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TRUE ECONOMIC ENTHUSIASM DAWNS FOR 2018

After years of 'cautious optimism,'
Kentucky business leaders express
confidence about the year ahead

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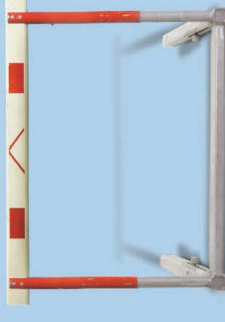
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PERSPECTIVE

FISCAL SANITY MEANS GROWTH

State has opportunity to become
more efficient, more competitive

BY JORDAN HARRIS

THERE is no team that holds a position closer to the heart of many University of Kentucky basketball fans than the 1991-92 team dubbed "The Unforgettables." Post-season eligible for the first time since the sanctions of Eddie Sutton era, the team was led by four, mostly homegrown, seniors and future All-American Jamal Mashburn. Even though they ultimately lost in the Elite Eight, the team symbolized a return to national prominence for the program.

As it relates to Kentucky state policy, 2017 could be thought of similarly. In the previous legislative session, and throughout the year that followed, our state saw remarkable policy changes, and almost immediately began reaping the rewards. As the cover story of The Lane Report noted in December, pro-growth policies and the leadership of Gov. Matt Bevin helped Kentucky experience a record \$9.2 billion in corporate investment, equaling a remarkable 17,000 new jobs.

It isn't time to raise championship banners yet, though. Major policy needs still remain, and at the outset of another legislative session, it might be more important than ever before that lawmakers ignore distractions and focus on tackling the fundamental issues that still beleaguer our state.

The three most significant are easy to name but difficult to solve.

Distractions and complications, centralized in one legislative chamber, prevented a special session that would have addressed Kentucky's pension system. The system remains more than \$40 billion underfunded and is, by many measures, the worst funded pension system in the United States. Without changes, the account covering state employees in non-hazardous roles, will be completely out of money by 2022.

So far, businesses have remained willing to continue investing in Kentucky with the confidence that we will fix this problem, and not require them to ultimately shoulder the burden. That will undoubtedly change if we don't make changes, risking a halt in corporate investment momentum and costing the state opportunities to grow.

From bond ratings to education spending, the pension crisis has widespread impacts on the commonwealth. This year's state budget, the second of the three major policy challenges that must be addressed this year, will be the first budget that forces the state to deal with the two decades of malfeasance on pensions.

According to State Budget Director John Chilton, "to be fiscally responsible, we need to free up an additional \$1 billion," to adequately address pension system needs, representing nearly 10 percent of the state's overall budget.

If innovation is the mother of necessity, virtually every aspect of Kentucky's state government will be tasked with finding more efficient, less costly ways to deliver services. This year's budget, which will be the first under a unified Republican legislature and governor, will provide the first real opportunity to cut back the size and role of government. Lawmakers should embrace the opportunity.

The final policy item is arguably most important. Kentucky's tax code has not received a holistic overhaul since 1936. It was that year, under Gov. Happy Chandler, that Kentucky introduced its income and corporate taxes. In the decades since, the code has gotten increasingly complex and been detrimental to Kentucky's growth as the burden of taxation has fallen increasingly onto the production side of our economy.

Since 1977 alone, Kentucky's economy grew 30 percent below the national average, ranking it 44th in the United States. Our labor force participation rate, which has improved in the last two years, still remains in the bottom quartile nationally. Household income in the commonwealth remains approximately 18 percent below national average.

Tax reform is essential if Kentucky's economy is going to take the next steps.

There is enormous risk that early celebrations, distractions or egos could derail the effort to tackle our biggest challenges. Caving to such temptations will come at an immeasurable cost. For the first time in virtually anyone's memory, Kentucky appears to be turning the page and emerging as a national leader.

There is a lengthy road between "The Unforgettables" and "The Untouchables," but we are on it. As lawmakers begin a new session, let's hope they keep the pedal on the floor. ■



Jordan Harris is executive director of the Louisville-based Pegasus Institute public policy think tank.

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FAST LANE

A compilation of economic news from across Kentucky

STATE: ENERBLU PLAN FOR \$412M INVESTMENT WITH 1,000 NEW JOBS RECHARGES PIKEVILLE AND LEXINGTON



ENERBLU Inc., a California-based energy solutions provider, has announced plans to invest \$412 million to relocate its headquarters to Lexington and build a 1 million-s.f. high-tech manufacturing facility in Pikeville, creating a total of nearly 1,000 new jobs.

EnerBlu's manufacturing facility in Pikeville will be built on 145 acres in the Energy Innovation Park, on the site of the former **Marion Branch** coal mine. The facility will produce lithium-titanate (LTO) batteries, called **Ener-**

Blu Advanced Energy Storage Units. The batteries will power transit busses, commercial trucks, military vehicles and other equipment. Construction is scheduled to start in mid-2018, with the opening projected for 2020.

LTO batteries are rechargeable batteries that offer the advantage of a faster charge than other lithium-ion batteries and provide high currents when necessary. Currently, more than 70 percent of the world's LTO production is located in China. The Pikeville facility will be the first LTO factory in the United States and will employ up to 875 workers. The jobs will include engineering and chemist positions and will pay an average salary of \$81,000.

The company's new 150,000-s.f. headquarters in Lexington will include research and development and labs. The office is expected to open early this year, bringing 110 new jobs to Central Kentucky.

EnerBlu was established in 2015 through a collaboration between **BRAC Global Automotive** and **Symblyu**. The company provides research, development and production of low-cost, high-performance LTO batteries. In addition, the company will partner with the **University of Pikeville**, the University of Kentucky, and other colleges and universities for research, materials science, and to encourage new technology development through incubation.

LOUISVILLE: KINDRED HEALTHCARE TO BE ACQUIRED FOR \$4.1B BY CONSORTIUM THAT INCLUDES HUMANA

THE board of directors of Louisville-based **Kindred Healthcare** has approved a definitive agreement under which the company will be acquired for \$4.2 billion by a consortium of companies made up of **Humana Inc.**, **TPG Capital** and **Welsh, Carson, Anderson & Stowe (WCAS)**.

Kindred operates home health, hospice and community care businesses, long-term acute care hospitals, inpatient rehabilitation facilities and a contract rehabilitation services business.

As part of the acquisition agreement, the home health, hospice and community care businesses will be separated from Kindred and will become a standalone company operating as **Kindred at Home**, with Louisville-based Humana as a 40-percent owner and the remaining 60 percent owned by TPG and WCAS.

Humana will have a right to buy the remaining ownership interest in Kindred at Home over time through a put/call arrangement. Kindred's LTAC hospitals, IRFs and contract rehabilitation services businesses will be operated as a separate specialty hospital company owned by TPG and WCAS, operating as Kindred Healthcare.

Kindred President and CEO Benjamin Breier said the acquisition "represents a significant step forward in transforming home healthcare in America by enhancing access to care and reducing costs for people living with chronic conditions. In addition, the specialty hospital company, Kindred Healthcare, will be uniquely positioned to care for the most medically complex and rehab-intensive populations."

Following the transaction, Breier will serve as CEO of the specialty hospital company, Kindred Healthcare, while David Causby, currently executive vice president and president of Kindred at Home, will serve as chief executive officer of Kindred at Home.

Both Kindred and Humana executives have said they don't anticipate the deal affecting the workforce numbers of either company. Kindred employs approximately 2,100 in Louisville, while Humana has around 11,800.

The transaction is expected to close by this summer.



HIGHLAND HEIGHTS: ITALIAN COMPANY TO BUY GENERAL CABLE IN \$3 BILLION DEAL

PRYSMIAN Group, an Italian company that is a leader in the energy and telecom cable systems industry, has announced an agreement to acquire Highland Heights-based **General Cable Corp.** in a transaction valued at \$3 billion.

The transaction has already been unanimously approved by both boards of directors and is expected to close by the third quarter of 2018.



Prysmian has been in operation for more than 140 years and employs 21,000 people across 82 plants in 50 countries. The company produces underground and submarine cables and systems for power transmission and distribution, special cables for applications in numerous industries, medium- and low-voltage cables for the construction and infrastructure sectors, and cables and accessories for voice, video and data transmission, offering a comprehensive range of optical fibers, optical and copper cables and connectivity systems.

General Cable has some 11,000 employees at more than 60 locations in 20 countries.

General Cable President and Chief Executive Officer Michael T. McDonnell said the merger is "an ideal strategic fit and ensures we are well-positioned to meet the future opportunities and challenges" of an evolving industry.

Prysmian Group CEO Valerio Battista said the acquisition will enhance both the company's presence in North America and its footprint in Europe and South America.



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FAST LANE

BUSINESS BRIEFS



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BOWLING GREEN

■ The **National Corvette Museum Motorsports Park** has unveiled a new corporate training program built around an all-inclusive racing experience. Designed to get employees out from behind a desk, the training can be customized to fit each businesses' needs, with experiences that include blindfold driving, team races on the go-karts, racing head-to-head in **Turbo Camaros** and/or get-

ting behind the wheel of new **Corvettes** on the racetrack. The program incorporates activities that assess each group's roles and emotional intelligence and promotes an understanding of personality strengths and weaknesses. The training can range from a few hours to multiple days.

COVINGTON

■ **Clinical Trial and Consulting Services**, a global contract research organization headquartered in Covington, has acquired **Eurotrials**, a full-service contract research organization that has locations in 15 countries in Europe and Latin America. The combined company will be one of the 20 largest contract research organizations in the world, with associates in more than 30 countries across six continents. CTI focuses on developing therapies for chronically and critically ill populations.

FRANKFORT

■ Automotive wheel manufacturer **TOPY America Inc.** is investing \$37 million to upgrade its plant near Frankfort. The expansion will include installation of a new wheel-assembly line – the facility's fourth – and adding topcoat capability on an existing coating line. The investment will improve work conditions for the facility's 325 employees through building upgrades, equipment refurbishment, improved engineering systems and installation of a new cooling system. Company leaders expect to complete the project by mid-2020.



■ **Kentucky State University** conferred its first-ever doctoral degrees in December as six students graduated with the doctor of nursing practice degree. The Kentucky State DNP program educates nurses at the doctoral level with the competence to address the needs of adult-gerontology patients with complex acute and/or chronic health conditions.

■ **DRM/C.W. Wilburn #2 LLC** of Lexington has been awarded a build-to-suit contract for a new 385,500-s.f. state office building in downtown Frankfort that will house 1,500 employees and includes a 1,100-space parking structure. The project is expected to be complete in January 2020.

GLASGOW

■ Automotive parts supplier



FEDERAL-MOGUL MOTORPARTS

Federal-Mogul Motorparts is expanding its operations in Glasgow, where it produces drum-brake friction for both original equipment manufacturers and the commercial vehicle aftermarket. The Michigan-based company is investing \$8.7 million to construct and equip a 15,000-s.f. expansion of its existing facility. The upgrades will allow the plant to better serve customers with the market's shift to air-disc pads. Federal-Mogul currently employs 172 people in the Glasgow area and plans to add another 25 jobs as a result of the expansion.

LEXINGTON

■ **First Breckinridge Bancshares Inc.** and **Meade Bancorp Inc.** have signed a definitive agreement to acquire **Bancorp of Lexington Inc.** and its wholly owned subsidiary, **Bank of Lexington Inc.** Bank of Lexington opened in February 2006 as a de novo bank and currently has three locations and assets of \$260 million. A purchase price has not been disclosed.



The goal of NKU's new development project is to create a fresh entry to the campus that offers walkable amenities for students while enhancing the Highland Heights community.

HIGHLAND HEIGHTS: \$100M TOWN-CENTER PROJECT PLANNED FOR NKU GATEWAY

NORTHERN Kentucky University has announced plans to develop a \$100 million mixed-use development and professional office building at the gateway to the NKU campus.

NKU is partnering on the project with **Fairmount Properties**, a Cleveland-based firm that specializes in creating mixed-use "campus edge" developments across the country.

At full build out, NKU's pedestrian-scaled "town center-style" district will feature restaurants, retail space, apartments, a hotel, structured parking and public gathering spaces.

A 70,000-s.f. professional office building will be occupied by **St. Elizabeth Healthcare** and house urgent care, primary care and specialty physician offices. In addition, **OrthoCincy** will lease a portion of the building for an onsite orthopedic office, physical therapy and other orthopedic services.

BARDSTOWN: TAKIGAWA TO BUILD \$46M PACKAGING PLANT, CREATE 180 JOBS

TAKIGAWA Corp. Japan, a company that produces flexible packaging and high-performance films, is investing nearly \$46 million to locate a new manufacturing operation in Bardstown that represents the company's first location in the United States.



Takigawa has become a global leader in pouching technology in the packaging industry.

The new plant will create 180 full-time jobs.

Takigawa plans to build a 180,000-s.f. facility on an 18-acre site in the Nelson County Industrial Park. The new plant will be located between **Thai Summit** and **Flowers Baking Co.**

Headquartered in Narashino, Japan, Takigawa was founded in 1949 for the extrusion of high-performance films for the packaging industry. The company has since grown into a global leader in pouching technology. The company expanded beyond Japan's borders for the first time in 2011 with the addition of a factory in Vietnam, and has since established a presence in Canada, Europe and Singapore, as well as a sales office in Torrance, Calif.

Kentucky Cabinet for Economic Development Secretary Terry Gill and Executive Officer Vivek Sarin met with Takigawa officials during the SelectUSA Investment Summit in Washington D.C. in June, which ignited discussions about the company's potential location in the commonwealth.

LOUISVILLE: INTENSIVE PROGRAM PREPS HIGH SCHOOLERS FOR TECH CAREERS

INTERAPT, an innovation and software development firm in Louisville, and **Transform Education Kentucky**, a non-profit focused on educational innovation, have launched a new program in the Louisville area to help high school seniors develop the digital, business and life skills necessary to create a successful career in technology.

The program is being offered to students in the **Jefferson County, Eminence Independent and Shelby County** school districts. The school districts provide transportation to the program, which is being held in Louisville, Monday through Friday.

"In their final semester of high school, students will learn fundamental coding skills for **Apple** or **Android** mobile apps. These are valuable skills that will prepare them for a career as an iOS or Android developer, and introduce them to multiple career paths within the software development life cycle," said Ankur Gopal, founder and CEO of Interapt. "We believe our immersive and industry-centric training can help address our country's technology skills gap, while simultaneously creating skills, jobs, and new opportunity for students and companies in our commonwealth. Those that complete the program will be extremely well prepared to enter into a two-year degree, a four-year degree, or an apprenticeship program that can lead to a job."

In addition to the Interapt Skills curriculum, students will also take part in entrepreneurship training in partnership with Junior Achievement.

Barbara Bellissimo, CEO of **Transform Education Kentucky** said, "By the year 2020, there will be over 10,000 open technology jobs in the Louisville metro area. Many businesses are already struggling to find skilled software developers. That is why we are teaming with local investors, schools, and businesses to provide this training free of charge to students who could land a job in just a few months. By starting them on a path to fill positions needed by local business, we improve business, keep taxpayers local, and most importantly set students up for a viable career."



A new program launched in the Louisville area is designed to help high school seniors develop the high-demand coding skills needed to launch a successful career.

MURRAY: DAE-IL ROLLS OUT PLAN TO BUILD \$50M POWERTRAIN PARTS PLANT

AUTOMOTIVE parts supplier **DAE-IL Corp.** is investing \$50 million to locate its first U.S. facility in Murray.

The South Korean company plans to construct a 295,000-s.f. plant in the Murray West Industrial Plant that will bring 120 full-time jobs to the area. Construction on the plant, which will produce gears for the automotive industry, is expected to be complete by the end of 2018.

Founded in 1976, DAE-IL manufactures and sells powertrain parts for automotive, heavy equipment and motorcycles. Its products include gears, car transmission and engine parts, heavy equipment products – such as trans axles, drive axles and transmission and excavator products – and motorcycle transmission and engine products. The company's primary export markets include the U.S., China, Europe and Japan.

BUSINESS BRIEFS

LEXINGTON

■ Lexington-based **Kentucky National Insurance Group**, the parent company of **Kentucky Home Life Insurance Co.** has acquired **Mountain Life Insurance** of Alcoa, Tenn. Under terms of the agreement, Mountain Life will continue to offer credit life and credit disability insurance in six states throughout the Midwest and South and Kentucky Home life will continue its credit life offerings in Kentucky. In addition, Kentucky Home Life plans to begin offering its ordinary life products in the newly acquired states under the Mountain Life name.



■ **Bluegrass Community and Technical College** is leasing 50,000 s.f. of space at its Cooper Drive site to the **Fayette County Board of Education**, which plans to use the facility to house its **STEAM** (Science, Technology, Engineering, Arts and Mathematics) **Academy**. BCTC is in the process of moving and consolidating all operations at its new campus on Newtown Pike, northwest of downtown Lexington. Fayette County Public Schools has an existing partnership with BCTC called Opportunity Middle College that enables high school students to enroll in both college and high school courses while completing their high school diploma.

■ **Post Time Studios** has changed its name to **Wrigley Media Group** to better represent its comprehensive film and video solutions and has also formed an original content division, along with new partnerships with branding agency **Buzz Advertising** and interactive media firm **Red Tag Digital**.



The new corporate alliances will help deliver coordinated solutions to the ways film and video can be leveraged across digital networks and multi-channel marketing systems.

■ The **University of Kentucky Markey Cancer Center** is one of 16 accredited cancer programs nationwide to receive the 2017 Outstanding Achievement Award from the **American College of Surgeons Commission on Cancer**. Markey's cancer program was evaluated on 34 program standards categorized within five cancer program activity areas: program management, clinical services, continuum of care services, patient outcomes and data quality. Last year, **U.S. News & World Report** named Markey one of the top 50 cancer programs in the nation.

LOUISVILLE

■ **Spalding University** has received a grant of nearly \$1.15 million from the **U.S. Department of Health and Human Services' Health Resources and Services Administration** to support advanced-level psychology and social work students who perform behavioral health work in primary-care settings in medically underserved areas of Louisville.



The grant will provide stipends to doctoral candidates in clinical psychology and students pursuing a master's degree in social work, and will assist in recruitment and retention of future behavioral health professionals who do their training work in vulnerable and medically underserved areas.

■ **KentuckyOne Health** and **Catholic Health Initiatives** have entered into exclusive negotiations with **BlueMountain Capital Management** to explore a potential strategic investment that would include the sale of KentuckyOne's Louisville assets. In May, KentuckyOne announced it would sell certain assets to focus on its operations in central and eastern Kentucky. Louisville-area facilities being sold include **Jewish Hospital; Frazier Rehab Institute; Sts. Mary & Elizabeth Hospital; Medical Centers Jewish East, South, Southwest and Northeast; and Jewish Hospital Shelbyville**. The negotiations are expected to continue over the next several months.

■ The **University of Louisville Hospital** has opened a new center to treat hepatitis C, a blood-borne illness that is a particular problem in Kentucky, which has the highest infection rate in the country. Though hepatitis C is now easily curable with proper treatment, the disease can cause major complications if left untreated, resulting in cirrhosis of the liver or liver cancer. The hospital expects to see 2,000 patients a year.

BUSINESS BRIEFS

LOUISVILLE

■ **Churchill Downs Inc.** has signed a definitive agreement to sell its mobile gaming subsidiary, Seattle-based **Big Fish Games Inc.**, to **Aristocrat Technologies Inc.** for \$990 million. "Big Fish is a very successful business with a bright future that will be best realized by being part of Aristocrat's strategy and vision for their online and mobile gaming portfolio," said Bill Carstangen, CEO of CDI. "We will refocus our strategy on our core assets and capabilities, including growing the Kentucky Derby, expanding the casino segment, TwinSpires.com and other forms of real money gaming, and maximizing our Thoroughbred racing operations." CDI acquired Big Fish three years ago in a transaction valued at \$885 million.



■ As part of a restructuring of the **U.S. Drug Enforcement Administration** to help combat the nation's opioid crisis, the Louisville office will become the DEA's 22nd field division. The change marks the first new field division to be formed in nearly 20 years. The new field division office will cover West Virginia, Kentucky and Tennessee, three states that are currently covered by three different division offices. The DEA noted that because these three states face similar drug threats, the new division office will be better able to focus on those threats. The Louisville field division office will encompass approximately 90 special agents and 130 task force officers.

■ Construction is now underway on the \$5 million redevelopment of historic **Colonial Gardens**, a former entertainment complex in south Louisville that has been vacant since 2003. The adaptive reuse project includes renovating the 7,000-s.f. Colonial Gardens building, as well as adding three new, one-story buildings for a total of 18,000 s.f. that will share a common patio and garden area. The city purchased the property in 2013 to help foster its commercial redevelopment and the site's developer, **Underhill Associates**, is in talks with local restaurant groups to occupy the four corner spaces of the building and a common beer garden area. The project is expected to be complete in spring 2019.



■ **Churchill Downs Race-track** has broken ground on its \$60 million historical racing machine facility in Louisville. Located just off the Watterson Expressway and less than a half mile from the Poplar Level Road exit, the 85,000-s.f. facility will open this coming fall and operate as **Derby City Gaming**. The new facility will create 150 full- and part-time jobs.

■ Louisville-based **Blue Equity** has acquired a majority stake in **Napoli Management Group**, a California company that is one of the largest broadcast news talent representation firms in the country. The acquisition of Napoli adds a significant player for Blue Equity, which currently owns and operates representation firms in entertainment, media, broadcast news, sports and culinary arts. Napoli's client list includes more than 600 television news anchors, reporters, weathercasters, sportscasters, digital contributors and cable news hosts.

■ Senior executives for **Atria Senior Living** have raised growth capital by selling 50 percent of their ownership interest in Atria's business to **Fremont Realty Capital**. The transaction values Atria at a substantially increased level compared to the 2012 transaction in which the management team increased their stake to 66 percent and **Ventas** acquired 34 percent of the business. Proceeds have been reinvested in Atria, and Ventas has also made an additional investment in Atria to maintain its 34 percent ownership stake without dilution. Proceeds will also be invested, along with an additional investment by Ventas, in a new venture that will act as general partner in a \$1 billion real estate venture with a dedicated focus on development and redevelopment opportunities in high-barrier-to-entry markets.



FLORENCE: ABB OPTICAL GROUP TO HIRE 223 FOR NEW LAB, DISTRIBUTION CENTER

ABB Optical Group, a distributor of optical products, plans to locate a new distribution center and optical laboratory in Florence that will create up to 223 full-time jobs.

ABB supplies nearly two-thirds of eye care professionals across the country with brand name contact lenses, ophthalmic lenses, eyewear fabrication and more. Its revenue reached \$1.2 billion in 2016.

Founded in 1989, the Florida-based company employs nearly 1,500 people across the U.S. and currently has five distribution centers located in New York, Massachusetts, Florida, Ohio and California. The Florence distribution center and digital eye lab will serve as a major hub for the ABB's entire United States distribution and lab footprint.



ABB plans to open a new optical lab and distribution center in Florence that will serve as a major hub for the company.

STATE: PANEL SAYS BETTER NONVIOLENT CRIME POLICY WILL SAVE \$340 MILLION

WITH Kentucky facing growing inmate populations, mounting taxpayer costs and troubling recidivism rates, a group of state criminal-justice leaders assembled by Gov. Matt Bevin in September 2017 has outlined their recommendations for the upcoming legislative session to curb prison growth and improve public safety.

The 19-member group – made up of prosecutors, defense attorneys, judges, legislators, corrections officials, crime victims and business leaders – was charged with developing solutions to curb the growth in taxpayer spending on prisons while strengthening public safety through smarter, more deliberate supervision practices.

Admissions to Kentucky prisons increased by 32 percent from 2012 to 2016, driven by growing numbers of people sentenced for low-level, nonviolent crimes. In 2016, 65 percent of admissions were for drug and property offenses. The trend has disproportionately impacted women, with a 54 percent increase in female admissions over the last five years. The incarceration rate for women in Kentucky is nearly twice the national average and is the fifth highest in the nation.

This has led to overcrowding in jails and prisons, creating an additional financial burden for Kentucky taxpayers. The state now spends \$570.5 million dollars on corrections, a \$65 million increase since 2014.

Furthermore, 41 percent of offenders return to state custody within two years of release and the prison population is projected to increase by 19 percent over the next decade, adding just over 4,400 beds, at a cost of an additional \$600 million dollars.

The group's recommendations include: strengthening pretrial release; focusing prison and jail resources on serious and violent offenders; strengthening community supervision; minimizing financial barriers to successful reentry; and ensuring sustainability of the criminal justice reforms.

If adopted, the group's recommendations are projected to eliminate the need for 3,500 additional beds, averting 79 percent of the projected growth in Kentucky's prison population over the next 10 years. According to the group's analysis, that would save nearly \$340 million in corrections costs through 2027.



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BUSINESS BRIEFS



LOUISVILLE

■ The **Louisville Boat, RV & Sportshow**, sponsored by **Progressive Insurance**, returns to Louisville Jan. 24-28 for its 61st consecutive year. While the event itself is big, recreational boating's economic impact on Kentucky is even greater: The **National Marine Manufacturers Association** reports that recreational boating has an annual impact of \$1.9 billion in the commonwealth and supports

more than 340 businesses and 10,000 jobs. There are 173,881 registered boats in Kentucky, creating annual retail sales of boats, engines and marine accessories that totaled \$209.7 million for the state in 2016.

MARTIN

■ **KentuckyOne Health** and **Appalachian Regional Healthcare (ARH)** have confirmed a letter of intent for the exclusive negotiation of the sale of **Saint Joseph Martin**, a 25-bed critical-access facility owned by KentuckyOne. If a definitive agreement is reached, it would establish the continuation of local ownership and operation of the hospital, which has served the area since 1947. KentuckyOne Health said ARH was the "clear leader" in the due-diligence and review period of bids and noted ARH's "vision to maintain current services, employment opportunities and a long-term outlook for investment in quality care performance, clinical and employee development and community outreach." The negotiations will continue over the coming months.

MORGANFIELD

■ **Homecare Products Inc.**, a producer of portable and modular ramps that operates under the name **EZ-ACCESS**, is investing \$650,000 to expand its facility in Morganfield. The investment will allow EZ-ACCESS to lease an additional 13,100-s.f. facility in Union County near its current operation, and purchase new equipment for increased manufacturing capacity. The company plans to relocate manufacturing and assembly operations of its **Power Access** products from another facility and establish a production line for its **Passport** porch lift. The expansion is expected to add 10 new jobs to the existing 37-member workforce.

NICHOLASVILLE

■ **Alltech**, a Nicholasville-based company that specializes in animal nutrition and health, has opened a new office in Cambodia. Over the past 12 months, Alltech's business in Cambodia has catapulted, with 33 percent growth over last year. Cambodia's domestic feed production has doubled in tonnage since 2013, and it is expected that it will double again within the next three to four years as the country's agriculture sector becomes increasingly self-sufficient.

■ **RJ Corman Railroad Group** has created a new apprenticeship program that will give participants the opportunity to earn a nationally recognized journeyman certificate upon completion. As part of the four-year program, apprentices will receive 2,000 on-the-job hours and 144 classroom training hours per year. Corman owns and operates 11 shortlines and provides a multitude of services to North American railroad companies, including services associated with derailments and natural disasters, switching, track construction, track material distribution, signal design/construction, building switching locomotives and operating a dinner train.

RICHMOND

■ **Eastern Kentucky University** has broken ground on a new student recreation and wellness center on the former site of the Todd and Dupree residence halls. The 130,000-s.f. facility, which will be adjacent to a soon-to-be-renovated student union, will be more than twice the size of the university's existing fitness center. The new fitness center is expected to open in fall 2019.



NORTHERN KENTUCKY: STUDY FINDS NEED FOR ANOTHER OHIO RIVER BRIDGE

A study released by the **Kentucky Transportation Cabinet** confirms the need for a new bridge across the Ohio River in Northern Kentucky to improve safety and travel on I-71 and I-75.

The **Brent Spence Strategic Corridor Study** team was led by **Stantec** with support from **AECOM** and other consulting firms. Stantec and AECOM are global engineering firms with expertise in delivering complex infrastructure project analyses.

The proposed new bridge would be in addition to the existing **Brent Spence Bridge**, which was found to be structurally sound but was designed to carry 80,000 vehicles per day and currently carries more than twice that volume. The estimated cost for the new bridge is \$2.3 billion in current year dollars and \$2.6 billion in future dollars, which assumes the new bridge would open to traffic in 2024.

The concept of an eastern bypass in Kentucky was recommended for further study based on the potential transportation and economic development benefits it could offer the region. It does not, however, postpone the need for a new bridge.

The study also recommended additional improvements to I-275 and widening I-71/75 from Turfway Road north to the Brent Spence Bridge. Those improvements would cost approximately \$289 million in current year dollars and \$399 million in future dollars.

The study also recommended additional improvements to I-275 and widening I-71/75 from Turfway Road north to the Brent Spence Bridge. Those improvements would cost approximately \$289 million in current year dollars and \$399 million in future dollars.



The existing Brent Spence Bridge, which connects Northern Kentucky to Cincinnati, was found to be structurally sound but now sees twice the amount of traffic it was designed to carry.

JEFFERSONTOWN: APPRISS WILL MOVE TO LARGER NEW \$11.3M HQ, ADD 200 JOBS

APPRISS, a Louisville company that provides data and analytics services to help clients address safety, fraud, risk and compliance issues, is investing \$11.3 million to relocate its headquarters within Jefferson County and add 200 new jobs.

The move into the former **ResCare Inc.** building on Linn Station Road will enable the company to consolidate its Louisville operations, which are currently located in two different facilities.

"We are excited to design and build out 105,000 s.f. of space that will be transformational in how more than 400 of our local team members work," said Jeff Byal, chief financial officer for Appriss. "We are making a significant investment in technology, facility build out and office furniture, as well as meeting and collaboration areas to align to how our teams work locally and with our other offices."

Appriss currently employs a total of 670 people at locations in Louisville, Southern California, the United Kingdom and Poland. The new jobs in Louisville are projected to pay an average hourly wage of nearly \$40.

STATE: KY'S CORPORATE INVESTMENT HITS RECORD \$9.2 BILLION FOR 2017

KENTUCKY wrapped up 2017 with \$9.2 billion in corporate expansion and new location projects, bringing commitments to create more than 17,200 new jobs and shattering the state's previous investment record of \$5.1 billion, set in 2015.

Gov. Matt Bevin said the record-setting performance was "a direct result of the pro-business legislation, policies and programs" the state has enacted over the past two years.

Three billion-dollar-plus projects led the year's stellar investment performance, supported by 330 other projects by private-sector manufacturing, service and technology companies locating and expanding across the state. **Amazon** set the pace in January with its announcement of a \$1.5 billion **Prime Air** shipping hub, followed in April by **Toyota's** \$1.33 billion project to upgrade its Georgetown plant and **Braidy Industries'** plans for a \$1.3 billion aluminum rolling mill near Ashland.

Rural and urban counties closely split the 333 private-sector projects in 2017, with rural counties attracting 166 projects and 167 projects going to the state's 10 most-populated counties: Jefferson, Fayette, Campbell, Boone, Kenton, Warren, Hardin, Daviess, Madison and Bullitt. Urban counties will claim 10,769 of the total new jobs announced; rural areas will account for 6,450.

Existing businesses announced 272 expansion projects, accounting for more than \$4.66 billion and 7,041 jobs, with 61 new-location projects expected to create more than \$4.52 billion in investment and 10,178 jobs.

BUSINESS BRIEFS

STATE

■ The Kentucky Department of Agriculture is currently seeking concept proposals for **specialty crop block grant program funding** for 2018. The funding is intended for projects that make Kentucky specialty crops – defined as fruits and vegetables, tree nuts, dried fruits, horticultural products, nursery crops and honey – more competitive in both domestic and foreign markets. Applicants should describe how the project potentially affects and produces measurable outcomes for the specialty crop industry and/or the public. Single organizations, institutions, and individuals are encouraged to participate as project partners. Preliminary proposals must be submitted by email to Josh Lindau at joshua.lindau@ky.gov by March 1, 2018.

■ **Baptist Health** has reached an agreement with **CareSource** to provide healthcare access for consumers in Kentucky and

southern Indiana through the health insurance marketplace. The agreement gives CareSource members access to services available through the **Baptist Health Medical Group**, Baptist Health's physician network and Baptist Health hospitals. CareSource is the only commercial insurance carrier offering plans on the exchange in the Louisville, Lexington, Richmond and Corbin markets.



New estimates released from the **U.S. Census Bureau** show Kentucky's resident population is 4,454,189. The figure represents a 0.4 percent increase over 2016 and a 2.6 increase since the 2010 census. All Kentucky's growth since 2010 has been in the population segment of age 65 and older. Kentucky remains the 26th largest state by population.

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INTERSTATE LANE

Business news from Indiana, Ohio, Tennessee and West Virginia

BUSINESS BRIEFS

INDIANA

■ **Clinical Architecture**, a software development company that focuses on healthcare terminology management solutions, is investing \$4.2 million to expand its headquarter operations in Carmel, Ind. The expansion will add 40 new jobs – including software development and clinical experts as well as sales, marketing and product management professionals – to the existing 57-member staff and will pay more than double the average state wage.

■ **Forest River**, a manufacturer of recreational and commercial vehicles, is expanding its operations to Butler, Ind., creating up to 125 new jobs by 2019. The Elkhart, Ind.-based company is investing nearly \$3 million to renovate six buildings in Butler totaling 50,000 s.f. and plans to build a 100,000-s.f. facility on the same 20-acre site. The facilities will house purchasing, production and dispatching operations and are expected to be operational by fall 2018. Forest River executives said they chose Butler because the community reached out to the company and offered “access to a hard-working rural community, where the work force has not been depleted.” Industry-wide, demand for RVs increased 10 percent between 2016 and 2017 and is expected to continue to rise in 2018.



OHIO

■ **Ensemble Health Partners**, a national revenue cycle management provider headquartered in Huntersville, N.C., has announced plans to build a 300,000-s.f. campus in Deerfield Township, Ohio, that will bring 1,100 new jobs to the Greater Cincinnati area. Ensemble CEO Judson Ivy said the company conducted a national search and was attracted to the Deerfield Township site’s central U.S. location, access to top talent, and an affordable lifestyle and business environment. The building project is expected to be complete in 2019.

■ **The Schaeffler Group**, a Germany-based automotive supplier, has unveiled a new \$60 million, 91,000-s.f. addition to its plant in Wooster, Ohio. The expansion will provide the capacity needed for the production of hybrid modules, the first of many Schaeffler electrification solutions and a critical part of the company’s e-mobility strategy. Schaeffler plans to add 250 more jobs to support the expansion.

TENNESSEE

■ **Cineworld Group PLC**, the U.K.’s largest cinema operator, has announced plans to acquire Knoxville-based theater chain **Regal Entertainment Group** in a transaction valued at \$5.9 billion. Regal is the second-largest theater chain in the United States, with 561 locations in 43 states, Guam, Saipan, American Samoa and the District of Columbia. Cineworld is the second largest cinema operator in Europe with 232 sites in nine countries. The merger will create a company with some 9,000 movies screens around the world.

■ **Martin Technologies**, a full-service engineering and manufacturing company, has announced plans to establish a new operation in Lawrenceburg, Tenn., that will create 240 new jobs. The Michigan-based company, which provides mobility solutions to the automotive, marine, aerospace and defense industries, is expanding to help meet increased demand among automotive OEMs (original equipment manufacturer) and Tier-1 suppliers for its engineering, testing and manufacturing services.

■ **Mars Petcare** is expanding its U.S. headquarters in Franklin, Tenn., and plans to add 200 more jobs over the next five years to its existing 1,000-member headquarters staff. Mars also operates a research and development facility in Thompson’s Station, Tenn.; a pet food factory in Lebanon, Tenn.; and two **Mars Wrigley** confectionary production facilities in Cleveland and Chattanooga, Tenn.



INDIANA: SUBARU PLANS MORE GROWTH TO SUPPORT PRODUCTION OF NEW SUV

SUBARU of Indiana Automotive (SIA) is investing more than \$140 million to purchase new machinery and equipment for its Lafayette, Ind., plant to support production of Subaru’s new SUV, the **Ascent**.

The Ascent is a three-row crossover vehicle with the capacity to hold up to eight passengers. The new model is designed to meet the growing demand for mid-level vehicles in North America.

SIA currently employs more than 5,600 associates in Lafayette and will produce approximately 400,000 vehicles in 2018, including the Subaru **Legacy**, **Impreza**, **Outback** and **Ascent**. Since the start of the company’s production 30 years ago, the facility has produced more than 5 million vehicles.

The company plans to add another 200 employees to support production of the new SUV.

SIA is a subsidiary of **Subaru Corp.** and is the company’s only assembly plant outside Japan.



Subaru will produce its new SUV, the Ascent, at the company’s plant in Lafayette, Ind.

TENNESSEE: NASHVILLE TAPPED AS NEW MARKET FOR MAJOR LEAGUE SOCCER

TENNESSEE sports fans got an early Christmas present with the announcement on Dec. 20 that Nashville had been selected as an expansion market for **Major League Soccer**.



The Nashville team will be owned by the investment group **Nashville Soccer Holdings**, led by John R. Ingram. Ingram is chairman of Nashville-based **Ingram Industries Inc.** and an active leader in the Nashville community as a philanthropist, businessman and sports enthusiast. Ingram led the bid to bring Nashville to MLS for more than a year and, in May 2017, became the majority owner of Nashville SC, which begins play in the **United Soccer League (USL)** in 2018.

Ingram’s partners in the soccer club include **Minnesota Vikings** owners Mark, Zygi and Leonard Wilf, and the Turner family, managing partners of Nashville-based **MarketStreet Enterprises**.

As a result of a private-public partnership between the club’s owners and the community, the team will play in a new 27,500-seat soccer stadium at **The Fairgrounds Nashville** in the capital city’s artistic Wedgewood-Houston neighborhood.

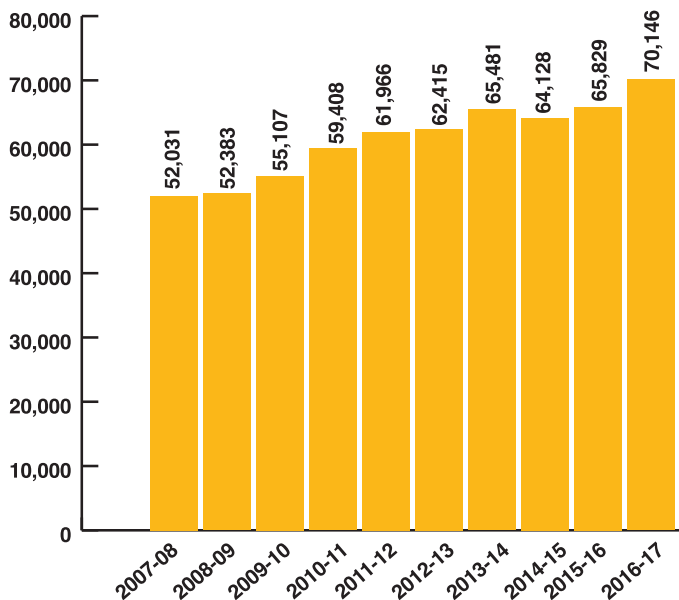
“Nashville is a rising city with a passionate soccer fan base, a dedicated ownership group and civic leaders that truly believe in this sport,” said MLS Commissioner Don Garber. “Nashville continues its ascent as one of America’s most dynamic communities, with its incredible energy and creativity. For us, that makes it a perfect place for MLS expansion. John Ingram and his partners had a plan to bring MLS to Nashville during the last year and they executed it at every level. Thanks to their vision, the soccer fans of Tennessee will soon have their own MLS club and a state-of-the-art soccer stadium that undoubtedly will be a centerpiece of the community.”

Details regarding the new expansion club’s debut season and club name, colors and logo will be announced at a later date.

MOVING FORWARD BY DEGREES

Kentucky's public and independent colleges and universities conferred a record 70,146 degrees and credentials during the 2016-17 year, up 6.6 percent from the previous year and a 34.8 percent gain from 10 years ago. STEM-H (science, technology, engineering, math and health) credentials increased 7 percent from the previous year and accounted for more than a third of all credentials awarded in Kentucky.

DEGREES AND CREDENTIALS AWARDED

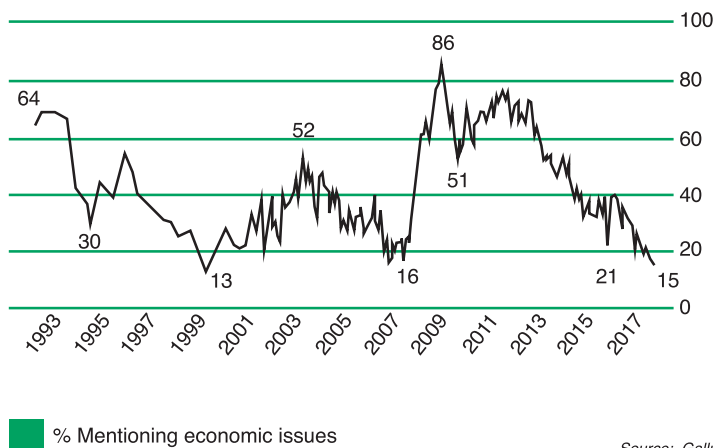


Source: Kentucky Council on Postsecondary Education

ECONOMIC SATISFACTION

With low unemployment, sustained economic growth, and historically high stock values, Americans' concerns about the nation's economy are now the lowest since 1999, according to a recent Gallup poll. Still, Americans' satisfaction with the state of the nation remains low: Only one in four say they are satisfied. By comparison, 51 percent were satisfied in 1999. The top concerns about the country today – mismanaged/ineffective government, racism, healthcare, unifying the country, immigration, guns and terrorism – offer some insight as to what may be keeping satisfaction levels down.

MENTION OF ECONOMIC ISSUES AS MOST IMPORTANT U.S. PROBLEM (lowest since 1999)



Source: Gallup

MANAGING YOUR SOCIAL MEDIA

There's no question that social media has changed how companies connect with their customers. But the ever-changing media landscape can be overwhelming, especially for small-business owners who are juggling multiple roles within their company. The chart below offers some guidelines as to the best times to post on social media to maximize the impact.



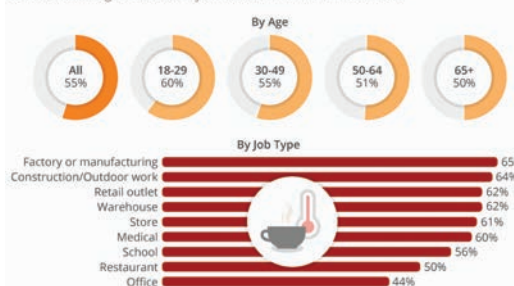
Source: Website magazine/Muffin Marketing

'TIS THE (FLU) SEASON

The Kentucky Department of Public Health reported a "widespread" outbreak of flu in December that is likely to continue for the next several months. The best way to avoid getting sick, of course, is to avoid contact with those who are ill and frequent, thorough hand washing. Unfortunately, it may be difficult to avoid contact with those who are contagious: One workplace study that shows that half of Americans continue to go to work even when they are sick. Having a strong work ethic is all well and good – but it's counterproductive if you're infecting your co-workers.

Majority Of Americans Still Work While Sick

% of adults who go to work always/most of the time with a flu or cold



Source: NPR/Robert Wood Johnson Foundation/Harvard T. H. Chan School of Public Health.

CORPORATE MOVES

New leadership for Kentucky businesses

ACCOUNTING

■ **Darlene Zibart** has been named chief executive officer of the Kentucky Society of Certified Public Accountants, succeeding **Penelope "Penny" Gold**, who has retired. **Charles George** has been promoted to vice president of government affairs and general counsel.

■ **Jim Tencza** has joined Dean Dorton Allen Ford as Louisville market leader. Tencza will succeed **Gwen Tilton**, who is retiring June 30, 2018.



Jim Tencza



Gwen Tilton

BANKING/FINANCE

■ **Kathy Woods** has joined Field & Main Bank as president of the Lexington market. Woods previously served as senior vice president of the Central Kentucky market for Commercial Bank in West Liberty, Ky.



Kathy Woods

■ **Trigg Mitchell** has joined Community Trust Wealth & Trust Management as vice president of private wealth services.

BUSINESS DEVELOPMENT

■ **Christine Tarquinio** has joined Greater Louisville Inc., the regional chamber of commerce, as director of talent attraction, retention and development.

EDUCATION

■ **Shauna Reilly** has been named director of Northern Kentucky University's Institute for Student Research and Creative Activity.



Shauna Reilly

■ **David Keene** has been appointed vice president of community partnerships for Sullivan University.

■ **Michelle Sjogren** has joined Bluegrass Community and Technical College in Lexington as assistant vice president of public relations and marketing.

■ **Joseph K. Han** has been named chief operating officer of the University of Louisville, effective March 19, 2018. Han comes to the position from Central Washington University, where he was vice president of operations, and succeeds **Harlan Sands**, who left UofL in January 2017.



Joseph Han

■ **Kurt Jefferson** has been named dean of graduate studies at Spalding University. He comes to the position from Westminster College in Missouri, where was assistant dean for global initiatives.



Kurt Jefferson

■ **David Blackwell** has been named provost for the University of Kentucky. Blackwell previously served as dean of UK's Gatton College of Business and Economics.

ENERGY

■ **Emily Childers** has been named association manager of the Kentucky Oil and Gas Association.

FOOD/SPIRITS/HOSPITALITY

■ **Danny Branham** has been appointed general manager of Alltech's Dueling Barrels Brewery and Distillery in Pikeville.



Danny Branham

■ **Steve Ritchie** has been promoted to chief executive officer of Louisville-based Papa John's International Inc. Papa John's founder **John Schnatter** will remain with the company as chairman.



Steve Ritchie

GOVERNMENT

■ **Michael Vito** has been named director of resorts for the Kentucky Department of Parks.

■ **Tom West** has been named economic development director for the City of Covington.

■ **L. Christopher Hunt** has been named acting executive director of the Kentucky Office of Technology and Special Audits. Hunt will continue in his role as general counsel for the state.



Christopher Hunt

■ **Charles E. Grindle** has been named chief information officer for the Commonwealth of Kentucky. As CIO, he heads the Commonwealth Office of Technology and is a member of Gov. Matt Bevin's executive cabinet.

■ **Kevin Williams** has been named judge-executive of Estill County.

■ **James "Jamie" Spears** has been named judge-executive of Simpson County.

HEALTHCARE

■ **Clint Kaho** has been named president of Baptist Health La Grange. He succeeds **Chris Roty**, who was recently named president of Baptist Health Paducah.



Clint Kaho

■ **Mary Michael Corbett** has been named executive director of the Baptist Health Foundation of Greater Louisville.



Mary Michael Corbett

LEGAL

■ **Mindy Sunderland** has been named managing director of Morgan & Pottinger's Louisville office. **Michael Troutman** has joined the firm's Louisville office as a senior associate.

■ **Robert V. Sartin** has been elected chairman of Frost Brown Todd.



Robert Sartin

■ **Sarah T. Laren** has joined the Lexington office of the Littler law firm.

■ **Edwin Shouse** has been appointed client relations manager for MML&K Government Solutions.

MANUFACTURING

■ **Victoria "Wells" Bullard** has been named chief executive officer of Bullard, a Cincinnati-based company that produces personal protective equipment and systems. Bullard succeeds **Eric D. Pasch**, who has retired. **Peter Lugo** has been promoted to president of the company.

■ **Susan Elkington** has been named president of Toyota Motor Manufacturing Kentucky. She succeeds **Wil James**, who is retiring in February.



Susan Elkington



Wil James

■ **Shawn Stover** has been named vice president of Louisville-based GE Appliance's Smart-Home Solutions.

MEETINGS/CONVENTIONS

■ **Stacey Church** has been named general manager of the Kentucky International Convention Center.

NONPROFIT

■ **Lori Clemons** has joined Arbor Youth Services in Lexington as executive director.

REAL ESTATE

■ **Lee Hasken** has joined Louisville-based Hollenbach-Oakley as vice president of design and construction.



Lee Hasken

UTILITIES

■ **John R. Crockett III** has joined Louisville Gas and Electric and Kentucky Utilities Co. as general counsel, chief compliance officer and corporate secretary. Crockett comes to the position from the law firm of Frost Brown Todd, where he has served as chairman for the past nine years.

OTHER

■ **Bonnie J. Hackbarth** has been named vice president of external affairs for the Foundation for a Healthy Kentucky.



Bonnie Hackbarth

■ **Eric Granger** has been named general manager of the Yum Center in downtown Louisville.

ON THE BOARDS

Kentuckians named to organizational leadership roles

AMERICAN COLLEGE OF CARDIOLOGY

■ **Dr. Patrick Withrow** has been elected to serve as governor-elect for the Kentucky chapter of the American College of Cardiology. Withrow is outreach director for Baptist Health Paducah.

APPALACHIAN REGIONAL HEALTHCARE

■ **Tad Myre** has been named to the board of trustees of Appalachian Regional Healthcare. Myre is an attorney with the law firm of Wyatt, Tarrant & Combs and is co-chair of the firm's healthcare service team.

ASHLAND COMMUNITY & TECHNICAL COLLEGE

■ **John F. Clark, Brooke Elswick-Robinson, Kathryn Cain Davis, Greg J. Jackson and Ramona F. Salyer** have been appointed to the Ashland Community & Technical College board of directors. Clark, of Catlettsburg, is owner of Clark's Pump-N-Shop convenience stores. Elswick-Robinson, of Catlettsburg, is an executive assistant at Our Lady of Bellefonte Hospital. Davis, of Ashland, is vice president and general counsel for the Foundation for the Tri-State Community Inc. Jackson, of Ashland, is human resources manager for Marathon Petroleum's Catlettsburg Refinery.

BANK OF THE BLUEGRASS & TRUST CO.

■ **Kevin Hinchman** has joined the advisory board of Bank of the Bluegrass & Trust Co. Hinchman is director of information technology with the American Association of Equine Practitioners.

BLUEGRASS COMMUNITY & TECHNICAL COLLEGE

■ **Theodore Vittos and Brian Houillion** have been appointed to the board of directors of Bluegrass Community and Technical College. Vittos is a business and marketing professional from Lexington. Houillion, of Frankfort, works in public administration.

COMMUNITY TRUST BANK

■ **Regina Rose** has been named to Community Trust Bank's advisory board for the Flemingsburg market.



Regina Rose

CONSTRUCTION FINANCIAL MANAGEMENT ASSOCIATION

■ **Bill Geisen** has been elected to the board of directors of the Greater Cincinnati Chapter of Construction Financial Management Association. Geisen is an attorney in Stites & Harbison's Covington office.



Bill Geisen

EQUESTRIAN EVENTS INC.

■ **Laura D'Angelo Holoubek** has been elected to the board of directors of Equestrian Events Inc., a Kentucky nonprofit that supports the development of horses and riders in sports and organizes the Land Rover Kentucky Three-Day Event Championships. Holoubek is a partner in the Lexington office of the Dinsmore law firm.



Laura D'Angelo Holoubek

GATEWAY COMMUNITY & TECHNICAL COLLEGE

■ **Erik Hermes, Sonja Adams and Charles Session Jr.** have been appointed to the Gateway Community and Technical College board of directors. Hermes, of Cold Spring, is owner of Hermes Construction Co. Adams, of Crittenden, is a home educator. Session, of Union, is vice president of government and community affairs for Duke Energy Kentucky.

INSTITUTE FOR AGING

■ **Suzanne Shaffar** has been appointed to the Institute for Aging, which advises the secretary of the Kentucky Cabinet for Health and Family Services and other state officials on policy matters related to services for the aged. Shaffar, of Lexington, is an attorney with Embry Meritt Shaffar Womack.

KENTUCKY ASSOCIATION OF COUNTIES

■ **Jefferson County Circuit Court Clerk David L. Nicholson** has been inaugurated as the new executive board president for the Kentucky Association of Counties.

KENTUCKY CHAMBER OF COMMERCE EXECUTIVES

■ **Dana Zinger** has been appointed president of the Kentucky Chamber of Commerce Executives board of directors. Zinger is assistant vice president of membership development for Commerce Lexington Inc.

KENTUCKY CLAIMS COMMISSION

■ **Carlo R. Wessels** has been appointed to the Kentucky Claims Commission, a three-member panel that oversees tax appeals, crime victim compensation claims and negligence claims against the commonwealth. Wessels, of Villa Hills, is an attorney with Hemmer DeFrank Wessels.

KENTUCKY OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

■ **Fort Mitchell attorney D. Brian Richmond** has been appointed to the Kentucky Occupational Safety and Health Review Commission.

KENTUCKY RACING HEALTH AND WELFARE FUND INC.

■ **Andre Fereole Regard** has been appointed to the board of directors of the Racing Health and Welfare Fund Inc., a charitable nonprofit organization that provides benevolent funding toward the payment of medical, hospital, vision and funeral expenses for those in the Kentucky Thoroughbred industry who demonstrate need. The fund also provides benefits for off-the-job injuries and illnesses not covered other benefits.

KENTUCKY REAL ESTATE COMMISSION

■ **Louisville realtor Joseph Anthony Hayden** has been appointed to the Kentucky Real Estate Commission.

KENTUCKY STATE BOARD OF PODIATRY

■ **Joe Davis Forgry** has been appointed to the state board of podiatry. Forgry, of Morgantown, is retired.

NAI GLOBAL

■ **Al Isaac** has been named to the NAI Global Leadership Board advisory taskforce. Isaac is president of NAI Isaac, a Lexington commercial real estate firm.

NATIONAL TRUST FOR HISTORIC PRESERVATION

■ **Linda Bruckheimer** has been elected to the board of trustees of the National Trust for Historic Preservation. Bruckheimer has been instrumental in protecting and restoring many historic buildings in Bloomfield, Ky., and with her husband, Jerry, has established the Linda and Jerry Bruckheimer Kentucky Preservation Fund, which supports the preservation of historic buildings, communities, and landscapes in the state of Kentucky.

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True Economic Enthusiasm Dawns for 2018

After years of ‘cautious optimism,’ Kentucky business leaders express confidence about the year ahead

BY MARK GREEN

WITH private-sector construction vigorous, a charging housing market limited only by inventory, and the state coming off of by far its best year ever for economic development announcements, there is genuine optimism about 2018 in Kentucky’s business community and related public sectors. The automotive sector expects another strong year to draft closely behind a 2017 whose sales were close to the consecutive records set in 2015-16. Tourism growth served up by an ongoing boom in bourbon’s popularity underpins a strong spike in hotel construction as well as distillery growth.

Demand for single- and multifamily housing also has developers green-lighting projects, especially in the state’s urban areas. Public officials in Frankfort still are trying to figure out how to reform Kentucky’s tax system and pay off pension liabilities, but their actions last year to make the commonwealth a “right to work” state and repeal prevailing wage requirements for federally funded projects clearly paid off: 2017 brought \$9.2 billion in private-sector project announcements that will create 17,000 new jobs. That bested the previous one-year record investment total by 77 percent and has the business community convinced the Great Recession at long last has passed into history.



Steve Sigg
CEO, SIS

“There will be significant growth in 2018 based upon a set of economic factors that are creating confidence among business leaders. The business transformation to leverage our digital economy is providing economic opportunities that have not been in the grasp of most companies in the past. The ability to leverage transactional data, external data, and IoT (internet of things) and analytics enables a company to provide its clients with business outcomes that are predictable and scalable. These outcomes are a result of a more collaborative and business-partner-centric ecosystem built on trust and value-based business relationships. The positive economic indicators, coupled with tax reform, will provide business owners with the confidence to make additional investments to expand operations, employment and prosperity.”



Dr. Andrew Henderson
CEO,
Lexington
Clinic

“Despite an uncertain future for healthcare in 2018 around the country and in the commonwealth due to the political landscape, 97-year-old Lexington Clinic is positioned to continue offering care as our region’s largest multispecialty medical group. In 2017, we added Lexington Clinic Mount Sterling as well as several physicians and providers. Lexington Clinic continues to offer customized, premier network options for progressive employers in the commonwealth through our population health and premier provider network agreements.”



Greg Fischer
Mayor,
Louisville
Metro

“The transformative Omni Louisville Hotel will open downtown in 2018, and the \$207 million renovation of the Kentucky International Convention Center will be complete. In the coming year, we will build on our prosperity, continue to invest in our foreign-born population and ensure everyone is along for the ride, with projects like a \$200 million transformation of neighborhoods west of downtown. Louisville’s economy is on the rise, with \$12 billion in capital investments, 2,500 new businesses and more than 70,000 new jobs gained over the past six years. Unemployment remains low, at 3.9 percent. We continue focusing economic development efforts

on five key sectors: advanced manufacturing; business services; food/beverage; life-long wellness/aging care; and logistics. And we're growing workforce skills through partnerships like one with Jefferson Community and Technical College, which plans a new Advanced Manufacturing & Information Technology Center."



Dave Tatman
Executive
Director,
Kentucky
Automotive
Industry
Association

"The Kentucky automotive industry's nearly 500 manufacturing sites and 90,000 employees expect continued North American and global industry strength in 2018. Despite coming off two record sales years, 2017 was very close to those record numbers again. And while there are clouds on the horizon, we think overall economic conditions bode well for continued sales strength. Low interest rates, favorable crude oil prices, low unemployment and high vehicle replacement rates all lend themselves to a robust sales environment. Recent Federal Reserve interest rate increases have not dampened customers' enthusiasm for products, and the industry continues bringing amazing vehicles and technology to market. We are intensely watching ongoing NAFTA negotiations, tax reform, global oil prices and political uncertainty in many regions of the world, as any of these could be significant market disruptors. On balance, however, we remain very optimistic for 2018 for continued growth in our Kentucky automotive industry."



David S. Beck
Executive
Vice President,
Kentucky
Farm Bureau

"While Kentucky agriculture produces a \$45 billion statewide economic impact, our ag sector experienced modest increases in cash receipts and net farm income in 2017. We hope this upward trend continues, but there are many factors to consider in estimating what increases, if any, will be seen in 2018. Maintaining strong trade opportunities is critical. In recent years, exports accounted for more than 40 percent of the commonwealth's agricultural sales. Other issues that could affect the family farm and rural communities include progress on tax and pension reform, maintaining existing ag-related tax exemptions, the upcoming budget, support for rural infrastructure needs, expansion of adequate broadband service and awareness of the need for enhanced water resource management."



Richard Sturgill
CEO,
BPM Lumber

"Strengthening domestic and export hardwood lumber markets are fueling optimism in Kentucky's forest products industry. The 2018 outlook is positive. Exports to China, Europe and Vietnam will increase, and domestic demand will be steady to rising. With the GDP strengthening, U.S. manufacturers may begin to restart shuttered plants, which would escalate demand. Worldwide demand for Appalachian hardwood in its rawest form, the log, increased nearly 100 percent in 2017. This, coupled with a more stabilized U.S. housing market, could create opportunities for expansion of existing and/or new hardwood manufacturers in Kentucky."



Susan Elkington
President,
Toyota Motor
Manufacturing
Kentucky Inc.

and underscore a healthy automotive industry and a strong business climate in Kentucky. With U.S. manufacturing facing an estimated 2 million worker shortfall over the next decade, workforce development remains a top priority. In 2018, Toyota will continue working with local communities and other manufacturers to close this gap and inspire the next generation of makers in our state."



Mark Gillming
Senior Vice
President,
Messer
Construction

"Kentucky had another banner year for construction and economic development in 2017, and Messer Construction Co.'s data indicates steady growth into 2018. Businesses are expanding in Kentucky based on its central location and unparalleled strength in logistics, distilling and manufacturing. Ongoing discussions regarding tax reform and pensions indicate state leaders are poised to tackle the tough issues that could stifle long-term economic expansion. Those issues may be short-term concerns for many, but we see that momentum as a positive indicator for future development. Messer is working to address a challenge many Kentucky

employers face: attracting and retaining the best workers to support expansion. We are investing in apprenticeships, training, diversity programs and other workforce development initiatives that ensure we can continue delivering for our customers."



Kent Oyler
President/CEO,
GLI

"I see 2018 as a tipping-point year for the city of Louisville and the region surrounding it. For starters, multiple downtown projects will come online, including the Kentucky International Convention Center, the Omni Hotel, and the Old Forrester Experience. Homebuilding is booming with many large multifamily projects and new subdivisions underway. The Urban Bourbon Trail will draw many more tourists. The local economy is strong and should stay that way throughout 2018. We look for our metro population to grow faster as GLI's initiatives to attract, retain, and develop the best and the brightest people take hold. In summary, Greater Louisville's future looks bright."



Jim Gray
Mayor, City
of Lexington

"Lexington's economy is strong, and the future looks bright. Two recent steps at City Hall will make our city even more competitive, as we work to attract good companies with good jobs. First, in partnership with the University of Kentucky, we opened 250 acres near the interstates to industrial development, enabling us to compete for manufacturing employers. Secondly, a fiber-optic network is coming to Lexington with ultrafast internet service that will attract high-tech businesses: MetroNet plans to start building its network in January at a cost to the business of at least \$70 million. That's the fuel needed by a university city with expanding technology jobs and advanced industries."



Karen Williams
President/CEO,
Greater
Louisville
Convention &
Visitors Bureau

"As Louisville's downtown convention center expands, nearly 2,000 new hotel rooms come online and an Urban Bourbon District continues to emerge with three more distillery openings, so the city is preparing to host growing visitation in 2018. The Center for Exhibition Industry Research anticipates convention growth for 2018, and current delegate attendance is a leading indicator. With new convention

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products opening in Louisville, we should expect to be part of this national trend. Leisure tourism attendance at Louisville's top attractions is expected to grow in 2018. Attendance peaked in 2017, up 5.3 percent, indicating leisure travel momentum driven by major attractions that have announced renovation or expansion plans, including Churchill Downs, the Kentucky Derby Museum, the Muhammad Ali Center and the Frazier History Museum."



Anthony "Tony" Campbell
President/CEO,
East Kentucky
Power
Cooperative

"Regulatory cost pressures, while easing under the Trump administration, continue to loom for operators of fossil plants. Maintaining affordable, reliable energy will continue to be critical for Kentucky's economy, particularly the energy-intensive manufacturing sector, which employs 250,000 Kentucky workers directly.

Even while energy efficiency and distributed energy resources are slowing the growth of energy consumption, utilities must prepare for a future that includes a growing role for electric vehicles, which promise substantial cost savings for drivers. Maintaining a grid of power plants and lines that provide energy on demand 24 hours a day is complex and expensive, and energy providers must continue carefully balancing reliability and affordability."



Eric Summe
President/CEO,
meetNKY|
Northern
Kentucky CVB

"While the Northern Kentucky destination enjoyed a banner year in 2017, the outlook for 2018 is moderate. We forecast marginal increases in our hotel occupancy levels and average rates, partly due to a significant increase in hotel supply in Northern Kentucky and neighboring downtown Cincinnati. We expect another strong year attracting faith-based visitors with strong demand at the Creation Museum and Ark Encounter. In concert with the Kentucky Distillers Association, Northern Kentucky will launch the "Bourbon Line" with local craft bourbon distilleries and select bourbon restaurants and bars. Newport on the Levee will launch the Skywheel in 2018, adding another exciting attraction to our already wide array of visitor experiences."



Dan Tobergte
President/CEO,
Northern
Kentucky
Tri-ED

"Northern Kentucky had a record-breaking year in 2017 with more than \$1.75 billion in announced new capital investment across 27 projects. Our Kentucky business climate improved significantly in 2017 with right-to-work legislation, and now pension and tax reform need attention. Northern Kentucky is anticipating Amazon Prime Air's project at the Cincinnati/Northern Kentucky International Airport, and we are making strides with our allies to build a robust talent pipeline. We are addressing gaps in industrial site availability, attending to local economic development needs, fostering the emergence of a strong life-sciences industry and advancing multiple opportunities for entrepreneurs and existing primary industries. Northern Kentucky is primed for growth!"



Mike Kmetz
Director,
Jeffersontown
Economic
Development
Authority

"After a robust 2017, the City of Jeffersontown is on track for a prosperous 2018. Data from the city's JOBS program indicate wages are rising at qualifying employers, with \$60,000 the annual average. Bluegrass Commerce Park is near capacity, and businesses there are looking to expand. Jefferson-town's office sector has experienced strong activity; the biggest project in 2018 will be Appriss Inc.'s relocation to five floors in an 11-story office tower in Plainview. Meanwhile, Jeffersontown's burgeoning restaurant/bar scene will welcome Feast barbecue and an expansion of Third Turn Brewing in 2018. They join Mac's Dough House, The Beach and a revamped Bearno's Pizza that opened this year."



Eric Frankl
Executive
Director, Blue
Grass Airport

"In 2018, the airline industry will continue to grow amid the positive U.S. economic expansion. This growth is bringing our community larger, more comfortable aircraft, many of which now provide first-class service to passengers. Private aviation flights continue to comprise a large percentage of Blue Grass Airport operations. To support growing demand for services to private aviation, this year the airport will complete construction of new hangars and an airport-operated facility for air-

craft owners. The airport will continue seeking non-aeronautical revenue opportunities to allow it to be more self-sustaining. Completion of new multimillion-dollar rental car service facilities will benefit passengers and rental companies while opening land for development opportunities."



Dr. John A. Roush
President,
Centre College

"I am moderately optimistic about 2018, particularly if the general economic climate continues to avoid tracking the drama generated in Washington and focuses more on the prospect of better-than-average returns from U.S. companies in a wide variety of sectors. My caution results from a concern about the potential for Americans to lose hope that our nation and other nations that value freedom will prevail. A decline in American optimism – believing that we are a place where "anything is possible" – could have a dangerous impact on our economy moving forward. This is why I constantly emphasize with Centre students the capacity to see challenge, not defeat."



Bob Davies
President,
Murray State
University

"The 2018 economic outlook is positive. Murray State University is a catalyst for economic growth and professional development opportunities for students to discover, grow and succeed while advancing both the west Kentucky region and the commonwealth. Legislative officials and individuals who advocate for higher education recognize the impact our university makes. Murray State's strategic plan will remain focused on four guiding pillars: excellence; experiential learning; being student-centered; and upholding our sense of community."



Steve Stevens
CEO, Kentucky
Realtors

"Kentucky's real estate market will maintain growth for the third consecutive year in 2018. A 3 percent increase in home sales is expected, and home prices will see a 3-6 percent increase over 2017. Housing inventory will remain low and drive demand and home values up with fewer days on market. Millennial homebuyers will be a big influence in the expanding market. Other positives include increasing housing starts and construction. The constant uptick in rental fees also will make it more

attractive to own a home vs. renting. What could slow homeownership growth? Interest rates rising too fast, and the effect of federal tax reform that changes mortgage-related tax savings, capital gains and other tax exemptions.”



Mary Quinn Ramer
President,
VisitLEX

“We anticipate growth in Lexington’s hospitality industry in 2018. History will come alive as three iconic Central Kentucky spaces that have been reimagined will reopen. VisitLEX administrative offices and Lexington Visitors Center will move into the renovated Old Courthouse along with a bourbon bar, restaurant by chef Ouïta Michel, the Breeders’ Cup and event space. The James E. Pepper Distillery returns to the site of its original 1879 distillery with a tasting room, bar and gift shop overlooking Town Branch Creek. At the former Old Taylor distillery, Castle & Key will include a tourism center, tasting room, gift shop and grand garden designed by Jon Carloftis.”



Dr. Larry Cockrum
President,
University
of the
Cumberlands

“Our university experienced substantial growth in 2017 and expects that to continue in 2018. We have shaped academic programs on all levels that reflect the need in a growing economy in Kentucky. Our students are focused in the sciences and business on the undergraduate level and at the graduate level in education, healthcare and business. Our new graduate cybersecurity program has been recognized by the National Security Agency and the Department of Homeland Security and we expect it to help meet the industry demands in the years to come. University of the Cumberlands is a leader in education and will continue to provide an educated workforce across numerous industries not only in Kentucky but around the world.”



Gerard “Ger” Colman
CEO,
Baptist Health

“To meet the demand for greater value as Kentuckians opt for higher-deductible health plans, pay more out-of-pocket costs and more actively manage their healthcare, Baptist Health and providers are changing where and how care is delivered, offering more affordable and convenient alternatives. Baptist Health’s 24/7 Virtual Care allows online visits with a

physician day or night from a mobile phone or PC. To increase capabilities and respond to rapid changes in uncertain times, more independent hospitals are becoming part of larger groups. Having successfully managed Hardin Memorial Health for 20 years, Baptist Health is in talks to acquire the 300-bed Elizabethtown hospital. If finalized, HMH would be the fourth hospital Baptist Health has acquired since 2012.”



Gerard St. Amand
Interim
President,
Northern
Kentucky
University

“The economic outlook for higher education in Kentucky relies heavily on pension reform. Without it, NKU’s annual contribution to the Kentucky Employees Retirement System (KERS) is projected to increase nearly \$13 million next year to \$31 million, and our pension contribution will consume 65 percent of the dollars Frankfort has appropriated to us to invest in our students, retain and attract faculty, and continue the operations of the institution. We owe Gov. Matt Bevin and the General Assembly gratitude for creating a performance-based funding model matching university outcomes with state dollars, and taking the first step in addressing the historic underfunding of institutions like NKU and WKU. We hope to receive the other half of this funding disparity in 2018 and to see impactful pension reform to bring financial stability to our institutions.”



Jack Moreland
President,
Southbank
Partners

“A slew of new developments indicate 2018 will be one of best years in recent history for Northern Kentucky. Young professionals and empty nesters are moving into urban areas, particularly in Covington, Newport and Bellevue, where new apartment projects are underway. Reconstruction of Ky. 9 in Newport is igniting growth while creating development opportunities on nearly 100 acres. In Fort Thomas, apartments with views of downtown Cincinnati are nearly complete. Multifamily projects are planned along the Ohio River in Dayton and Bellevue. A developer plans a mixed-use development on Ludlow’s main thoroughfare. SkyWheel, a \$10-million, 200-foot-high Ferris wheel, will break ground in 2018 at Newport on the Levee. Four more phases of Riverfront Commons – the 11-mile walking, running, and biking trail that will connect all six Southbank cities – are scheduled for completion in 2018.”



Jared Arnett
Executive
Director,
Shaping Our
Appalachian
Region

“In Appalachia Kentucky, 2018 will be a year of economic opportunity action. Through collaborative efforts, the region now approaches challenges with an opportunistic mindset and leverages the resources and expertise of partners and stakeholders across all sectors to bring new jobs to the region. Appalachia Kentucky in 2018 will establish a new narrative of hope and promise, of belief that the region has the skilled workforce to compete and thrive in a global economy. This will be the year Appalachia Kentucky begins the narrative of a bright and promising future.”



Dr. Eli Capilouto
President,
University
of Kentucky

“The University of Kentucky in 2018 will remain an indispensable engine for a robust and modern Kentucky economy. Our teaching enterprise provides a skilled workforce, preparing today’s employees to address tomorrow’s questions. Our high-tech research enterprise and commercialization infrastructure is at the forefront of innovation in healthcare, drug development, energy and agriculture that positions Kentucky to thrive in an evolving 21st-century economy. For Kentucky to have a dynamic innovation economy sustained by a multi-skilled workforce and leading-edge research, partnerships involving our university with local, state and federal governments, along with the private sector, will be critical for our success.”



Bob Quick
President/CEO,
Commerce
Lexington Inc.

“The recent repeal of prevailing wage and right-to-work passed by the General Assembly will continue an infusion of business and industry to Kentucky and the Lexington region, which was named among the Top Mid-Sized Metros for Economic Development by *Site Selection* magazine. Commerce Lexington Inc. expects the positive economic trend to continue in 2018, with other cities and national media outlets recognizing the success of the Bluegrass Business Development Partnership (City of Lexington, Commerce Lexington Inc. and University of Kentucky). With a diverse economy, low unemployment, central location and one of the most educated workforces in the country, Lexington is doing well. However,

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the long-term stability of Kentucky and its cities will depend on how state legislators solve the pension crisis.”



Marshall Butler
President,
Volta

“The technology sector will remain strong in the commonwealth through 2018 as companies continue to leverage productivity gains through investments in cloud solutions. Volta predicts the corporate tax cut will enable companies to invest more in technologies that improve enterprise security and infrastructure optimization. Corporate mergers, acquisitions and data center consolidation efforts will drive demand for more efficient IT solutions, and technology investments made now will not only deliver return on investment in the near term but improve companies’ outlook for weathering a downturn.”



Bruce Tassin
Market CEO,
KentuckyOne
Health;
President,
Saint Joseph
Hospital

“In 2018, KentuckyOne Health will refocus our efforts to transform healthcare so individuals and families can access care for health and wellness more easily. New and advanced technologies will improve the quality of our care. We also will invest in additional preventative services to improve the health of our communities. Access issues and economic conditions continue to be challenges in our state. However, in 2018, we will invest in patient-experience improvements like telemedicine, enhanced scheduling to ensure timely appointments, and furthering our partnerships with patients to help everyone make the proactive and preventative care choices that lead to a healthier Kentucky.”



C.T. “Skip” Miller
Executive
Director,
Louisville
Regional
Airport
Authority

“Growth will continue in 2018 for Louisville’s airports and further solidify Louisville’s importance in the global marketplace. We added flights to eight new markets. Low-fare leisure options by Allegiant and Frontier fueled seven consecutive months of increased passenger activity. Legacy carriers are investing in larger aircraft and additional daily flights to major markets. In collaboration with our business community, we are planting the seeds for continued

air-service development. Freight volume will increase with completion of projects like Taxiway Alpha, the introduction of larger cargo aircraft like the Boeing 747-8F and rapid expansion of regional e-commerce logistics. Louisville Renaissance Zone Corp. continues to promote Renaissance South Business Park, where more than \$678 million in private and public investments are expected to continue, adding employment growth. As construction concludes on new facilities, 2,500 current employees should grow to nearly 3,000 by year’s end.”



Erik Dunnigan
MidWest
Managing
Director,
Coastal Cloud

“The pace of evolution in technology drove dynamic growth across all industries throughout 2017, and we see that accelerating in 2018. Innovation that improves operations with the flexibility of storing and executing from “the cloud” is the future. Thus, Coastal Cloud saw 40 percent year-over-year growth, and we are accelerating hiring and delivery in every solution center across the country. Businesses are seeing the value of innovative, cloud-based technology solutions that provide a 360-degree view – from sales, operations, accounting, marketing and more – and accessing information regardless of location all on one platform. We don’t see this changing – just think how much we do on a cell phone or a tablet, then translate that to running your business. The future looks bright.”



Jennifer Willis
Vice President
for Kentucky,
Ohio and
Indiana,
Humana Inc.

“As part of Humana’s commitment to improve the health of the communities we serve 20 percent by 2020 (our Bold Goal), we’ve looked more deeply at social determinants of health – including food insecurity, social isolation, and loneliness – and how these impact the number of healthy days a person has in a month. There is a strong correlation, and we are working hard with local physicians, government, and business and community leaders to address them. Humana is helping people age in a manner that keeps them enthusiastic about adding candles to their birthday cakes. Whether that’s improving their current health status, feeding their well-being, or delivering care in the homes they love, we are optimistic about the future of our senior population.”



Matt Bevin
Governor,
Commonwealth
of Kentucky

“Kentucky has taken historic strides the past two years toward our goal to become the center of engineering and manufacturing excellence in America. There is a catalyst for the record-shattering more than \$12 billion in corporate investment and creation of 34,000-plus new jobs. It is the transformational pro-business legislation, policies and programs that we have put into place. An exciting new economic development day is dawning in the Commonwealth. The nation and the world are taking notice. In 2018, we must address additional, longstanding challenges in order to continue our advancement. Meaningful action on pension, tax, tort and entitlement reform is critical for future success and growth. I am confident that together we will rise to the occasion and become the greatest possible version of ourselves, because ... We are Kentucky!”



Ron Bunch
President/CEO,
Bowling Green
Chamber of
Commerce

“South-central Kentucky is building on its success, with Bowling Green receiving recognition as the fastest growing city in the state since 2011. The Bowling Green Area Chamber of Commerce celebrated Warren County projects representing nearly 10 percent of all job growth in Kentucky, including being home to the state’s fourth-ranked capital investment and second-largest job creation project among industry expansions. Talent remains the Chamber’s forefront objective for the region in meeting the needs of our companies through nation leading initiatives like SCK LAUNCH. With outstanding collaboration and support from our state and local officials, we look forward to another prosperous year in 2018.”



Nick Rowe
President,
Kentucky
American
Water

“Kentucky American Water will also remain focused on controlling operational expenses and providing a fair return to investors. As the largest investor-owned water utility in the commonwealth, providing water and/or wastewater services to portions of 12 counties, we’ve invested approximately \$400 million in Kentucky in the past decade, and plan to invest approxi-

mately \$20 million in 2018. This approach is critical for providing reliable, quality service to customers. Investing in water system infrastructure remains a priority. It's estimated that over the coming decades more than \$1 trillion in capital will be needed to upgrade U.S. water infrastructure."



Ed Webb
President/CEO,
Kentucky World
Trade Center

"With Kentucky's growing logistics and advanced manufacturing sectors, combined with our capacity for greater volume, we predict moderate growth for 2018. A potential NAFTA withdrawal could undermine this forecast, impacting Kentucky's consumers and economy. Without NAFTA, World Trade Organization rules apply to trade in the region: Average import tariff rates would rise to 3.5 percent from Mexico and 4.1 percent from Canada with average export tariff rates on U.S. goods to Canada and Mexico increasing to 7.1 percent. Net result for the state: more costly feedstocks, consumer goods and lost competitiveness of products sold into NAFTA, Kentucky's largest export market. Despite posturing under the Trump administration, we remain positive and view renegotiation of this agreement in the best interest of all three nations."



Brent Cooper
President/CEO,
Northern
Kentucky
Chamber
of Commerce

"After a banner year in NKY, with economic development announcements from companies like Amazon and CTI, we expect a big year in 2018. Unemployment in Boone, Kenton and Campbell counties was under 3.5 percent the final two months of 2017. With expansion of advanced manufacturing, healthcare, logistics and distribution, construction, I.T. and financial services, the NKY economy should continue to excel. Tourism throughout NKY continues to contribute in a big way, accounting for over 20 percent of tourism for the state. Led by new destinations, and lower cost options at our airport (CVG), we have seen the average flight cost reduced by \$200 over the past 4 years. Tourism throughout NKY continues to contribute in a big way, accounting for over 20 percent of tourism for the state. Hotel stay statistics throughout NKY are up double digits. And at our airport (CVG), we have seen the average flight cost reduced by \$200 over the past four years, led by new destinations and lower-cost options."



Dave Adkisson
President/CEO,
Kentucky
Chamber of
Commerce

"New pro-growth laws supported by the Kentucky Chamber including right to work, repeal of the prevailing wage, and medical review panels helped lead to a record-setting year for economic growth in the commonwealth. In 2017, the state saw \$9.2 billion in business investment and expansion and the creation of more than 17,200 jobs. Our workforce participation rate also has improved in part thanks to these investments with an increase of 1.3 percent over the last year. Though much has been accomplished, our state's pension system is the worst-funded in the nation and, with tough budget times, legislators must tackle pension and tax reforms to truly create a positive outlook for Kentucky."



Lee Lingo
Executive
Director,
Kentucky
Association of
Manufacturers

"Several positive factors to support my belief that the 2018 manufacturing outlook is trending up: Consumer spending is up, and retail sales are at record levels. Interest rates are favorable, and banks are lending. Employment is rising, as are wages. The housing market is heating up. Exports are ahead of last year and rising, so international trade is stable. These are all good omens for Kentucky manufacturers. More U.S. businesses are moving back to the U.S. from China and 59.8 percent of U.S. exports are manufactured products. All of this bodes well for Kentucky's growing manufacturing sector this year and into the '20s."



Steve Eggers
Managing
Principle, K.
Norman Berry
Associates
Architects

"As 2018 begins to shape up, the proposed tax law changes should have a big impact on the architectural and construction industries. The hope for expansion in business capital improvements due to reduced taxes and overseas monies returning to the U.S. holds great promise. That said, the monthly national Architects Billing Index (ABI), recognized as a leading economic indicator of future construction activity, at the end of 2017 was not as robust as it was a year ago. Given that conflicting sentiment, I am reminded of Gary Player, one of the great professional golfers, who had a statement I always admired: 'Every day I have a choice, and I choose to be positive.' Me, too."



Victor A. Staffieri
Chairman and
CEO, LG&E
and KU

"Louisville Gas and Electric Co. and Kentucky Utilities Co. is committed to meeting customers' needs by advancing technologies and continued low rates to help advance Kentucky's economy further in 2018. Site Selection, the international magazine, has named LG&E and KU one of the top 10 utilities in the country for economic development eight times. Our dedicated team works with state and local economic development personnel, attracting new and expanding businesses to Kentucky. This, coupled with our sustainable offerings, incentivizes business growth and development. Our programs include helping businesses install solar at their facilities, offering a subscription-based Solar Share Program, and energizing Kentucky's roadways with new publicly accessible and customer-hosted electric vehicle charging stations." ■

Once in a Generation Session



Large gumbo of 2018 issues are mixed into what will be a fiscal pressure cooker

BY BOB BABBAGE & JULIE BABBAGE

IN the great gumbo that is Frankfort politics, leaders and advocates find themselves stuck in rare, boiling soup. Once in generation, there comes a vote on something as complex as the pension crisis now facing the state. This time, however, a dramatic state spending reduction is required, a road building plan is to be decided, and tax reform debated.

Each of these dense issues alone feels like a pressure cooker.

Gov. **Matt Bevin** enters the second half of his term with record-smashing private-sector economic investment in 2017. He continues to press initiatives aimed at cutting “red tape” and pushing workforce advancements.

Top of mind is the governor’s call to action for pension reform, postponed by a special session that wasn’t. The pension fix is now in the hands of lawmakers. The majority headed by Senate President **Robert Stivers**



Gov. Matt Bevin



Robert Stivers

(R-Manchester) was ready to vote some time ago.

Senate Majority Floor Leader **Damon Thayer** (R-Georgetown) has outlined revisions to the original proposal from last September, and intends to keep pension reform top of list.

The minority floor leader, Sen. **Ray Jones** (D-Pikeville), is offering advice based on his 17 years of service, while running for Pike County judge-executive this year.

Experience marks the Senate leadership. President Pro Tem **Jimmy Higdon** (R-Lebanon) first served in the House in 2003. The caucus chair, Sen. **Dan Seum** (R-Fairdale), has 32 years of service. New Majority Whip Sen.



Damon Thayer



Ray Jones



Jimmy Higdon



Dan Seum

Sen. **Jimmy Higdon**, R-Lebanon (right), is sworn in as Senate President Pro Tem by the Honorable **Samuel T. Spalding**, Judge of the 11th Judicial Circuit, as Higdon’s family watches on the opening day of the 2018 General Assembly session.

Mike Wilson (R-Bowling Green) is completing his second Senate term.

Once the governor gives his budget address, the House by constitution is first to take it up. Speaker Pro Tem **David Osborne** (R-Prospect) is serving as acting speaker, leading a 64-member super majority. Speaker **Jeff Hoover** (R-Jamestown) formally resigned from leadership due to a sexual harassment controversy, and an ethics commission formal review, plus a special House investigative committee and a related legal case will shape what comes next regarding leading that chamber.

House Majority Leader **Jonathan Shell** (R-Lancaster), GOP Caucus Chair **David Meade** (R-Stanford) and Majority Whip **David Bratcher** (R-Louisville) help guide the sequence and outcome of decisions.



Jonathan Shell



David Meade



David Bratcher

House Minority Leader Rep. **Rocky Adkins** (D-Sandy Hook) heads the 36-member House Democrats, first elected to the body 31 years ago. The caucus is chaired by Rep. **Dennis Keene** (D-Wilder). Rep. **Wilson Stone** (D-Scottsville) rounds out this team.



Rocky Adkins



Dennis Keene



Wilson Stone



Mike Wilson



David Osborne



Jeff Hoover

The two budget chairs are constantly involved in the fiscal dilemma posed by the pension problem.

Sen. **Christian McDaniel** (R-Taylor Mill) heads a concrete company in Kenton County, bringing an understanding of construction. Rep. **Steven Rudy** (R-Paducah) is part owner of a farm equipment company from Paducah, representing rural counties on the Mississippi River border.

This budget cycle puts everything on the table, experts and advocates fear. Many numbers in the old budget will be pared to fit the new. K-12 education funding is on the chopping block for the first time ever.

Education is an issue with many cooks in the kitchen.

Rep. **John “Bam” Carney** (R-Campbellsville), who chairs House Education, is a veteran classroom teacher and was at the epicenter of last year’s charter school debate.

Sen. **Max Wise** (R-Campbellsville) is the new chair for Senate Education, UK Patterson School of Diplomacy professor. Both lawmakers hail from Taylor County in south-central Kentucky.

Their committees will likely hear consideration about local school councils’ authority. For over 20 years, the councils have chosen school principals.

Sen. **John Schickel** (R-Union) proposes giving school district superintendents a hand in interviewing, then recommending principals who ultimately report to them.

Fiscal conditions impact the physical condition of the commonwealth. For now, experts estimate that Kentucky’s Medicaid program is at least \$300 million short each of the two coming years. Public health and health departments are sliced razor thin.

Many states will track Kentucky’s progress under the federal “Medicaid waiver” soon to be approved in Washington, which allows changes and innovations to traditional Medicaid. Rep. **Kim Moser** (R-Taylor Mill) chairs the Medicaid Oversight Committee.



Christian McDaniel



Steven Rudy



Bam Carney



Max Wise



John Schickel



Kim Moser

Sen. **Julie Raque Adams** (R-Louisville) and Rep. **Addia Wuchner** (R-Florence) head up the respective Health committees. Each has a sizable, unrelenting agenda including the many fields of healthcare.

Licensing and occupations often includes how health professionals work, chaired by Rep. **Adam Koenig** (R-Erlanger) and Sen. **Schickel**, both Republicans from Northern Kentucky.

The Banking and Insurance panel’s broad scope includes health coverage. Veteran Sen. **Tom Buford** (R-Nicholasville) and Rep. **Bart Rowland** (R-Tompkinsville), an insurance agency owner, are the chairs.

Issues of justice come under the Judiciary Committee, where victim’s rights in legal proceedings will be a key subject.

A bill to push “Marsy’s Law” is an effort to get a statewide amendment voted on the November ballot, adding victim’s rights to the state’s circa 1891 constitution. Rep. **Joseph Fisher** (R-Fort Thomas) chairs the House Judiciary and Sen. **Whitney Westerfield** (R-Hopkinsville), the Senate. Already a candidate for attorney general in 2019, Westerfield is a major proponent of the change.

Kentucky can ask citizens to vote yes or no on up to four constitutional amendments in November of even-numbered years. These votes are rare, the last being in 2004 concerning same-sex marriage.

Rep. **Ken Imes** (R-Murray) has a proposed an amendment to elect the governor and statewide officials in even-numbered years, starting in 2024. He chairs the relevant committee. Were this to pass,



Julie Raque Adams



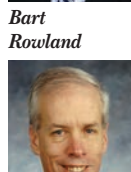
Addia Wuchner



Adam Koenig



Tom Buford



Bart Rowland



Joseph Fisher



Whitney Westerfield



Ken Imes

those elected in 2019 would have 5-year terms leading up to the change. In the Senate, 11 GOP members are actively backing this idea.

Discussion has centered on judges being appointed by the governor rather than elected as they are now. This, too, would take a constitutional revision. Sen. **Joe Bowen** (R-Owensboro) heads the Senate panel that considers issues like this.

Roads matter greatly. While the funding comes through the Appropriations Committee, Transportation handles policy not just on highways but airports, ports and related public facilities.

Sen. **Ernie Harris** (R-Prospect) is the longtime Senate chair, while Rep. **Ken Upchurch** (R-Monticello) leads House Transportation.

Energy issues, particularly related to the coal economy and the production decline, are led by Sen. **Jared Carpenter** (R-Berea) and Rep. **Jim Gooch** (R-Providence).

Some several hundred bills will be proposed. Peer review of medical malpractice lawsuits is promoted in a proposal by Sen. **Ralph Alvarado**, MD (R-Winchester).

Kentucky has always suffered from having too many counties, 120 in all, one of the nation’s highest totals. Financial circumstances have finally opened conversations of merging counties with a proposed law laying out the process.

Like 2017, this year is shaping up to be a session for the history books, monumental in every respect.

It’s a big bowl of gumbo to handle. ■



Joe Bowen



Ernie Harris



Ken Upchurch



Jim Gooch



Ralph Alvarado



Bob Babbage and Julie Babbage are with the Babbage Cofounder government relations firm.



Victory Hemp Foods of Campbellsburg in Henry County is aiming for ambitious growth as Americans become aware of the benefits of hemp protein. CEO/Founder Chad Rosen examines product derived from hemp seeds at the company's processing facility.

Poised for Healthy Growth

Victory Hemp Foods plans to capitalize on demand for plant-based protein in our diets

BY DAWN MARIE YANKEELOV

JUST outside Louisville in Henry County, Victory Hemp Foods is actively embarked on a business plan to bring its plant-based hemp protein products to mainstream consumers at interested stores, including major retailers Whole Foods and Kroger. It presents its product as superior to soy protein, which does \$9 billion in business annually.

As part of its high-growth vision to make the Campbellsburg agribusiness a \$50 million company within a decade, it has become a certified public-benefit B Corp. The designation is a relatively new organizational format where share-

holders agree that a corporation may allocate some portion of its assets and energies to a “public benefit purpose.” There are 2,100-plus certified B Corps in 130 industries across 50 countries.

Founder Chad Rosen took this step because he believes hemp is important as food and other ways including bio-composites, animal feed and biofuels. He wants to be a factor in transforming the global economy in key areas around nutrition.



Chad Rosen, CEO/Founder, Victory Hemp Foods

Family and friends made the initial investments of just under \$200,000 to launch the company in 2014 and start field operations. The Governor’s Office of Agricultural Policy, which matches county agricultural development grants in Bourbon, Fayette, Henry and Jefferson counties and elsewhere in an ongoing effort to diversify agribusiness in the state, provided another \$100,000.

As 2018 opens, Victory Hemp Foods is finishing its \$1.5 million “seed” round of financing in January from private equity and angel resources, who have gotten pitches at a variety of venture funding events, like the Three-Rivers Venture Fair in Pennsylvania in fall 2017. Meanwhile, the company graduated the Washington, D.C.-based Village Capital Agriculture Accelerator program last year. Village Capital has been active in looking at investments in the Louisville market for several years.

Victory Hemp Foods takes its name from the famous USDA “Hemp for Victory” film during World War II that recruited farmers to raise fiber for military use. Today’s battle is against climate change and for rural agribusiness income streams created by providing nourishment to health-conscious consumers.

Federal legislation could create boom

The company anticipates a big boom for hemp food products to kick off when federal legislation removes industrial hemp from the list of controlled substances, which could assist the commercialization of hemp nationwide. U.S. Rep. James Comer, R-KY1, introduced the Industrial Hemp Farming Act of 2017 (H.R. 3530) last July 28. In September the U.S. House of Representatives referred it to the Subcommittee on Crime, Terrorism, Homeland Security and Investigations, and it awaits further discussion.

By way of background, hemp is not marijuana, but both are in the same genus or “family” of plants known as cannabis. The main difference is that hemp generally contains less than 1 percent of tetrahydrocannabinol or THC, the component responsible for marijuana’s euphoric high. Hemp historically has been grown for its high-quality fiber and for seed that yields protein and food oils. In the past decade, cannabidiol or CBD oils are gaining adherents for alternative medical treatment of

fibromyalgia and muscle and joint pain, anxiety and seizures.

With the Controlled Substance Act in 1970, the federal government defined cannabis and all its derivatives as a Schedule I substance. However, the National Institute of Food and Agriculture, an arm of the USDA, is authorized to support industrial hemp research where such activity complies with state law, as in Kentucky. (Read more about hemp and federal government classifications at nifa.usda.gov/industrial-hemp.)

Kentucky law firms are watching companies like Victory Hemp Foods and participating in hemp-related federal legislative efforts. Frost Brown Todd represents over two dozen businesses in the emerging industrial hemp space, representing the full range of the industry, from seed to sale, said Jonathan Miller, the member-in-charge of Frost Brown Todd's Lexington office who also leads the firm's Kentucky government relations practice as principal of its public affairs affiliate CivicPoint.

One of its clients, the U.S. Hemp Roundtable, has been recognized as the industry's leading national advocacy organization, involving all of the major hemp grass-roots organizations, and nearly 30 companies, including Ken-

Victory Hemp Foods hemp oil product on the shelf at a Kroger supermarket, one of more than 75 grocery retailers now carrying VHF products.

tucky vanguards GenCanna of Winchester, Ananda Hemp of Cynthiana, and KY Hemp Industries of Louisville.

The Roundtable is working closely with Rep. Comer because if H.R. 3530 passes it would permanently establish industrial hemp as an agricultural commodity, transforming the nascent industry into an economic powerhouse for Kentucky farmers and businesses like Victory Hemp Foods.

Potential revenue growth spurt

The company last fall filed for two patents on its hemp-based protein, which CEO Rosen expects to displace soy protein in over-the-counter purchases for baby formula, for example. Rosen, Kentucky president of the Hemp Industries Association, believes hemp represents a \$1 billion industry for Kentucky in the next five years. This vision has boosted his profile as an entrepreneur to the degree that he was asked to represent Kentucky in 2016 at the White House Global Entrepreneurial Summit attended by 1,200 people, including top tech industry leaders.



Victory Hemp Foods in the next five years will sow over 25,000 acres of hemp for seeds, stalk and production of other plant parts, providing farmers with a crop estimated to yield 30 percent more net profit than corn.

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The two main components of the plant, the seed and the stalk, each have their own unique uses. Hemp seeds are considered nutritious for the human body in health food circles. Everything from bread to animal feed can be derived from hemp seed proteins. Raw hemp seeds are credited with lowering blood pressure and cholesterol, weight loss, improving immune systems, controlling blood sugar levels and reducing inflammation. Hemp seed oils, in addition to food uses, have applications in fuel, lubricants, paints, cosmetics and more.

Hemp stalk fiber, meanwhile, can be used as a wood replacement in certain products and takes fewer resources to grow, according to its supporters.

Revenue from products containing hemp increased 30 percent to \$262 million nationwide in 2016, according to the *Hemp Business Journal*, which reports that large increases in revenue are ahead – to more than \$1 billion by 2020.

The CBD market is exploding for health purposes. According to Forbes.com, the CBD market is expected to grow to a \$2.1 billion market in consumer sales by 2020 with \$450 million of those sales coming from hemp-based sources. That's a 700 percent increase from 2016. CBD made from hemp contains a very small amount of THC, but the CBD eliminates the psychoactive affects usually associated with cannabis products. CBD products are mostly used for medical purposes.

In 75 groceries – and the research lab

Victory Hemp products are for consumption and now include: hemp hearts, also known as raw shelled hemp seeds; hemp oil; and hemp protein. It does not produce CBD oil, which comes from hemp leaf.

In less than one year, Victory is now at 75 groceries, and works with several bulk consumer brands, including Smiling Hara, Thunderbird, Apogee, Sweet Grass Granola, and Severino's, sold in health food stores and the organic food areas of groceries.

Rosen said Victory's patent-pending hemp protein isolate can be judged favorably to soy protein on nutrition, flavor and formulation, offering more



Oil for use in foods and cooking is pressed from seeds at Victory Hemp Foods. The company does not produce cannabinoid oil, which is derived from leaves and used for health purposes.

benefit to the human body. Hemp protein is considered the most digestible, allergen-free, non-GMO super food available, he said. Soy protein today is a \$9 billion market, he notes.

Medical research has shown that hemp has nine essential amino acids and is absorbed more easily than soy, Rosen said. The nine essential amino acids are histidine, isoleucine, leucine, lysine, methionine, phenylalanine, threonine, tryptophan and valine.

Hemp protein is anticipated to be widely used in meat alternatives, dairy alternatives, baked goods and beverages. Hemp hearts, one of the company's current products, are considered an antioxidant and are used in snacks and smoothies, as well as on top of yogurt, cereal and salads.

Victory Hemp Foods is also participating in new research with the University of Louisville's Conn Center for Renewable Research since June 2016 in the areas of fiber and biodiesel applications.

"VHF has provided seeds, samples and materials that we used to grow hemp and kenaf on our small farm at Conn Center," said Dr. Jagannadh Satyavolu, theme leader for Biomass and BioFuels there.



Dr. Jagannadh Satyavolu, Theme Leader for Biomass and BioFuels, Conn Center for Renewable Research, University of Louisville

Industry infrastructure growing

Rosen said he saw the market attitude around industrial hemp changing, and saw a need for a high-value commodity crop in Kentucky. After an early career in construction, he entered the market along with a team that includes Mallory

Sanborn, director of operations; Madison Meredith, regional sales manager; and Collin Gallis, production manager.

"Farmers can sell three parts of the hemp plant, and the protein isolate is an important step for our U.S. food markets. Various channel partners in the food industry and retailers will allow us to focus on the processing infrastructure and build a clear and predictable revenue stream," Rosen said.

Through a de-oiling process, he was able to isolate the protein. The company's Henry County facility – 6,000 s.f. with another 10,000 s.f. planned – allows for grain bins, processing and equipment areas that can continue to expand.

There are 15 states that allow CBD-only sales, as of 2016, according to Matt Karnes of Greenwave Advisors, a New York City-based research firm specializing in hemp and marijuana.

Mergers, investments, and acquisitions have already begun in the hemp playing field, both in the U.S. and Europe.

As hemp food products grow, the industry can expect to see more need for standards and quality testing, according to Kangming Ma, president of Eurofins Scientific's Quality Trait Analysis Division in West Chester, Ohio. Luxembourg-based Eurofins soon will have its own standards to offer for the commercial use of hemp and testing for key categories of interest in CBD production. ■

Dawn Marie Yankeelov is a correspondent for The Lane Report. She can be reached at editorial@lanereport.com.



In November 2017, Victory Hemp Foods and Sunstrand, a hemp fiber company, took over the former SunOpta ingredients plant in the Irish Hill area just east of downtown Louisville. The 25,000-s.f. facility houses a de-huller, seed cleaner, hopper and gravity tables for Victory Hemp.



The music therapy team at Norton Healthcare are from left, Alex Ruffner, Brett Northrup, Kerry Willis, Kyle Hubert, Melanie Brison, Brian Schreck and Jenny Branson (seated).

Complementary Therapy is an Art

Hospitals find music and other artforms improve patient outcomes, lower stress for all

BY ABBY LAUB

BOARD-certified music therapist and University of Kentucky Arts in Healthcare clinical coordinator Cheryl Benze was once called into a dying patient's room in the intensive care unit by the family who wanted her to play their loved one's favorite song, "His Eye is on the Sparrow."

"She was mentally responsive, but her heart rate was so low," Benze recalled. "She sat straight up in bed and sang the chorus and laid down and sighed, and then the monitor went flat."

Another time, she was in the room of an Alzheimer's patient who was admit-

ted for a cardiac event and was unresponsive. All five of her daughters were in the room – distraught because they felt they did not have the time to say goodbye to their mother and didn't know if she was hearing them speak to her.

"I asked if there was a song she liked," Benze said. "They asked for 'In The Garden,' and the patient was facing her family when I started playing, facing away from me. I started singing, and she



Cheryl Benze, clinical coordinator, University of Kentucky Arts in Healthcare

turned and faced me. The family realized she was hearing the music and realized she was hearing them tell her they loved her."

Stories like these from Benze at UK Albert B. Chandler Hospital and more from Jenny Branson, a board-certified music therapist at Norton Audubon Hospital in Louisville, are notable and generate support for both music and art therapy. These "complementary therapies" are fairly new in the world of medicine, but are gaining major traction as means to reduce stress, ease pain and help patients and families deal with hospital stays. They also help hospital staff and doctors cope with stress.

Visual art installations were incorporated into the state-of-the-art design of the 10-story UK Hospital, which opened in 2010, and includes an auditorium through which performance can be piped into every patient room.

Baptist Health Lexington Cancer Center recently installed major works by renowned Kentucky glass artists Stephen Rolfe Powell and Brook Forrest White Jr.

Branson was hired 13 years ago at first as a consultant at Norton and now serves as the program builder for all of the music and art therapies.

"I was originally hired to do a pilot project to demonstrate the impact music had on pain for post-operative open-heart surgery patients," she said. "A really important objective in the first few years was educating other clinical staff about music therapy. It was about year three that we saw it take off. We became so busy with referrals that we couldn't see everyone."

"The nurses used great critical thinking and realized they could use this for more than just pain. We have an open referral model, so we don't need a doctor's referrals. Nurses can advocate for what their patients need."

Branson said music and art can be used for easing anything from social isolation, stress of long stays, post-operative pain, chronic pain, end-of-life peace, helping with orientation, emotional stability, confusion, regulation of breathing and more.

"The patient has the right to refuse, which is a very powerful thing because there are few things they can refuse," she noted. "Intervention can last 15 minutes up to two hours, depending on



Norton Healthcare music therapist Brian Schreck interacts with a hospital patient.

Branson feels that musical beats are so powerful in therapy because “we’re made of the pulse, and that is the first sound that we hear, the first thing that we know as humans, so we’re always looking for something that’s regular and that has a pattern.”

For Norton patient Jan Deleuil, 68, music therapy was the difference between life or death in coping with COPD. She’s long surpassed her initial prognosis.

“In 2007 I was rushed to the hospital with COPD, which I didn’t know I had,” she said. “When I first met Jenny (Branson) I didn’t remember anything about it. They had me on a (heart-lung) bypass machine and I was not doing well. I was fighting it, crying, screaming. They called her in and she came down for two-and-a-half hours and was with me, and I didn’t even know it. She finally calmed me down.”

During her first three hospital admissions she utilized music therapy, but the fourth time she was very depressed and frustrated.

“Jenny came in and had an ocean drum,” Deleuil recalled. “She taught me how to play it, so I’m lying in the bed playing it, and I started pounding on it with all of this anger I had inside because I had this disease. I just took it out on that drum, and she let me. Then I started crying, and I felt so much better.”

Ten years later Deleuil, who was new to playing music and previously could hardly breathe, now sings in a choir at the hospital and participates in regular outpatient music groups. She’s made friends, her

what we’re trying to address. We document it in electronic medical records just like other clinicians.”

Eight music therapists work for Norton Healthcare. The minimum requirement is a bachelor’s degree in music therapy and then a national board certification. Treatment can mean simply providing calming music, structuring an environment, managing drug withdrawal, or getting a patient to breathe more rhythmically. The objective is always to engage them at the highest level possible, which many times involves active music making.

“Maybe the patient has a goal of increasing activity, maybe they need to get in a chair and stay there for a certain amount of time,” Branson said. “When working with younger or more active populations, we will compose music and record it. One therapist, his area of interest is specifically pediatric end-of-life care, so he creates compositions using recordings of the patient’s heart-beat. It’s the pulse of the music and is a memory-making or legacy-making opportunity.”

Music therapy is used for all ages, even in the neonatal intensive care unit (NICU).

“Across the spectrum, it’s great for reducing anxiety, agitation and pain,” Branson said. “It engages folks. It’s social, which is important for humans. Kids and families in the hospital for a long period of time, they need to do something normal.”

She continued, “We’ve documented at Audubon that we can reliably reduce pain by 50 percent. And we have a good track record for helping patients who are anxious on ventilators come off of them sooner. And for managing addiction: Music triggers the same reward center in the brain as drugs. It’s not the same strength, but it can empower them.”



The Creative Arts Therapy office at the University of Kentucky is run by neurologic music therapist Cheryl Benze and contains a host of musical instruments, largely percussion. Percussion instruments can be used to regulate breathing and heartbeat.

lungs are stronger and she seldom has to use her (supplemental) oxygen.

Though the comprehensive results are hard to quantify, patient outcomes are speaking for themselves.

"I think that music therapy is now to a point where we have enough decent research behind us to have a business rationale for implementing it," Branson said. "It's an inexpensive department to run. We don't have a lot of supplies or expensive equipment, and the outcomes and patient experience can be huge."

Vice President of Operations and Finance at Norton Audubon Hospital Jonathan Presser said the administration sees alternative or complementary therapies as enhancing the patient experience while also helping patients and families cope with an illness or hospitalization.

"Music therapy in particular was originally funded (in 2002-2003) through a grant from the Norton Healthcare Foundation and several generous donors who are passionate about the service," he said. "Then around 2007, the decision was made across all of Norton Healthcare to employ music therapists instead of having these professionals as vendors. Over the course of the next several years, each facility began employing its own music therapist(s). To date Norton Healthcare employs eight music therapists."

They work with inpatient, outpatient and families at five adult hospitals and one pediatric hospital. He said the organization does not track a cost impact on average length of stay, reduction in drug expense, or other information on patients who specifically use music therapy.

"Although it is not measured, I do see the value of these services when our patients use them," Presser said. "Overall, these complementary therapies have been proven to impact pain levels, help patients psychologically with an illness or hospitalization, aid in physical therapy and lower anxiety levels for an upcoming surgery. We also utilize these therapies in helping reduce stress in our staff. All of these can have a 'soft' impact on patients and employees. We are very fortunate to have the financial support of the Norton Healthcare Foundation to help us fund additional arts programs such as traveling art pieces displayed in the Robert Lerman Memorial Music Library and hosting local musicians to perform for patients, families and staff."

Benze, who serves as the art and

music therapy clinical coordinator at UK, manages a staff of nine total part-time and full-time music and art therapists and interns. She said the hospital needs more. The program was originally funded by a former patient's foundation, and now the school has an academic program. Therapists also regularly work with physical, occupational and other therapies.

"Music therapy is generally more broadly applied, which is why we have more music therapists," Benze said. "With art therapy you have to be able to participate and do the art. The finished product is not the important part, but it's the practice."

She explained that art therapy has always been more about "psychotherapeutic intervention," where the interpretation

Music can bring people off of medications faster, help them learn to walk again, move their heads side-to-side, and regain cognitive function. The complementary therapies can be given in conjunction with other traditional therapies like anesthesia, but it also can be used as a replacement.

Art installations throughout the hospitals create a welcome atmosphere. Both UK and Norton have regular installations and walls that are set up like actual art galleries for rotating installations.

"The art has been very meaningful," Benze said. "We've had people who had no other way of expressing themselves who felt that the art just came out of them. There is a need in humans for expression and creation of art."



Jonathan Presser, Vice President of Operations and Finance, Norton Audubon Hospital



During an outpatient pulmonary rehab program patients Jan Delieu, center, and Brenda Gaines, right, work on breathing exercises while singing with Norton therapist Kyle Hubert.

of the art is the therapy. Benze pointed out samples in her office of art books about gratitude and pictures that display different types of emotion. A current goal is to get a full-time art therapist devoted to Kentucky Children's Hospital.

"Medical art therapists often work with cancer patients, dealing with a lot of pain, anxiety, expressing feelings, coping skills, coming to terms with a cancer diagnosis," she said.

She said art and music therapists sometimes work with caretakers – like neonatal intensive care unit (NICU) nurses – who are under immense amounts of stress. They even teach frantic NICU parents how to sing calming lullabies to their babies, whom they often are not able to hold.

Benze said the success of these programs indicates that UK Healthcare is very open to nontraditional therapies. She said there are other practices around the hospital, whether it's yoga class or aromatherapy, that signal the hospital is willing to explore options that oftentimes are much less costly and invasive.

The practice will continue to grow if people like Benze and Branson are involved.

"A lot of research is happening in our field across settings, and as music therapists are learning more about conducting randomized controlled trials and getting the data we need, it's improving," she said. "It's challenging because there aren't that many of us, and most of us love to be doing clinicals and don't want to focus on the research aspect of it."

She noted that hospitals are becoming much more "consumer driven" and that have "people have more choices and different expectations about how they'll be managed." ■

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



Kentucky immigrants and refugees gather outside the Capitol in 2016 for a “keep Kentucky global” initiative on behalf of Kentucky Office for Refugees, Kentucky Refugee Ministries, Americana World Community Center, Catholic Charities/Migration & Refugee Services, and the International Center of Kentucky.

The Foreign Face of Growth

Immigration is a major component in Kentucky’s economic development

BY CHRIS CLAIR

If you go back far enough in history, everyone came to Kentucky from someplace else. They sought opportunity, adventure, solitude or maybe just a fresh start. They brought with them elements of their cultures that shaped the commonwealth and in many cases define Kentucky to this day.

More than 200 years after its founding, the flow of immigrants continues, from all over the world. As of 2015, an estimated 3.6 percent of the state’s population – more than 150,000 people – were born outside the United States. Today they come from Mexico, Cuba, India, Nepal, China, The Philippines,

Congo, Iraq, Saudi Arabia and more than 100 other countries. They have carved out niches in places all over the state – from Cubans in Louisville, to Bosnians in Bowling Green, to Chinese in Northern Kentucky, and many more.

Louisville has the nation’s second largest congregation of Cubans after South Florida. Lexington, where more than 30 African languages are spoken in the school system, is the top requested U.S. destination city among the Congolese and has a sizeable Nepali community. An Indo-Kentucky Chamber of Commerce launched in South-Central Kentucky in 2011.

Many are refugees from their home countries seeking the same things that Kentucky’s earliest immigrants did. While they see America and Kentucky as place of opportunity, businesspeople and government officials here see opportunity in immigrants.

They bring skills and enthusiasm to job sectors that native-born citizens sometimes shun. Their cultures enrich communities. And the simple fact of their arrival here helps offset the out-migration of native-born Kentuckians. Attracting immigrants is, in fact, an intentional economic development strategy at the local and statewide levels.

“We need inward migration to help grow our economy,” said Josh Benton, executive director of the Cabinet for Economic Development’s Office of Workforce, Community Development and Research. “It’s a sign of economic vitality that people from other places want to move where we are.”

Additionally, businesses have become reliant on refugees as part of their workforce, said John Koehlinger, executive director for Kentucky Refugee Ministries, a not-for-profit that helps refugees settle and integrate into the community. Among KRM’s services is job placement, and demand for refugees and immigrants is robust through a whole range of sectors, he said.

“They’re just hard workers,” Koehlinger said. “I hate to sound like a cliché, but it’s really true.”

Immigrant workers tend to stay in jobs once they get them. Koehlinger said the most recent 90-day retention rate for refugees KRM has placed in jobs was 91 percent, leading to good feedback from employers.

“These are people who’ve been denied all opportunity,” Koehlinger said of the refugees KRM helps. Some weren’t permitted to work in their initial countries of asylum or were confined to a refugee camp. “To have their first job and to be able to support their families, they’re grateful for these jobs.”

In some cases KRM has replaced multiple job placement agencies that businesses had been paying for services. For example, NHK Spring Precision of America Inc. in Louisville was using five



Josh Benton, Executive Director, Office of Workforce, Community Development and Research, Cabinet for Economic Development



John Koehlinger, Executive Director, Kentucky Refugee Ministries

job placement agencies at one point to meet its staffing needs until it connected with KRM about a year ago, Koehlinger said. The company manufactures springs for automobiles, industrial machinery and digital disk drives.

KRM learned what the company was looking for and pre-screened its clients so NSPA could choose from a good-size pool. As many as 50 KRM clients are now working at NSPA, roughly equivalent to the number of new jobs the company created four and a half years ago as part of a \$19 million expansion.

Some 150 employers throughout the Louisville Metro area – including Amazon, UPS and Kentucky One Health – have hired more than 700 refugees through KRM in the past year, including 48 job placements in November, Koehlinger said.

KRM generally places refugees in full-time jobs within six months of their arrival, Koehlinger said. Their incomes flow back into the community in the form of consumer spending, rent, home purchases and other things.

“It’s hard to calculate the math to it all, but the impact is pretty sizable if you take just those people who’ve been placed this year, and play that out over a year, and take that retention rate – plus a lot of them get wage increases after certain periods, and a lot of them are working overtime, and there is the occupational taxes that they’re paying.”

Immigrant households in Kentucky paid one out of every \$27 in state and local taxes in 2014 – about \$343 million – plus another \$719 million in federal taxes and about \$500 billion in Social Security and Medicare program contributions, according to figures from The New American Economy, a bipartisan coalition of mayors and business leaders advocating for immigration reform.

That left immigrants about \$2.3 billion to spend in the state’s economy in 2014.

Are they ‘taking’ jobs?

Those figures include about \$36.6 million in taxes paid by the estimated 50,000 undocumented immigrants in Kentucky. A separate report from the Institute on Taxation and Economic Policy suggests that if those immigrants had legal status their tax contributions would have been \$52.7 million.

Immigration is a sensitive subject worldwide these days, and Kentucky is no exception. Good people can disagree about how many immigrants is too many and about the effects of illegal immigration.

Here in the Bluegrass State, the question of legal versus undocumented, or illegal, immigration – the term varies with one’s sentiment – always simmers



Rhonda Miller, WKYU photo

in the background of any discussion of the foreign-born. Estimates vary but a common calculation is that as many as 50,000 noncitizens live in Kentucky without proper documentation. Their legal status is murky, but it is clear that they work here, live here, pay taxes here and spend money here.

Official efforts to attract immigrants to Kentucky tend to focus on people with professional and technical skills, an interest in opening a business in the United States and refugee resettlement – immigrants with proper documentation. Even so, there is a tendency to lump all immigrants together as foreigners who are taking jobs away from American citizens. And Greater Louisville Inc. President and Chief Executive Kent Oyler says that’s not accurate.



Kent Oyler,
President/CEO,
Greater
Louisville Inc.

“There’s a lot of voices around the country that are trying to make that point (about immigrants taking U.S. jobs), and they’re just wrong,” Oyler said. “None of the data suggests that the folks coming from foreign countries are actually taking jobs that could be filled by U.S. folks.

“At the high end, they’re very specialized. They may be academic. They’ve got software (job skills) and other things companies here aren’t able to find people locally to do,” he said. “Or they’re at the other end of the scale, doing jobs that may be more manual, or less desirable, and people here are less interested or not interested.”

Beyond that, Oyler said, refugees and other professional immigrants are not a drain on social services. Culturally, he said, these immigrants have a strong work ethic.

Without them Louisville shrinks

In May 2015, GLI, along with Louisville Metro government launched a three-

Irvin Aldana Escobar works with his father, Juan Aldana Regoza, on Phil Holliday's tobacco farm in Kentucky

The State of Ky. Immigration

Immigrants are vital members of Kentucky’s labor force across industries.

- 99,838 immigrant workers comprised 4.8 percent of the labor force in 2015.
- Kentucky industries where immigrant workers are most numerous:

INDUSTRY	NO. OF WORKERS
Manufacturing	19,023
Accommodation and Food Services	13,719
Health Care and Social Assistance	13,236
Retail Trade	10,816
Educational Services	10,368

Source: U.S. Census Bureau’s 2015 American Community Survey and American Immigration Council

- Immigrants in Kentucky contribute a billion dollars in taxes every year.
- Immigrant-led households in the state paid \$719.3 million in federal taxes and \$343.1 million in state and local taxes in 2014.
- Undocumented immigrants in Kentucky paid an estimated \$36.6 million in state and local taxes in 2014. Their contribution would rise to \$52.7 million if they could receive legal status.
- DACA recipients in Kentucky paid an estimated \$9.1 million in state and local taxes in 2016.
- As consumers, immigrants add billions of dollars to Kentucky’s economy.
- Kentucky residents in immigrant-led households had \$2.8 billion in spending power (after-tax income) in 2014.
- Immigrant entrepreneurs in Kentucky generate hundreds of millions of dollars in business revenue.
- 8,690 immigrant business owners accounted for 4.6 percent of all self-employed Kentucky residents in 2015 and generated \$283.5 million in business income.

Source: American Immigration Council

WORKFORCE DEVELOPMENT

Community Action of Southern Kentucky photo



Heath Ray, refugee program coordinator for Community Action of Southern Kentucky, assists a client who found employment as an assembly worker at a local automotive manufacturer.

pronged strategy for growing the city's economy and its population by attracting foreign-born workers. Global Louisville, as it's known, seeks to make the Louisville Metro area a place to which refugees, so-called secondary migrants who move to Louisville after initially settling elsewhere in the U.S., and visa-sponsored immigrants want to come, believe they can succeed and want to stay.

Without immigrants, Louisville would have lost population in recent years, GLI and the city say plainly. Going forward they represent a considerable portion of future growth. By 2040, the Global Louisville plan estimates that 17.2 percent of Jefferson County's population and 10.6 percent of the Louisville Metropolitan Statistical Area will be foreign-born.

In fact, data from the U.S. Census Bureau's American Community Survey indicate that the demographic changes that could lead to those outcomes are already under way. Between 2011 and 2014, Louisville's native-born population decreased by 705 people while its international population increased by 7,075. The foreign-born population in Louisville has roughly doubled every 10 years since 1990.

Between 2009 and 2015, the foreign-born population in the Louisville/Jefferson County metro area increased by 42 percent, compared with the area's 2.1 percent overall population growth rate. In 2015, foreign-born residents comprised 6.7 percent of Jefferson County's population and 4.9 percent of the Louisville MSA population.

Statewide trends also show the foreign-born populations increasing at a faster rate than the native-born population. According to the Census Bureau's American Community Survey data,

between 2009 and 2015, the state's total population grew by about 3.4 percent. The foreign-born population grew an estimated 27.2 percent during that same time compared to a native-born population increase of 2.7 percent.

Meanwhile, the state and its communities are pursuing economic development strategies that seek to attract jobs involving skilled manufacturing and science, technology, engineering and math (STEM). Workforce development in Kentucky is a major issue. Employers are demanding better educated, more skilled workers. The state's native-born population simply hasn't been able to keep pace with the demand.

Willingness to fill job gaps

Kentucky broke records in 2017 in terms of the amount of capital pledged to creating or expanding businesses here – \$9.2 billion – and the number of new jobs those investments are expected to generate – some 17,000. Even before all that good news, however, commonwealth employers were having trouble finding enough workers with the right skills to fill open jobs. According to a Bridging the Talent Gap 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, there were 51,000 open jobs in Kentucky in the first quarter of the year.

Of the more than 1,000 human resources professionals and other business leaders that responded to the survey, 84 percent said recruiting qualified workers was difficult. Nearly 85 percent said finding qualified individuals for new full-time

regular positions that require “new and different skills” was either Somewhat Difficult (61.3 percent) or Very Difficult (23.5 percent). The problem appeared most acute among skilled trades, engineers, hourly laborers and high-skill medical jobs, according to the survey.

Lack of work experience and lack of skills were two of the top three reasons cited as main reasons their businesses had trouble hiring qualified people for full-time jobs. Forty-six percent of respondents said a better-qualified job candidate pool would prompt them to increase hiring, second only to improved market conditions/increased demand for products and services.

The state and local communities are turning to immigrants to fill the gaps, partly because of their work ethic, partly because they are more likely to have college degrees than native-born workers and partly because statistically they are more likely to be active in the labor force than native-born individuals.

Of roughly 100,000 immigrant workers in Kentucky in 2015, nearly 20 percent worked in the manufacturing industry. Another 13.7 percent worked in accommodation and food services and 13.2 percent in health care and social assistance jobs, according to figures from the American Immigration Council. Among the industries with the highest concentrations of immigrant workers statewide, agriculture, forestry, fishing and hunting led the way, with 18.5 percent. Accommodation and food services was second at 6.7 percent, followed by manufacturing (5.5 percent) and administrative and support, waste management and remediation services (5.4 percent) and construction (4.9 percent).

“We hear from employers all the time about the challenge of finding employees who have maybe not necessarily technical expertise but just a willingness to work,” CED's Benton said. “You look at the foreign-born population here in Kentucky, they're working in all of our key sectors – services, technical, transportation, distribution, manufacturing, health. Those are our high-growth industries in Kentucky. This population is here primarily to work and they are taking jobs that are some of the hardest to fill.”

Entrepreneurship – if they get here

Immigrants are also starting businesses. Nearly 5 percent of immigrants in Kentucky are self-employed, according to research from the New American Economy. Another 23 percent of immigrants work for an immigrant-owned business. Immigrant-owned businesses generated \$315 million in income in 2014.

KRM's Koehlinger said amid the rush by cities to attract the next generation of talented entrepreneurs and innovators, it's important not to overlook home-grown options: children of refugees and other immigrants already living here.

"These are students who come here as refugees when they're in elementary, middle school. They're educated through Jefferson County Public Schools, and they go to college, usually staying around here, and after graduation they stay here," Koehlinger said. "This is the city or state that welcomed them; their parents are here. They're not as quick to go off to the bigger city, and a lot of them work in corporations in Louisville."

Meanwhile, immigrant communities tend to attract other immigrants, bringing more talent, more culture and more diversity. That's the hope among city and state business and economic development leaders, anyway.

They may be thwarted, though, by changing federal policies. President Donald Trump plans to cut the cap on the number of refugees allowed into the U.S. by more than half to 45,000. In his last year in office, President Barack Obama set the cap at 110,000 refugees. The Trump

administration has been gradually ratcheting down the number of visas granted for foreigners to work in the U.S.

Koehlinger said he'd be surprised if the U.S. allows even 45,000 refugees in the coming year. "Our pipeline of refugees from overseas who are cleared for travel is thinning quite dramatically and not being replenished," he said.

For Greater Louisville Inc., which has been working to attract professional immigrant talent as part of the Global Louisville initiative, federal immigration policy could throw a wrench into a major economic development strategy for the state's largest city. Initially when Greater Louisville was started, the city and GLI had higher expectations for their ability to attract people internationally. That's led GLI to reshuffle its resources to focus more on domestic migration.

"With the change in tenor of the discussions at the federal level," Oyler said, "we've seen people who might have considered coming having second thoughts because it's either been made more difficult or could be made more difficult. But it's still a huge piece of it, and we're trying to figure this out."

Benton said rather than shunning immigrants, states and communities might



Rhonda Miller, WKYU photo

Juan Aldana Regoza has been working on Phil Holliday's tobacco farm in Logan County, Kentucky for 21 years.

instead be excited and proud of the fact that people from other places want to live there. Immigration, he said, is a sign of growth, and it enriches communities.

"It's a sign that there's opportunity where you live," he said. "Individuals from other parts of the world are coming to Kentucky because they know there are jobs here. That's a good sign for Kentucky's economic growth." ■

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

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Building Community in Appalachia

Lora Smith is breathing new life into old traditions

LORA Smith is a community builder. She helps organizations that help others through an impact fund she created within the Foundation for Appalachian Kentucky. The Appalachian Impact Fund is the first of its kind, investing for social impact to serve the 54 counties in Eastern Kentucky.

"Our fund makes grants to support nonprofits doing good work in the mountains and invests directly in communities through real estate acquisition and development," she said.

AIF provides grants to organizations such as Grow Appalachia and Community Farm Alliance.

Smith co-founded the Appalachian Impact Fund with Louisville philanthropist Brook Smith (no relation) in 2016; the organization opened its doors in January 2017 in a former hardware store the fund purchased on Main Street in Hazard. The three-story building serves as headquarters for the Foundation for Appalachian Kentucky, Appalachian Food Summit, Appalachian Arts Alliance and other nonprofits.

Members of the community are welcome to attend a lunchtime yoga class on Mondays. Co-working space and venue rental space will be available soon.

"Many of our small towns have issues with dilapidated buildings," Smith said. "We're also trying to kick off downtown revitalization and bring back our Main Streets, which are so important for livable thriving communities."

Another of Smith's passions is sustainable agriculture and regional food systems. She worked with three other organizers to start the Appalachian

Food Summit in 2013. It was incubated through Grow Appalachia, an organization based in Berea, and receives organizational funds through the Foundation for Appalachian Kentucky. Smith co-chairs the Food Summit's board of directors and helps plan



Lora Smith

regional gatherings, three so far, with a fourth scheduled for fall 2018, all focusing on the "foodways" of Appalachia.

"Foodways is a catchall term," Smith said. "It denotes the study of what, why and how we eat – not just food, but how we grow food and prepare it, and the cultural meaning of food."

The Appalachian Food Summit's diverse membership of farmers, chefs, bloggers and writers, and scholars study the anthropology of food.

"I think that sustainable agriculture and local food businesses are incredibly

important to creating a sense of place, supporting healthy communities with good food access, and can be a real economic driver in Kentucky," Smith said.

She grew up in the railroad town of Corbin; her family has been in Whitley County for seven generations. Leaving home at 18 to attend New York University, where she focused on anthropology, Smith went on to do graduate work at the University of North Carolina at Chapel Hill. She studied folklore and documentaries there before coming home.

"I could never stay away too long from Kentucky and the mountains," Smith said.

She gets to practice what she preaches about sustainable living practices at Big Switch Farm, a 120-acre organic homestead in Egypt, Ky., in Jackson County. She and her husband purchased the property in 2010. It's a mountain farm, with only about three acres flat enough to farm on. They grow Appalachian "bloody butcher" corn, greasy beans and heirloom tomatoes for themselves and their two children, and friends who stop by.

"It's community and culture that holds us together and sustains us during difficult times," Smith said. "And it's our unique natural and cultural assets that are creating an exciting and bright future in the mountains."

She loves bringing people together through the Appalachian Impact Fund and her work in Appalachian foodways, all with an eye on strengthening the region.

"After all, when we talk about Appalachian transition and what we want to preserve and build on, we're talking about the natural beauty of the mountains, the turn of a square dancer, the strike of a bow on an old fiddle tune, and the taste of shucky beans dried over the winter and served for a holiday meal." —Kathie Stamps

Louisville's LOX Features Lox Cured In-House

RYE, the well-traveled restaurant in Louisville's bustling NuLu district, recently opened LOX, a concept within a concept.

Owners Thor Morgan and Doug Petry both have ties to New York, so when trying to come up with a new lunch concept with chef Zach Chancey, they hit on the idea for a menu that features a few traditional Jewish deli items, which are pretty standard fare in New York but rare down south.

"That kind of food is kind of a favorite around here," Chancey said.

The lox is cured in-house; salmon is brined for three or four days in salt and sugar, along with some select spices. The final product is refreshing, salty meat that can be eaten by itself, on a sandwich, or with various sides.

One of the main menu items is a salmon bagel with cream cheese, red onion, capers and fresh dill. There's also lox paired with eggs, along with other, more standard lunch fare for those not ready to take on the cured salmon.

Morgan said, "We envision LOX as a go-to destination for Louisville's lunch crowd." —Kevin Gibson





CYP board members Taylor Deveau, Sarah Fleischmann, Erica Yartz, Louise Murdoch, Andrew Howard, Jemma Mitchell, Jessica Kirk, Dave Kirk



Dave Kirk,
CYP
Chair-Elect

Young Professionals Thrive in Owensboro

THE Greater Owensboro Chamber of Commerce honors “40 Under 40” individuals each year through its Chamber Young Professionals group. CYP was formerly known as Greater Owensboro Young Chamber (GOYC) and Connecting Young Leaders of Owensboro before being rebranded in 2016. The group has 150-plus members who network with one another and participate in three branches of the organi-

zation: social, philanthropy and professional development.

“We also have entered the advocacy branch that’s brought services like Lyft to Owensboro,” said CYP chair-elect Dave Kirk, himself a member of the 40U40 class of 2017. Kirk has a background in TV journalism, marketing and communication, and now works in tourism. He is in charge of destination management at Owensboro Daviess

County Convention and Visitors Bureau.

“Our tourism industry is thriving with the incredible conventions, shows and world-class hotels,” he said. “The downtown is thriving with great local restaurants, bars and boutiques. There’s constantly construction around the city, which represents change and new developments.”

Kirk credits his involvement with Chamber Young Professionals for helping him learn about all the unique attractions in Owensboro so he can market them to convention attendees.

“It’s taught me to think outside the box in creating custom social events,” he said. “CYP also serves as a great focus group for me in promoting events that millennials are interested in.”

The New York-based website Business Insider recently put Owensboro on a list of 11 cities millennials are moving to. —Kathie Stamps

Growing up in the Banking Biz Shaped Blake Willoughby

BANKS and telephone companies have been in Blake Willoughby’s family for four generations. When he was 12 years old, he started working part-time for the Brandenburg Telephone Co. At age 14 he asked his grandfather if he could move over to the First State Bank in Irvington. Willoughby went on to earn a bachelor of science degree in accounting and economics from UK in 2011, and an MBA a year later.

“I had the intention of getting my legal degree, but when I finished my MBA, my family realized it was time to come back to work,” he said. While still in college he was put on the board of directors of two of the five banks First Breckinridge Bancshares holding company owns.

His mother, Allison Willoughby, is general manager and president of Brandenburg Telephone and the president of Meade Bancorp, the holding company that owns Meade County Bank. Her father, J.D. Tobin Jr., ran the bank, and his father, J.D. Tobin Sr., is the one who started the legacy by acquiring controlling interest in First State Bank in Irvington and Brandenburg Telephone Co. in the 1950s.

Today, the not-yet-30-year-old, youngest-generation Willoughby is president and chairman of First Breckinridge Bancshares, the organization that owns First State Bank of Irvington, West Point Bank in Hardin County, River City Bank of Louisville, Bank of Clarkson in Grayson County, and American Bank & Trust of Bowling Green. Willoughby also holds the CEO title in those banks, and there will soon be a sixth company: Last November, First Breckinridge Bancshares and Meade Bancorp partnered to acquire Bank of Lexington.

“I’m still intimately involved in the lending function of the organization,” Willoughby said.

With a new branch of River City that opened in Louisville in December, there are 21 locations for First Breckinridge Bancshares, plus the three coming from Bank of Lexington. Each charter has been kept independent, and the original bank names all have been retained.

“We take a lot of pride in the fact that our organizations are involved in the communities they are associated with,” Willoughby said. “We don’t want people in Louisville making decisions for our people in Grayson County. We also take pride in the fact that we have never instituted layoffs following an acquisition. We recognize those people at the banks are tied to their communities.”

His day-to-day work is in the main office at the First State Bank in Irvington, in Breckinridge County. Willoughby’s timing skills get a daily workout because he lives in Meade County, in the Eastern time zone, while Breckinridge County is in Central, but businesses in the city of Irvington operate on Eastern time.

“It’s a really fun industry,” he said of banking, because all industries, companies and people need a bank. “It’s a great opportunity to get to know a lot of people and learn about a lot of things.”

He feels the banking industry in Kentucky is doing well.

“Our rural markets are slowly growing, which I’d say we’re fortunate in Kentucky for that to be the case. It’s difficult to be prosperous in a rural market,” he said. “Our markets in Louisville, Bowling Green and Hardin County are very robust. I suspect Lexington will continue to be the case when we finish that transaction.”

Willoughby’s plan for First Breckinridge Bancshares in 2018 is pretty simple, and that’s to spend time on internal growth and development. —Kathie Stamps



400 West Market, Louisville



PNC Plaza, Louisville



Lexington Financial Center

KENTUCKY'S TALLEST BUILDINGS

Ranked by height

RANK	NAME	HEIGHT (FEET)	FLOORS	YEAR	CITY	NOTES
1	400 West Market	549	35	1993	Louisville	Tallest 1993 to present. Formerly AEGON Center; formerly Capital Holding Tower; formerly Provident Center
2	National City Tower	512	40	1972	Louisville	Tallest 1972-1993. Formerly First National Tower
3	PNC Plaza	420	30	1971	Louisville	Tallest 1971-1972; Formerly Citizens Plaza
4	Humana Building	417	27	1985	Louisville	
5	Lexington Financial Center	410	32	1987	Lexington	Tallest in Lexington
6	Waterfront Park Place	364	23	2004	Louisville	Tallest residential, 2004-present
7	B&W Tower	363	26	1982	Louisville	
8	Meidinger Tower	363	26	1982	Louisville	
9	Waterfront Plaza II	340	25	1993	Louisville	
10	Waterfront Plaza I	340	25	1991	Louisville	
11	Capital Plaza Office Tower	338	28	1963	Frankfort	Tallest public building
12	Kincaid Towers	333	22	1979	Lexington	Tallest in Lexington, 1979-1987
13	LG&E Center	328	23	1989	Louisville	
14	Galt House (Rivue Tower)	325	25	1972	Louisville	Tallest hotel
15	Galt House (Suite Tower)	322	20	1985	Louisville	
16	BB&T Building	312	24	1972	Louisville	
17	RiverCenter I	308	18	1990	Covington	
18	The Ascent at Roebling's Bridge	293	21	2008	Covington	Daniel Libeskind, Architect
19	RiverCenter II	292	15	1998	Covington	
20	The 800 Apartments	290	29	1963	Louisville	Tallest residential 1963-2004

SPOTLIGHT ON THE ARTS



Members of Stirfry Musette perform for visitors at the 2016 Arts Day in Kentucky Celebration in the state Capitol in Frankfort.

Celebrate Arts Day in Kentucky

Annual event offers opportunity to connect and network

ON Feb. 20, the Kentucky Arts Council will host Arts Day in Kentucky, an annual opportunity for artists, teachers, organizations and arts advocates to celebrate the great things happening in the arts across Kentucky. It also allows those arts stakeholders to network with each other and to personally thank legislators for their continued support of the arts council.

Arts Day is also a good opportunity for Kentucky's business and civic leaders to meet and identify the movers and

shakers in the arts in order to form valuable partnerships. In addition to being a powerful economic driver, local leaders in the arts can be resources for tourism events, like music festivals or art shows. Arts Day in Kentucky is a wonderful way to meet those people, all gathered under one roof.

This year's Arts Day will be at the Capitol Rotunda in Frankfort. In addition to networking opportunities, visitors will be able to enjoy performances by selected acts from the arts council's performing artists directory as well as interact with artists from the Kentucky Crafted program, who will be demonstrating their talents at various locations around the Rotunda. The festivities begin at 10 a.m.

The Kentucky Arts Council has awarded more than \$1.2 million in operating support to 95 arts organizations across the commonwealth for the 2018 fiscal year through its Kentucky Arts Partnership program. The KAP program provides nonprofit arts organizations with unrestricted operating support to ensure that year-round participation in the arts is available to the people of Kentucky. Representatives of those organizations have been invited to Frankfort for Arts Day to tell legislators how KAP funds have helped them continue their respective missions.



Visitors to the 2016 Arts Day in Kentucky celebration in Frankfort examined work by Hopkinsville artist Willie D. Rascoe, right, winner of the 2015 Governor's Awards in the Arts Folk Heritage Award.

The Kentucky Crafted Market 2018 Moves to Louisville

THE Kentucky Crafted Market will move to a new location, the Kentucky Exposition Center in Louisville, March 2-4, after several years in Lexington. If you're a retail business owner, architect, interior designer or if you purchase corporate gifts for your company, you'll want to take advantage of the wholesale-only hours for most of March 2.

The Market is the Kentucky Arts Council's premier marketing event of Kentucky artistry produced each year. The show features the highest quality art, craft, literature, music and food found in the state. Nearly 200 Kentucky Crafted and select out-of-state artists, musicians and artisanal food producers make their finest work available to wholesale buyers and the general public during the three-day event.

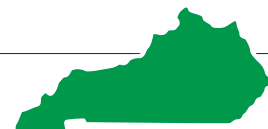
Wholesale buyers have the rare opportunity at The Market to place orders directly with producers of Kentucky traditional and contemporary fine art and craft, as well as publishers of Kentucky-related books and specialty food products.

New for 2018 is an expanded access to public retail shoppers, who will gain entry late in the day March 2. This is the first time in Market history the event will be open to the general public all three days. Shoppers can find fine art and craft from Kentucky's most extraordinary artists, participate in hands-on arts educational activities, or take a break at the Kentucky Stage music festival, featuring some of the state's best-loved musicians and performers.

Kentucky is one of a few states in the nation to sponsor a show of this kind for its art and craft businesses. Its 35-year tradition of excellence has not gone unnoticed. The Kentucky Crafted Market was named the No. 1 Fair & Festival in the country four times by readers of *AmericanStyle* magazine. The Southeast Tourism Society has named it a Top 20 Event for 15 years.



Chris Cathers is interim executive director of the Kentucky Arts Council.



An elk stag grazing at the Land Between the Lakes Elk and Bison Prairie.

Get Out!

Big Bone Lick State Historic Site
parks.ky.gov
(859) 384-3522

Kenlake State Resort Park
parks.ky.gov
(270) 474-2211

Kentucky Dam Village State Resort Park
parks.ky.gov
(270) 362-4271

Land Between the Lakes National Recreation Area
lbl.org
(270) 924-2000

Pine Mountain State Resort Park
parks.ky.gov
(606) 337-3066

Kentucky's Winter Wonderland

Season's landscape offers ideal viewing for eagles, elks and more

BY KATHERINE TANDY BROWN

BRILLIANT architect Frank Lloyd Wright once said, "Study nature, love nature, stay close to nature. It will never fail you."

The wisdom of his words may be especially difficult to agree with during the cold, sunless days of winter in our commonwealth. Unless you happen to have tickets for an escape to warmer climes, you're just going to have to deal with what nature brings our way. However, you do have choices. You can stay indoors by a fireside with a hot cuppa tea or a hot toddy to chase your weather woes away. Or you can dress in lots of layers, pull on those Uggs, and embrace the great outdoors in her winter splendor.

Scientific studies show that without a doubt, nature boosts positive emotions and has myriad other physical and mental health benefits. Stepping outside can provide the perfect prescription for recovery from the holiday hubbub. Fortunately, Kentucky has loads of opportunities to embrace Mother Nature in the wintertime.

For instance, you can head to Western Kentucky to take a gander at our national bird. After the banning of DDT in 1972 and re-introduction efforts nationwide in the 1970s and '80s, the numbers of American bald

eagle nesting areas in Kentucky have increased steadily. In 1986, the Kentucky Department of Fish and Wildlife Resources reported one known area in the state. By 2017 that number had climbed to 164. The majority of nesting areas are around the Kentucky Lake area, due to its abundance of open water and terrific fishing.

Jan. 26-28 is Eagles Weekend at Kentucky Dam Village State Resort Park, and you have a choice of packages to view these majestic birds in their natural habitat. On Friday evening a state wildlife biologist presents lots of eagle info. The rest of the weekend options include park staff-led eagle-viewing field trips, eagle-viewing bus tours of the Ballard Wildlife Management Area, and eagle-viewing luxury boat cruises on Kentucky Lake. On Saturday night, the Liberty Nature Center offers a presentation on birds of prey.

"Eagles Weekend is always a popular event," said Scot Ratzlaff, park manager. "Folks can expect to see a lot of eagles, as well as loons, pelicans, great blue herons and many other birds. If you're an ornithologist, it's nirvana!"

You can also ogle eagles at Kenlake State Resort Park. Feb. 2-4 options include a Friday lunch tour, Saturday boat tour and Sunday brunch tour.

Feb. 9-10, there's a Friday boat tour, Saturday brunch cruise, and Saturday dinner cruise, plus the Friday night all-you-wanted-to-know-about-eagles talk and a Saturday evening birds of prey presentation.

The "boat" at both parks is the 96-foot, fully enclosed and heated luxury yacht CQ Princess, which allows cozy viewing through observation windows or above-deck outdoors. On-board staff



Jim Johnson photo

A young bald eagle soars over Kentucky Dam Village State Resort Park.



Jim Johnson photo

American White Pelicans catching fish

will chat about the eagles and will help you spot them – tours often see between 10 and 45 – as well as other wildlife such as ducks, coots, loons, coyote and fox.

If you want to make big-time heart points, treat your sweetie to a Kentucky Lake eagle-watching cruise on the gorgeous vessel come Valentine's Day. The

package includes a romantic dinner for two, a one-night stay at the Kentucky Dam Village Inn Lodge, breakfast for two, and a two-and-a-half-hour eagle-watching and dessert-tasting cruise. Reservations are required.

Another outdoor treasure in the Purchase District is the Land Between the Lakes National Recreation Area, which includes 170,000 acres of woodlands, trails and water access. In the winter-time, bare trees allow better viewing of the wildlife at the elk and bison prairie on its 3½-mile driving loop, located just a half-mile off U.S. 68. Open from dawn until dusk, the 650-acre prairie is home to a hefty herd of bison and three or four individual groups of elk, though not all animals are visible from the road.

"In the winter months, you can see them more reliably than in summer because the leaves are off the trees, and in cool weather, they're more willing to be out midday than in the summer heat," said Curtis Fowler, the prairie's manager. "The best elk viewing is usually the first few hours of daylight and later in the afternoon."

Another Kentucky bison herd roams the grounds of Big Bone Lick State Historic Site near Union in Northern Kentucky. On Feb. 17 you can lace up your boots for a refreshing four-mile winter hike through the woods here with the park staff and John Robbins of the Sierra Club. Afterwards, warm up in the new museum, where you can bone up on paleontology, Ordovician geology, Ice Age mammals, Native American history, and the fascinating chronology of science at Big Bone.

And lastly, you can hone your creative skills in the great outdoors at Pine



Jim Johnson photo

Wildlife such as the red fox pup seen here are among with animals more easily seen in the winter's bare landscape.

Mountain State Resort Park's annual Winter Photo Weekend, scheduled for Jan. 26-28. This year's guest professional is East Tennessean Paul Hassell, whose photographic work has been featured in publications for the National Park Service, *National Geographic* and *National Wildlife*. The weekend will be rife with informative classes, friendly competition and awards, networking opportunities and pure, behind-the-lens fun. Packages include a two-nights' lodge stay, evening buffets and workshop registration.

The weekend brings new meaning to the words "cold snap," but you'll be having such a good time, you'll forget all about the outside chill. ■

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

Jim Johnson photo



A blue heron spotted at Kentucky Dam Village State Resort Park.



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Learning to Give Back: NKU's Student Philanthropy Project

NORTHERN Kentucky University classes recently awarded \$34,500 to nonprofit agencies as part of the university's nationally recognized Mayerson Student Philanthropy Project.

"As important as the money is – what's more important is that these classes change lives," said NKU Provost Sue Ott Rowlands. "They change lives in the community, as agencies use the funds to provide goods and services. But they also change lives in our classrooms as our students are awakened to community needs and how to address those needs. Lifelong community stewards are born in our Mayerson classes."

Last semester, 17 classes included student philanthropy as part of an integrated curriculum. The classes ranged from a dual-credit course taught at Campbell County High School to graduate courses in English, history and social work.

Classes typically have \$2,000 each to invest in one nonprofit or \$1,000 in two. Students spend the semester learning about community needs and, as the semester draws to a close, decide where to invest.

While most classes awarded money, one class also donated dolls. The costume construction theater arts class had students design and sew costumes that fit 18-inch dolls in order to learn theater costuming. Students made six costumes each for the 43 dolls and delivered the finished products to the Holly Hill Children's Home in California, Kentucky. Some of the costumes are traditional, but the students also had some fun, dressing some dolls, for example, as super heroes.

"Our professors align the student philanthropy component with their learning outcomes, so that students learn their course material more thoroughly and with a real-world component," said Mark Neikirk, executive director of the Scripps Howard Center for Civic Engagement, where the Mayerson program is housed. "In the theater class, for example, a student might be struggling with a zipper and think, 'Well, that's good enough.' But when the student remembers that the costume will be the prized possession of a needy child, that zipper gets a lot more attention. Years from now, when the student is a graduate and working on Broadway, the costumes in some future show will be a little better because that class back at



NKU photo

As part of last semester's Mayerson philanthropy project, a costume construction class in Northern Kentucky University's theater department made outfits for dolls to give away.

NKU included student philanthropy. Meanwhile, Holly Hill's kids are about to get some really nice dolls."

The Manuel D. and Rhoda Mayerson Foundation of Cincinnati is the lead sponsor of NKU's student philanthropy classes. Other funders include Citi/Florence; the Scripps Howard Foundation; ArtsWave; the Straws Charitable Foundation; Newport's East Row Historic District; and, the newest class sponsor, the Greater Cincinnati Foundation.

Over the past 17 years, the Mayerson project has invested nearly \$800,000 in 350 agencies while NKU has included student philanthropy in over 40 disciplines, reaching more than 4,500 students.

Communities with Strong Smoke-Free Workplace Laws Report Less Lung Cancer



A recent study by University of Kentucky researchers shows that fewer new cases of lung cancer are found in communities with strong smoke-free workplace laws.

The study, "Lung Cancer Incidence and the Strength of Municipal Smoke-

free Ordinances" was published in *Cancer*, an American Cancer Society journal dedicated to providing clinicians with information on diagnosis, treatment and prevention.

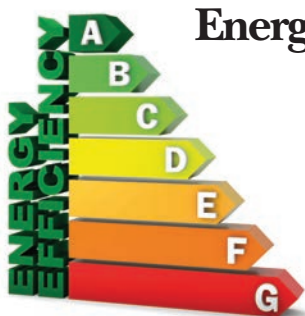
Using data compiled from the Kentucky Cancer Registry, the Cancer Research Informatics Shared Resource Facility, and the UK Markey Cancer Center, researchers looked at 20 years of new lung cancer diagnoses among Kentuckians age 50 and over in communities with strong, moderate and weak smoke-free laws. They found that lung cancer incidence was eight percent lower in communities with strong smoke-free workplace laws in compari-

son to communities without smoke-free laws. Researchers did not find differences in lung cancer rates between communities with moderate or weak smoke-free laws and those without any smoke-free laws.

According to UK, Kentucky has more cases of lung cancer than any other state, and its mortality rate is 50 percent higher than the national average. Though other environmental factors play a part in the development of lung cancer, smoking and secondhand smoke exposure are the root cause of the disease.

Strong smoke-free laws are known to improve public health by lowering heart attacks, stroke, asthma and emphysema.

The UK study is the first to show that new cases of lung cancer are lower when communities enact strong smoke-free laws covering all workers and the public.



Energy Efficiency Pays Off

LOUISVILLE Gas and Electric Co. and Kentucky Utilities Co. say that thanks to customers who have embraced energy efficiency programs, they have been able to offset roughly the same amount of energy to equate to building a new power plant.

The utilities set a goal in 2008 of saving approximately 500 megawatts of capacity and, to date – with a year remaining for the existing programs – they have essentially reached that goal.

“The programs were designed to help change customers’ behavior in regards to using energy more wisely. Through their combined use of more energy-efficient appliances, devices and lighting in homes and businesses, customers have saved money and energy,” said David Huff, director of energy efficiency and emerging technologies.

Since 2008, through participating in LG&E and KU’s energy efficiency programs, customers have:

- Received more than 16,000 on-site home energy analyses.
- Performed more than 31,000 online home energy analyses.
- Benefitted from WeCare weatherization services more than 19,677 times.
- Recycled more than 55,000 refrigerators and freezers.
- Helped manage the community’s energy needs through Demand Conservation by having more than 230,000 devices installed.
- Earned more than \$13 million in rebates for business facility upgrades.
- Earned more than \$15 million in rebates for high-efficiency appliances and products.

LG&E and KU are also requesting that the Kentucky Public Service Commission extend some of the current programs through Dec. 31, 2025. All of the current programs are set to expire Dec. 31, 2018. The utilities are required by regulation to meet customers’ energy needs at the lowest reasonable cost. Because of a variety of factors that include the abundance of more energy-efficient appliances, devices and lighting in homes and businesses, some of the existing programs are no longer cost-effective.

As a result of allowing certain programs that are no longer cost-effective to expire, if LG&E and KU’s new plan is approved, residential customers’ bills would be reduced between \$20 to \$30 in 2018, and \$35 to \$45 in 2019.



Twenty-five Kentucky craft brewers have partnered with Willett Distillery to create barrel-aged beer from used bourbon barrels.

Barrels of Delight

BY law, a charred oak barrel can only be used once to create bourbon whiskey. But 25 craft brewers from across the commonwealth have partnered with Willett Distillery to collect used charred oak barrels for a special barrel-aged beer showcase slated for release this coming summer.

Beer and bourbon lovers will be able to sample the distinctive collection of barrel-aged beers at the second annual Kentucky Craft Bash on June 23 at Louisville Waterfront Park’s Festival Plaza.

Organized by the Kentucky Guild of Brewers in partnership with Hopcat, the event will feature 35 Kentucky breweries highlighting more than 90 different beers, making it the largest showcase of beer in the commonwealth.

Proceeds from the Craft Bash support the nonprofit Kentucky Guild of Brewers for the protection and promotion of the craft beer industry in the commonwealth and its charity partner, Cure CF.

Top Flavor Trends for 2018

THE flavor forecast for 2018 is shaping up to be full of ooey-gooey goodness, according to Flavorman, a Louisville-based company that is an industry leader in flavor development.

The company’s beverage development and its team of flavor experts predict the following top trends expected to take over the beverage industry in the coming year:



Maple: Like Bourbon, but Sweeter

Maple flavors can be both deliciously complex and subtle. Like bourbon, many factors influence how maple tastes. One could taste notes of roasted coffee while another detects hints of hazelnut and cinnamon. Also like bourbon, maple must age to reach perfection. Trees need to be 30-40 years old before they can be tapped. Another benefit of maple is its high antioxidant value. It contains elevated levels of the mineral manganese and vitamin B2, which promotes a healthy metabolism, bone structure and thyroid function.

Stick with Sticky: Much like maple, honey is a natural ingredient that not only sweetens, but offers a diverse variety of flavors. Honey delivers flavor and aroma. In the United States, there are 300 varieties of honey, all with unique flavor profiles, from light and mild to robust



and strong. Allergy sufferers have long touted the healing powers of honey. It has been known to improve cholesterol, lower blood pressure and acts as a natural energy source.



Fruity over Sweet:

If sweet isn’t your thing, grapefruit adds a citrusy, zesty touch. Grapefruit is a versatile flavor that packs a powerful punch. The unique combination of sweet and tart creates an aromatic, distinctive flavor. The popularity of grapefruit-inspired drinks continues to trend upward, and the health benefits are like those in honey. The citrus fruit is packed with

Vitamin C and decreases the risk of obesity and diabetes and promotes healthy skin.

Botanical Spins: Herbal blends such as mint, juniper and rose bring the year’s flavor trends full-circle. The uniqueness of these ingredients allows them to be used as the primary ingredients in spirits in other beverages, but also in culinary creations.



Where will you see these flavors? The top flavor trends are expected to pop up in exotic tea blends such as matcha tea, international coffee blends, botanical-heavy beverages both alcoholic and nonalcoholic, and in craft beverages, including sodas, beer and spirits.

KENTUCKY PEOPLE

BEIJING: EKU'S ROBLES REPRESENTS U.S. AT BEIJING BUSINESS CONFERENCE



Marcel Robles, a professor of corporate communication and technology Eastern Kentucky University, was the sole United States representative at the Chinese Business Communication and Negotiation Committee of Industrial Technology Association of Economic and Management Colleges. Robles attended the three-day event as first vice president of the Association for Business Communication, an international organization for which she will serve as president for the coming year. While in China, Robles also discussed the potential for an MBA program that would be delivered by EKU in China and taught in Mandarin. Pictured here at the conference are (left to right) Professor Kwak Ro-Sung, Dongguk University, Korea; Professor Remigiusz Smolinkki, Leipzig Graduate School of Management, Germany; Robles; and Professor Zeng Xiaochun, legal representative and chairman of China Industrial Technology Association of Economic Management Colleges, Xi'an Jiaotong University, Xi'an, China.

ASHLAND: KY POWER DONATES LAND FOR NEW BOYD CO. ANIMAL SHELTER



Boyd County officials broke ground on Dec. 1 for a new 5,300-s.f. animal shelter that will be built on 2.15 acres of land donated by Kentucky Power. The property is part of a larger parcel that the company previously purchased from the county for a new substation. Pictured here at the groundbreaking are Kentucky Power President Matt Satterwhite (left) and Kentucky Power Business Operations Director Matt Horeled.

MIDWAY: KU/LG&E UNVEIL NEWEST ELECTRIC VEHICLE CHARGING STATION



Kentucky Utilities recently unveiled a new charging station for electric vehicles in Midway, the eighth of 20 public stations planned by KU and its sister utility, Louisville Gas and Electric Co. Located less than a mile off of I-64, the station will be available to users at an hourly rate priced at about \$3. Pictured here at the ribbon-cutting are (left to right): Midway Council Member Bruce Southworth; KU/LG&E Director of Energy Efficiency and Emerging Technologies David Huff; Midway Mayor Grayson Vandegrift; Midway Council Member John McDaniel; Woodford Forward CEO Patrick Chase Milner; and Midway Council Member Sara Hicks.

OWENSBORO: O.Z. TYLER DISTILLERY ACHIEVES HIGHEST KDA RANKING



The O.Z. Tyler Distillery in Owensboro has advanced to the "heritage" level of the Kentucky Distillers' Association (KDA), the trade group's highest ranking. To qualify as a heritage member, distilleries must have at least 25,000 barrels of distilled spirits aging in Kentucky warehouses. As a heritage member, the distillery, which is owned by Terressentia, will have an expanded leadership role in the management of the organization and the direction of Kentucky's distilled spirits industry. Pictured here presenting an engraved barrel head commemorating the company's new membership level are (left to right): Terressentia CEO Earl Hewlette; KDA President Eric Gregory; O.Z. Tyler Master Distiller/Operations Manager Jacob Call; and Ryan Ashley, chairman of the KDA board of directors and chief operating officer at Four Roses Distillery.



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