he told the newspaper. “I study all the time and take pictures and change my patterns. I’m always trying to make the next one just a little bit better.”

On average, Hall’s work usually takes a little more than one week to create, though he says birds in flight take longer.

“I just completed a quail in flight that took about two months,” he says.

Public muralist Andee Rudloff of Bowling Green said her creative blueprint is inspired when creative people notice things that other people don’t.

“That becomes more and more what you do every day,” Rudloff says, when speaking of connecting people to art. “You can’t not do it.”

Rudloff says she is usually able to complete one of her murals in about a week, but that she has done projects that have taken years to finish. Regardless of the length of time she takes to complete a piece, an important element of her creative blueprint is the connection of people.

“As I became a painter and a muralist, I realized the way to do this was to involve people in conversation,” Rudloff says. “Their words can become images. I’ve tried to bring people to that art conversation through my mural work, I do that in a variety of ways. I’m happy when people can connect to it.”

Art impacts people.

Let’s admit it! Art is the most invigorating of manufacturing processes – it turns our socks, engages us, invites us, makes us drool, and keeps us happy. The artist is the ultimate of operations geeks. Go out and support your local ops geek today and praise her or his process, and you invest in the ultimate economic development of innovative manufacturing in Kentucky. ■



Lydia Bailey Brown is executive director of the Kentucky Arts Council.

THE LANE LIST

KY FAME CHAPTERS

Kentucky Federation of Advanced Manufacturing Education

CHAPTER	COUNTIES	LEADERSHIP	COMPANIES
Bluegrass	Anderson, Bourbon, Boyle, Clark, Estill, Fayette, Franklin, Garrard, Harrison, Jessamine, Lincoln, Madison, Mercer, Nicholas, Powell, Scott, Woodford	President, Danette J. Wilder, SealingLife; Vice President, Steve Rinehart, Denyo; Secretary, Dan Herrington, Link-Belt; Treasurer, Donna Taul, Florida Tile	Topy; Commonwealth Tool & Machine; CMWA; Florida Tile; Bullard; Webasto; Link-Belt; Toyota; LexAir; LectorDryer; Denyo; Hitachi; Intelligrated; Heartland Automotive; Lincoln Manufacturing; Tarter Farm and Ranch Equipment
Cumberlands	Adair, Casey, Clinton, Cumberland, Green, Laurel, McCreary, Pulaski, Rockcastle, Russell, Taylor, Wayne, Whitley	President, Donnie Slagle, Toyotetsu America Inc.; Vice President, Chris Hicks, UGN Inc.; Secretary, Stevie McWhorter, UGN Inc.; Treasurer, Lori West, Cobb Vantress	Toyotetsu America Inc.; UGN Inc.; Aisin Automotive Casting LLC; American Woodmark; Duraflame East LLC; Camtech Manufacturing Solutions; Cobb Vantress; Tarter Farm & Ranch Equipment; Jones Plastic & Engineering; East Kentucky Power; Chism Automation; Cable Contracting Inc.; Keystone Foods
Greater Louisville	Bullitt, Henry, Jefferson, Oldham, Shelby, Spencer, Trimble	President, Kent Suiters, GE Appliances (a Haier Company); Vice President, April Troutman, Paradise Tomato Kitchens; Secretary/Treasurer, Cindy Hooper, Clariant Corp.	Atlas Machine & Supply Inc.; Bigelow Tea Co.; Clairant Corp.; D.D. Williamson & Co. Inc.; Dana Inc.; Ford Motor Co.; GE Appliances, a Haier Company; Lantech; Linak US Inc.; Nth/Works; Paradise Tomato Kitchen Inc.; Republic Conduit – Louisville; Sabert Corp.; Universal Woods Inc.
Greater Owensboro	Daviess, Hancock, Ohio	President, Frank Anderson, Sun Windows; Vice President, Christy Miller, Kimberly-Clark; Secretary, Lisa Powers, Precision Roll Grinders; Treasurer, Will Mounts, OMICO Plastics Inc.	ADM Industries; Big Rivers Electric; Castlen Steel; Daicel Safety Systems; Domtar; Hollison; Hunter Douglas; Kentron; Kimberly Clark; Metalsa; Miles Enterprises; MPD Industries; OMICO Plastics; Paramount Tool and Die; Perdue Farms; Precision Roll Grinders; Specialty Foods Group; Sun Windows; The Hines Group; Trifecta; TTMA; Unifirst; US Bank; Whitworth Tool and Die; Yager Materials
Lincoln Trail	Breckinridge, Grayson, Hardin, LaRue, Marion, Meade, Nelson, Washington	President, Nathan Shewmaker, Toyoda Gosei Kentucky; Vice President, Julita Leachman, INOAC USA Inc.; Vice President, Kristal DiCarlo, AGC; Secretary, Holly Brady, Toyotomi; Treasurer, Shane Wilson, Altec	AGC Automotive; Altec Industries Inc.; Barber Cabinetry; Fuel Total Systems Ky. Plant; INOAC; Metalsa; Mouser Cabinetry; MTD Products; NPR of America; Plastikon; TG Kentucky LLC; Toyotomi; Wilbert Plastic Services
Kyndle FAME	Henderson, McLean, Union, Webster	President, Jeff Jones, Vibracoustic; Vice President, Kim Humphrey, Riverview Coal; Secretary, Michelle Ramacciotti, Gibbs Die Casting; Treasurer, Lisa Garrett, Big Rivers Electric	International Paper; Audobon Metals; Gibbs Die Casting; Vibracoustic; Big Rivers Electric; Hydro Aluminum; Air Hydro Power; Cresline Plastics; Dana; Accuride; Riverview Coal
Northeast KY	Bath, Boyd, Bracken, Fleming, Greenup, Lewis, Mason, Montgomery, Robertson, Rowan	President, Peter Feil, Stober Drives, Inc.	Regal Beloit; Cooper Standard; Morehead Wood Products; KDMK; Stober Drives; Tyson Foods; East Kentucky Power; SRG Global; The Walker Co.; CTI Foods; Meadowview Regional; Summit Polymers; A Raymond Tinnerman; Precision Resource
Northern KY	Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, Pendleton	President, Andrew Farris, Mubea; Secretary, Wade Williams, Northern Kentucky Tri-ED	Bosch; Mubea; Linamar; Safran Messier-Bugatti Dowty; HAHN Automation; L'Oreal; Zotefoams; Steinkamp Molding; Nucor; Skilcraft; Diversified Composites; Krauss Maffei; Steinert US; Perfetti Van Melle
Southcentral KY	Allen, Barren, Butler, Edmonson, Hart, Logan, Metcalf, Monroe, Simpson, Warren	President, Stacey Hughes, Logan Aluminum; Vice President, Tye Burklow, Franklin Precision Industries; Secretary/Treasurer, Eric Proctor, Sun Products	Kobe Aluminum Automotive Products; Sumitomo Electrical Wiring Systems; Meritor; KAPSTONE Container; SUN Products/Henkel; Logan Aluminum; Franklin Precision Industry; RKW; Delta Faucet; Graham Packaging Co.; Champion Petfoods; Bilstein; Fritz Winter; MAGNA; Froedge; Traughber Mechanical Services
West KY	Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, Muhlenburg, Todd, Trigg	President, Ryan Senter, Hibbs Electromechanical; Vice President, Phil Dunn, T.RAD North America; Secretary/Treasurer, James Bundren, Madisonville/Hopkins Co. EDC	ACE Compressor Inc.; Ahlstrom Filtration; Baptist Health; Briggs & Stratton; Centrifugal Technologies; Comefri; Ebonite International; FP International; Gardner Denver; GE Aviation; Hibbs Electromechanical Inc.; Huhtamaki; Ingrams Water & Air; Integrated Metal Solutions; International Automotive Components; Iwis; Joe Leasure & Sons; Kenlake Foods; Land O'Frost; Martinrea; Metalsa; Par 4 Plastics; Plymouth Engineered Shapes; Progress Rail; Propulsys; Riken Elastomers; TGASK; T. RAD North America; Vanderbilt Chemical; Wabash National (formerly Transcraft)



Rollin' by the River

Henderson offers everything from history and art to outdoor adventures

BY KATHERINE TANDY BROWN

HENDERSON holds a place in my heart. When I was in the eighth grade, a friend's dad took us to Dade Park (now Ellis Park) to watch the ponies run – on a school day, no less. For the first time, I witnessed the thrill of watching those gorgeous beasts fly around the track, manes and tails streaming. I bet \$2 on a horse named Like Mike, because it was my friend's brother's name. When jockey Earlie Fires drove that runner across the finish line first, I was hooked, and later spent a number of fascinating years in various capacities in the Thoroughbred industry.

A vibrant river town on the banks of the Ohio, Henderson in the late 1800s was the richest community in the nation per capita due to the export of dark tobacco, and still boasts a number of beautiful homes and buildings from that era in its historic downtown district. Famous bird artist John James Audubon and the Father of the Blues, W.C. Handy, brought notoriety to the

town as native sons. One is remembered with a state park and the other, a rockin' blues festival.

These days, Henderson can keep both visitors and meeting attendees happily busy.

A great place to get to know this west Kentucky city is at the downtown Depot, a replica of the original 1901 train station. Here, you'll find the Henderson County Tourist Commission and the Community Room, where you can learn about the city's history and its scads of special events. Among those are themed guided walking tours the first Saturday of each month, April through Novem-

Audubon State Park Museum is situated in the forest of John James Audubon State Park, where the 19th century painter studied and drew American birds.

ber, including A Taste of Henderson (July), Henderson's Military History (November) and an Audubon Sculpture Tour (September), when you'll stroll past some of 16 bird sculptures honoring Audubon scattered around town by Kentucky craftsman Raymond Graf.

Tune up for musical special events, such as Bluegrass in the Park (August), which includes the Folklife Festival (two-in-one!); Sandy Lee Watkins' Songwriting Festival (July); and one of the nation's largest free music festivals, the W.C. Handy Blues & Barbecue Festival (mid-June).

Strolling along the Ohio on the Henderson Riverwalk, you might glimpse a splendid riverboat, Queen of the Mississippi or the American Queen. Should you feel the need to watch speed, catch sleek boats making big waves at the Hydrofest "Roar on the River" in July, and those rapid runners hoofing it at Ellis Park Thoroughbred Racetrack, fondly known as "the Pea Patch" for its yearly infield soybean crop.

Get back to the land at an agritourism attraction, such as a honeybee farm, you-pick berry farm and a winery (see below).

Meeting planners have a myriad of options for meetings, events and retreats in Henderson.

From July through Labor Day, Ellis Park hosts live racing in its 8,500-seat grandstand and inter-track wagering in the off season. Its Sky Theater seats up to 450, with a panoramic view of the track. Meet in one of two smaller rooms or chow down at a buffet in an outdoor pavilion.

Attend some of the track's special summer events – Sunday Dollar Days, Wiener Dog Races, and Ostrich and Camel Races. Really.

Ellis Park has a Thoroughbred racing season from July through Labor Day and inter-track wagering the rest of the year.



A remarkable nonprofit, Brain Injury Adventure Camp (BIAC) aims to increase confidence and promote team building in folks of all abilities through zip-lining, a ropes course, horseback riding, yoga, cooking classes and nature exploration. Its handsome, 7,800-s.f. lodge boasts a wraparound porch, indoor fireplace and kitchen, and can sleep a total of 30.

Winner of *Kentucky Living* magazine's 2016 Reader's Choice awards for best museum (first place) and outdoor recreation spot (second), John James Audubon State Park has five woodland cottages. Here, you can cozy up and stroll the forest where the famous avian artist studied and painted birds from 1810 – 1819. His *Birds of America* is the most recognized natural history book in the world. Nature lovers can learn about local wildlife in year-round interpretive environmental and art programs at a nature center and on six miles of hiking trails on the edge of 600 acres of wetlands. Event spaces abound.

Among them are a lovely garden, where 50 to 500 can gather; the 47-seat



Birding and outdoors enthusiasts can explore the wetlands at John James Audubon State Park via wide walkways.



Audubon Theater; and a conference room for up to 200.

"When groups meet here, they get to see the world's largest collection of Audubon art and artifacts," says Maddie Fritz, marketing director for the Henderson County Tourist Commission. "It's awesome."

And the park has nine holes of golf for birdie-seekers of the links variety!

Another fun spot is Farmer and Frenchman Vineyard & Winery (F&F). Here, guests can relax on a sun-drenched patio, sample Kentucky wines comingled with French imports, and can lunch and dine on locally produced food that includes scrumptious handmade pizza. A five-acre lawn holds scads of guests for a reception. A 1,800-s.f. tobacco barn has been converted into a charming venue, complete with crystal chandeliers and a patio with luscious views that exemplify the fifth-generation land's agrarian roots, while a promenade offers a covered, breezy space for up to 50.

In case you over-sip, you can stay the night at the F&F B&B.

A casual downtown meeting spot, Rookies Sports Bar features prime rib, burgers, live music and walls covered with University of Kentucky sports memorabilia.

Farmer and Frenchman Vineyard & Winery has Kentucky wines and French imports at its restaurant and patio. Visitors can stay overnight at its bed and breakfast also.

"Everyone loves Rookies," Fritz laughs. "It's really comfortable, like Cheers."

Fried chicken fanatics can tuck their napkins in at nationally famous Bangie's Café or Mr. D's Drive-In, a mom'n'pop stop where you can add an old-fashioned banana split. Or grab a down-home fried bologna sandwich at North South Truck Stop.

Put your feet up overnight in one of four comfy suites at the 100-year-old L&N Bed and Breakfast, a block from the river and adjacent to a working railroad. If you play your cards right, the owner might treat you to a few magic tricks at breakfast!

Plan your Henderson visit at hendersonsonky.org or (270) 826-3128. ■

Katherine Tandy Brown is a correspondent for The Lane Report. She can be reached at editorial@lanereport.com.



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Report Illustrates Dire Status of Kentucky Pension Systems

A report presented by The PFM Group to Kentucky's Public Pension Oversight Board in May details the factors that have made the state's pension systems one of the worst funded in the nation.

The report revealed that the systems have had a combined \$6.9 billion negative cash flow since 2005 as benefits paid to retirees plus program expenses greatly exceeded appropriated funding. If this negative cash flow is not corrected, the ability to make payments to current and future retirees is at risk.

"PFM's analysis is the most comprehensive and detailed look at the many factors that contributed to the massive unfunded pension liabilities crippling our state," stated Kentucky State Budget Director John Chilton. "It is important that we fully examine the facts of how the state got into this mess so we can establish guideposts to take the necessary steps to address the pension crisis facing the commonwealth."

The report highlighted the need to meet the actuarially required contributions (ARC) going forward. Reverting to past practices of underfunding the ARC would put Kentucky's largest pension programs (KERS Non-Hazardous and the Teacher's Retirement System) in jeopardy of collapsing. Combined, those systems have nearly 225,000 active and retired members.

According to the report, if the past patterns of underfunding the required contribution were followed, KERS-NH would become insolvent by FY 2022. The Teacher's Retirement System (TRS) could become insolvent in 27 years if the ARC is not fully funded and the necessary investment returns are not met.

In the early 2000s, both the Kentucky Retirement System (KRS) and the Kentucky Teacher Retirement Systems (TRS) were nearly fully funded. Currently, both systems face staggering unfunded liabilities. The PFM report revealed the factors over the past decade that led to the cumulative combined growth in the state's unfunded pension liabilities:

- The largest contributing cause was "negative amortization" caused by using a "level percentage of payroll" funding method and inaccurate assumptions about payroll growth. This "actuarial back-loading" accounted for 25 percent of the growth in unfunded liabilities.

- Underperforming investments relative to assumed rates-of-return and market benchmarks were responsible for 23 percent of the growth in unfunded liabilities.

- Changes to actuarial assumptions intended to align with revised expectations contributed to 22 percent of the current recognized unfunded liabilities.

- Failing to fund the ARC caused 15 percent of the growth in unfunded liabilities.

- Nine percent of the growth is attributable to granting, but not paying for, retiree cost-of-living adjustments.

PFM's analysis makes clear that the current trajectory is unsustainable and growing more costly every year. The retirement systems have placed significant strains on the state's general fund, with pension contributions increasing at five times the rate of revenue growth. This has led to severe constraints on investments in other general fund supported priorities like K-12 education, public health and public safety.

The report further revealed:

- Absent reforms and fully funding the ARC going forward, negative cash flows at KERS-NH and TRS are projected to continue unabated for the next 10 years.

- Moving from a "level percent of payroll" to a "level dollar" amortization methodology would add hundreds of millions to the system's required annual contribution in the near-term, but decrease the system's unfunded liabilities more rapidly.

- \$2.9 billion of TRS's growth in unfunded liability was a result of underperforming investments, equal to 29 percent of the growth in that system's unfunded liabilities.

- In addition to its pension liabilities, Kentucky has nearly \$6 billion of unfunded other post-employment benefits obligations, primarily associated with retiree healthcare.

"Without fixing our state's pension programs and putting into place a more competitive tax code to grow Kentucky's economy," Chilton said, "there simply will not be enough money to adequately invest in our children's education or provide services for our state's most vulnerable citizens. It's that simple."

A copy of the report can be found at the Office of the State Budget Director's website: osbd.ky.gov.

Bernheim Acquisition Continues Legacy of Conservation

BERNHEIM Arboretum and Research Forest has purchased a 954-acre tract of land known as the Big Level from the Simon family, owners of Shepherdsville-based Publishers Printing, for \$1.4 million.

The acquisition brings the forest's total acreage to 15,625 and is the largest since founder Isaac Wolfe Bernheim's original 12,500-acre purchase in 1928. It allows Bernheim to protect additional critical wildlife habitat and continue the founder's legacy of conservation.

Historically called the Big Level because of the large plateau on its summit, it is situated on the north side of Kentucky Highway 245 just behind the Jim Beam Distillery.

The late Frank and Elizabeth Simon purchased the Big Level in 1988 and it was the wish of their late son, Nick, for



Bernheim to own and protect the land. Nick Simon served as a Bernheim trustee from 1990 to 1997.

"Our family has long had a love of nature," said Elizabeth Montgomery,

Nick Simon's sister. "With this purchase, Bernheim will preserve our heritage as land and nature conservationists."

Kevin Smith, vice president of Kentucky Beam Bourbon Affairs at Beam Suntory, noted the importance of preserving the Bourbon Trail's picturesque beauty.

"At Beam Suntory, we're deeply committed to protecting the natural water sources for our products, preserving our precious environment and supporting the communities where our people live and work," he said. "We're thrilled with Bernheim's work to conserve this land, which is vital to our region's economy. We're proud to have them as neighbors and we look forward to an expanded partnership with them to promote the environmental priorities we all share."

Let's Go Krogering

A new partnership agreement between the University of Kentucky, JMI Sports and Kroger expands Kroger's commitment to UK athletics – including renaming the university's football stadium Kroger Field.

UK's multimedia rights agreement with JMI Sports – signed in June 2014 – grants naming rights to athletic facilities and expanded opportunities to market campus media



rights like those included in the partnership with Kroger. The multimedia rights agreement pays UK Athletics \$210 million over 15 years, including a signing bonus of \$29.4 million built in to help fund important capital projects like the baseball stadium currently under construction.

The agreement – which is between Kroger and JMI Sports – begins at approximately \$1.85 million annually with a term of up to 12 years.

The Kroger Field name will be reflected on interior, external and directional signage, as well as collateral materials related to the football stadium.

University officials say what differentiates this agreement is its comprehensive nature, which extends on campus at UK and ensures a long-term commitment not just to the commonwealth's flagship university but also to Kentucky's children and communities. For example, Kroger and UK will work together to improve community fields across the state as part of the Kroger Fields Community Program and a community 5K race – the Simple Truth 5K – will finish at the 50-yard line at the newly renamed Kroger Field.

Racetrack Clinic Earns National Recognition

THE Kentucky Racing Health Services Center, a nonprofit clinic run by the University of Louisville School of Nursing, has been designated an innovative model by the American Academy of Nursing.

The Academy has recognized School of Nursing faculty members Whitney Nash and Sara Robertson for establishing and growing the clinic, which serves low-income Thoroughbred racing industry workers and their families.

Located a block from Churchill Downs, the clinic is a partnership between the School of Nursing and the Kentucky Racing Health & Welfare Fund, which provides comprehensive healthcare to backside workers, including assistant trainers, grooms and hot walkers.

Most workers whom the clinic serves migrate from Latin America to work U.S. horse racing circuits. These low-paying jobs typically do not include health benefits. Before the clinic opened in 2005, many of its patients went without healthcare or used the emergency room for primary care.

Funded by uncashed pari-mutuel tickets at horse racing tracks throughout Kentucky, the clinic decreases healthcare barriers and has reduced medical costs by providing much of the workers' healthcare in one place.

Workers can access the clinic for a \$5 copay, which covers the patient visit and lab tests. Services include mental health treatment, physicals and women's annual exams, care for acute illnesses, and maintenance treatment for chronic conditions such as asthma, diabetes and hypertension.

"The high level of comprehensive care and readily available appointments allow patients to understand and manage their unique health situation," said Richard Riedel, director of the Kentucky Racing Health & Welfare Fund. "Because satisfaction levels are so high, patients often return for their care."



A nurse practitioner, right, treats a patient at the Kentucky Racing Health Services Center.

Kentucky Loses One of Its Best

THE commonwealth has lost one of its most active and respected business leaders with the passing of William T. (Bill) Robinson III on May 9.

Robinson, who was member-in-charge of the Frost Brown Todd law office in Florence, died after a seven-month battle with lung cancer.



William T. (Bill) Robinson III

Robinson joined FBT as the member-in-charge of the firm's Northern Kentucky office in 2007

and primarily focused on civil litigation. In addition, he served as president of the American Bar Association in 2011-12, was treasurer from 2005 to 2008 and in June 2016 was named chair of the ABA's Standing Committee on the American Judicial System. Robinson also served as chairman of the National Judicial College board of trustees, the nation's leading provider of education to judges across America and abroad, and served in numerous other professional organizations and associations nationally and internationally.

But his work extended far beyond the legal profession. For decades, he was a fervent advocate for regional economic development, serving on the board and as chairman of the Northern Kentucky Chamber of Commerce. He was a founding member of both the Regional Economic Development Initiative and Northern Kentucky's TRI-County Economic Development Corp. and was extensively involved in many other organizations, including the Commonwealth of Kentucky Economic Development Partnership and the Cincinnati/Northern Kentucky International Airport Board.

Robinson also served on the boards of educational institutions, arts foundations, regional faith-based groups and charitable organizations, including the United Way of Greater Cincinnati, Boy Scouts of America, the Taft Museum of Art and the Cincinnati Symphony Orchestra. He served the Redwood School & Rehabilitation Center for more than 45 years.

"Bill's impact in the region and his extensive leadership in our profession have been most admirable. His optimism and determination were infectious and will be greatly missed by all. We have lost not only an exceptionally creative and dedicated lawyer, but also a genuine friend," said FBT Chief Executive Officer George Yund.

KENTUCKY PEOPLE

LEXINGTON: UK INDUCTS THREE INDUSTRY LEADERS INTO ALUMNI HALL OF FAME



Three University of Kentucky graduates were recently inducted into the Gatton College of Business and Economics' Alumni Hall of Fame, honored for their work in achieving "exceptional success in their careers and in their communities." Pictured here are (left to right) Samuel N. Hazen, president and chief operating officer of Nashville-based HCA; Gatton College Dean David Blackwell; J. Michael Schlotman, executive vice president and chief financial officer of the Kroger Co., headquartered in Cincinnati; and Charles M. Sonstebj, vice chairman of The Michaels Cos., a Texas-based arts and crafts retailer.

PRESTONSBURG: KY EDUCATION OFFICIAL ENCOURAGES ADULT ED STUDENTS



Gayle Box (center), senior associate for college and career preparation at Kentucky Adult Education, recently visited Big Sandy Community and Technical College's Mayo and Prestonsburg campuses to witness the culmination of work on the Empower Math curriculum, a pilot program in 20 counties that is being delivered to pre-GED math students. Pictured with Box are Adult Education Specialist II/Instructor Virginia Williamson Jones (left) and students Margaret Prater and Michelle Craft.



We'd love to feature photos of your event! To submit a photo for the Kentucky People section, please send us details of the event and the names and titles of people featured in the photo to editorial@lanereport.com, with Kentucky People in the subject line. High-resolution photos (minimum 300 dpi) are required to reproduce well in print.



LOUISVILLE: IGNITE LOUISVILLE PROGRAM RAISES \$300,000 FOR AREA NONPROFITS



Six Louisville nonprofit agencies were the beneficiaries of this year's Ignite Louisville, a seven-month program that grows young professionals by developing the key components of leadership. This year's young professionals were divided into six teams, each assigned to a local nonprofit, and then went to work to execute new strategies for success in hopes of winning the Yum! Ignites Louisville Challenge to earn additional funds for their assigned agency. The team working with Family & Children's Place was selected as the winner of the challenge and earned the agency a \$1,500 prize from the Yum! Brands Foundation. Pictured here (left to right) are members of the winning team and Ignite Louisville partners: Al Cornish, Norton Healthcare (Ignite Louisville sponsor); Lisa Bellafato, Passport Health Plan; Brad Savko, Republic Bank; Whitney Schulze, ZirMed; Katie Porter, Norton Healthcare; Tracey Johnson, Brown-Forman Corp.; Alec Risch, Heine Brother's Coffee; Adam Price, Volunteers of America Mid-States; and Michelle Wells, Yum! Brands Inc. (Yum! IGNITES Louisville Challenge sponsor).

COVINGTON: RENAISSANCE COVINGTON WINS NATIONAL MAIN STREET AWARD



Renaissance Covington, a nonprofit organization dedicated to the revitalization of the city's urban core, was one of three organizations nationwide to be named as a winner of the 2017 Great American Main Street Award, presented by National Main Street Center Inc. at its conference in Pittsburgh. Pictured here (left to right) are Patrice Frey, president and CEO, National Main Street Center; with 2017 Great American Main Street Award winners Malcolm Johnstone, executive director, West Chester (Pa.) Business Improvement District; Katie Meyer, executive director, Renaissance Covington; and Linda Pompa, executive director, Oretha Castle Haley Boulevard (La.) Merchants and Business Association.

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