Payoff will be billions if Louisville can be best at aging innovation

Its sector is a leader, but lucrative market to help boomers live better won’t be won without a fight

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29  COVER STORY  PAYOFF WILL BE BILLIONS IF LOUISVILLE CAN BE BEST AT AGING INNOVATION  
Its sector is a leader, but lucrative market to help boomers live better won’t be won without a fight

35  THAT AD IS FOLLOWING ME!  
Tracking cookies collect personal data but aren’t a business attack risk

40  UPS: THE CORNERSTONE OF KY LOGISTICS  
Shipping giant continues to grow in Kentucky – and draws more companies to the state along the way

44  50 YEARS OF FUN  
The Louisville Zoo celebrates its anniversary with celebrations all summer long

46  LASTING SUCCESS  
Pittsburg Tank & Tower and E. D. Bullard have century milestones in 2019

50  HOW NATURAL GAS IS CHANGING EASTERN KY  
Major impacts in Kentucky from the rise of the Appalachian Basin energy hub are still a few years away

Departments

<table>
<thead>
<tr>
<th>6</th>
<th>Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>Fast Lane</td>
</tr>
<tr>
<td>16</td>
<td>Interstate Lane</td>
</tr>
<tr>
<td>17</td>
<td>Kentucky Intelligencer</td>
</tr>
<tr>
<td>18</td>
<td>Corporate Moves</td>
</tr>
<tr>
<td>20</td>
<td>On the Boards</td>
</tr>
</tbody>
</table>
| 22 | Lane One-on-One: Neeli Bendapudi  
President, University of Louisville |
| 55 | Spotlight on the Arts |
| 56 | Emerging Lane |
| 58 | The Lane List |
| 60 | Exploring Kentucky |
| 62 | Passing Lane |
| 64 | Kentucky People |

On the Cover  
Meeting the needs of the world’s growing aging population is a multitrillion-dollar business. Louisville has one of the top aging care sectors in the world and aims to attract and grow many more providers and innovators.
Warehousing Capacity - Strategically Located
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PERSPECTIVE

KENTUCKY'S BEST ECONOMY EVER
Attention now needs to focus on health, education and workforce

BY JORDAN HARRIS

NOT since the steamboat ceased being a primary source of transportation has Kentucky’s economy been in a stronger position than it is today. Digging through the statistics can cause one to marvel.

According to the Bureau of Labor Statistics data, the commonwealth is at the lowest unemployment rate ever recorded, 4%, which, amazingly, has happened with one of the largest labor markets in the history of the state. In April, there were 2,065,210 individuals employed or looking for a job, among the highest numbers in history. This alone is an excellent sign, telling us that more and more people are entering the labor market every month because they believe they can find employment.

Their instinct is right.

The total number of individuals in the labor market has grown considerably, by 4.6%, since the summer of 2015, when it reached its 10-year low. The number of people employed has grown even more rapidly, increasing 5.9% since that time, and over 8% since its post-recession low. The number of individuals unemployed has dropped precipitously too. In the worst periods of the recession, Kentucky had more than 220,000 people counted as unemployed. Last month, that number was sitting at just above 82,000, a decline of 62%, again, even as the size of the overall labor market has grown.

Our economy is so strong, in fact, that much like the nation as a whole, Kentucky has more open jobs than people searching for work. A report released by us, at Pegasus Institute, in May showed that according to the most recently available numbers, Kentucky has 15,000 more open jobs than people actually searching for work.

The amount of investment in Kentucky – over $18 billion in three years – means that we can expect even more available jobs as operations begin and expand.

A mix of three factors is helping this economic renaissance. The first is the strength of the U.S. economy as a whole. If the national economy continues to expand through June, it will equal the longest period of economic expansion (10 years) in the post-war period, which reaps obvious benefits for Kentucky.

A second is the state’s natural advantages. Kentucky is a one-day’s truck drive from 65% of the U.S. population; has 2,000 miles of commercially navigable waterways; 20 interstates and federal highways; 2,700 miles of railroad track; and now has three major airfreight shipping hubs. These logistical advantages that Kentucky boasts are unmatched, a point that has been critical to the growth and investment in recent years. That is on top of the state’s relatively inexpensive land costs and lowest energy costs east of the Mississippi River.

But even if those important variables were removed, Kentucky is still doing a lot of things right that are contributing to success. Last year, the state updated its tax code in the most comprehensive way in eight decades, creating a much more business- and employee-friendly environment. Kentucky eliminated its progressive income and corporate tax structure, put in place flat rates for both, broadened its tax base, and began the process of eliminating inefficient taxes and loopholes. Becoming a right-to-work state, which Kentucky did in 2017, has expanded the pool of businesses that Kentucky can compete for and opened the door to new opportunities. Those things coupled with aggressive recruitment from policymakers has equaled a whirlwind of positive economic activity.

If this period of expansion has shown us anything though, it is not that we are at the end but rather, as Winston Churchill once said, the end of the beginning. So, where should policymakers turn their focus?

There are at least three policy areas where Kentucky still drags, that can bolster the economy even further if we can build long-term solutions — health-care outcomes, educational attainment and, interconnected with both, workforce participation. All three are areas that Kentucky ranks at or near the bottom nationally, constraining the potential of our state’s economy without solutions.

If Kentucky can find solutions to those challenges, and move the needle in a positive direction, the commonwealth can push to heights it has never seen before.

Jordan Harris is executive director of the Louisville-based Pegasus Institute, a public policy think tank.
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GM TO INVEST $900M, ADD 2ND SHIFT, 400 JOBS AS IT PREPARES TO BUILD THE NEXT-GENERATION CORVETTE

GENERAL Motors is adding a second shift and more than 400 hourly jobs at its Bowling Green assembly plant to support production of the next-generation Corvette, which will be revealed on July 18, 2019.

The addition of the second shift will increase the plant’s workforce to more than 1,200.

“The Corvette’s iconic status owes so much to the men and women of Bowling Green, where it has been built exclusively for almost 40 years,” said GM Chairman and CEO Mary Barra. “This is the workforce that can deliver a next-generation Corvette worthy of both its historic past and an equally exciting future, and today’s announcement gets us one step closer to its reveal on July 18.”

Since 2011, GM has invested more than $900 million into Bowling Green, including investments towards a new body shop, increased engine capacity, new paint shop, a new Performance Build Center, and additional plant upgrades.

Bowling Green Assembly opened in 1981 and has remained the exclusive home of the Corvette since that time. The plant has the largest solar array of any automaker in Kentucky, and its annual economic impact includes more than $76 million in state wages and $15 million in income tax.

The Corvette is the world’s longest-running, continuously produced passenger car, with more than 1.6 million units produced since 1954 and international recognition as America’s sports car. The seventh and most current generation Corvette was revealed in January 2013 and was the first to bring back the Stingray nameplate since 1976.

CANADA’S DAJCOR ALUMINUM WILL INVEST $19.6M TO OPEN FIRST U.S. PLANT IN HAZARD, CREATING 265 JOBS

DAJCOR Aluminum, a Canada-based manufacturer of extruded and fabricated aluminum products, is investing nearly $19.6 million to locate its first United States operation near Hazard, creating up to 265 full-time jobs.

Dajcor plans to locate in the former American Woodmark facility in Perry County’s Coalfields Industrial Park. The operation will provide Dajcor additional capacity for aluminum extrusion and fabrication to serve a variety of North American industries and help the company better reach its U.S. customers. Retrofitting and setup will begin immediately and operations are slated to begin by the end of 2019.

“We are excited to get going on this expansion project for Dajcor,” said Mike Kilby, president and CEO of Dajcor. “This project will not only expand our capacity but also our geographic reach as our first manufacturing facility in the USA. Perry County, in Eastern Kentucky, offers a ready workforce as well as excellent state-of-the-art fabrication training facilities within the area. This fits well with our ‘All Under One Roof’ aluminum extrusion and fabrication business model.”

Dajcor, headquartered in Chatham-Kent, Ontario, Canada, was founded in 2010 after a group of Chatham businessmen purchased the assets of Diamond Aluminum. The investors’ mission was to restore the company to its pre-recession status as a widely recognized supplier of extruded, fabricated, and anodized aluminum components to the U.S. and Canadian markets. The company, which formerly served the automotive industry exclusively, has expanded to serve a range of markets, including renewable energy, medical equipment, transportation, building trades, military, marine, recreation and consumer-product industries.

UK AWARDED $87 MILLION NIH GRANT TO HELP FIGHT NATION’S OPIOID EPIDEMIC

THE National Institutes of Health (NIH) has selected the University of Kentucky as one of four research sites for an ambitious study that aims to significantly reduce drug overdose deaths.

UK will receive approximately $87 million – the largest grant ever awarded to the university – to support the Kentucky CAN HEAL (Communities and Networks Helping End Addiction Long-term) project. The study will test a set of proven prevention and treatment interventions, such as distribution of naloxone to reverse overdoses and linking individuals in the criminal justice system with treatment for opioid addiction. The goal is to reduce opioid overdose deaths by 40% in 16 Kentucky counties that represent more than a third of Kentucky’s population: Fayette, Jessamine, Clark, Kenton, Campbell, Mason, Greenup, Carter, Boyd, Knox, Jefferson, Franklin, Boyle, Madison, Bourbon and Floyd counties.

Sharon Walsh, director of UK’s Center on Drug and Alcohol Research, is the principal investigator of the study and will lead a team of more than 200 researchers, staff, and state and community partners involved in the project.

Joining UK in the study are Boston Medical Center, Columbia University and Ohio State University. Each site is partnering with at least 15 communities to measure the impact of integrating prevention, treatment and recovery interventions across primary care, behavioral health, justice and other settings in highly affected parts of the country. RTI International, based in North Carolina, will serve as the study’s coordinating center, and will be responsible for data analysis, health economics research, and widespread dissemination of research findings over the course of the study. The goal is to see if solutions in different communities can be scaled up and replicated as part of a national approach to the challenge.
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**BUSINESS BRIEFS**

**ASHLAND**
- Ashland-based Braidy Atlas, which is building a $1.7 billion aluminum rolling mill in nearby Greenup, is collaborating with BMW Group on sustainability and technical qualification for the future supply of series 5000x and 6000x automotive aluminum sheet. The collaboration includes a comprehensive closed-loop recycling strategy that leverages Braidy’s “logistically optimal location,” which is relatively close to BMW’s production plant in Spartanburg, S.C.

**BOWLING GREEN**
- The owners of Pink Lily Boutique, an online clothing retailer headquartered in Bowling Green, have announced a significant minority investment in the company by private equity investors, according to a report by the Bowling Green Daily News. Though financial details have not been disclosed, Chris Gerbing, who founded the company in 2014 with his wife, Tori, said the investment focus on partnerships with fast-growth e-commerce businesses and noted the investment would enable the company to “shift things into a higher gear.” Last year, Pink Lily announced a $2 million investment to add more than 50,000 sq. ft. of space at its Bowling Green warehouse and fulfillment center and 56 new jobs.

**DANVILLE**
- Students at Centre College are now able to select data science for either their major or minor field of study. Data science combines the elements of computer science, mathematics and statistics and will prepare students for careers in fast-growth e-commerce businesses. Centre faculty say a data science degree combined with a liberal arts education will be an advantage for Centre students entering the workforce.

**ERLANGER**
- Four new retail shops are now open at the Cincinnati/Northern Kentucky International Airport. Located on Concourse B are: No Boundaries, which carries clothing and accessories for the outdoor enthusiast; Trip Advisor, offering electronics, apparel, books and magazines, snacks and other travel items; and Gaslight Gifts, which specializes in food, gifts and souvenirs from well-known area restaurants and retailers such as Montgomery Inn and Ruth Hunt Chocolates. Kentucky Bourbon Trail merchandise, and licensed apparel from local sports teams. Now open on Concourse A is the Over-the-Rhine Market, offering basic travel items and grab-and-go food. Eleven more stores are being renovated and slated to open over the course of the remaining year.

**FORT WRIGHT**
- Gateway Community and Technical College has unveiled its new Gateway Automotive Technology Lab (ATECH), which will prepare students for careers diagnosing and repairing electrical and computer problems in cars. ATECH features a simulator that allows students to focus on a vehicle’s electrical and computer systems without the physical parts of the car getting in the way of learning. The lab is housed in Gateway’s Transportation Technology Center in Fort Wright.

**HARRISON COUNTY**
- Harrison County has been certified as Kentucky’s newest Work Ready Community, a designation that assures employers that a local workforce has the talent and skills necessary to staff existing jobs and master the technologies that new jobs will require. To become certified, a county must gather local support and commitment and apply for the Work Ready Community designation. Counties have to meet criteria that include high school graduation rates, career readiness certificates, demonstrated community commitment, educational attainment, life-skills development, broadband availability, and matching workforce supply and demand.

**STATE**

**KENTUCKY MAKING SITE DEVELOPMENT EASIER, FASTER FOR INCOMING BUSINESS**

The Kentucky Cabinet for Economic Development, in partnership with the Kentucky Association for Economic Development, has initiated an effort to create more sites that would allow companies locating in Kentucky to begin construction immediately.

Kentucky’s new Product Development Initiative (PDI) is an investment program through which up to $6 million may be available to Kentucky economic development organizations and local governments via grant awards to supplement their site or building improvement projects. Grants may be awarded for utility infrastructure upgrades, property acquisition, facility enhancement or the diligence necessary to prepare sites and buildings for investment.

“Once the decision is made to relocate or add a new location, companies need to move quickly to begin production as soon as possible. If those decision makers know Kentucky has the ability to step up and present a variety of locations that are ready to go and can be operational within weeks or months, as opposed to years, it could make all the difference in whether a business locates in our state or looks elsewhere,” said Vivek Sarin, interim secretary of the Cabinet for Economic Development.

Projects seeking assistance of up to $500,000 may be considered for an award via a competitive application process and scored according to marketability. Dallas-based Site Selection Group has been identified to perform the assessments for the initiative. Funding for the procurement of consultant services was provided by a coalition of KAED members, anchored by Kentucky’s utility companies.

Communities not selected for awards will receive feedback on how to better prepare for future funding opportunities.

**PROPOSALS SOUGHT FOR PILOT PROJECTS THAT WILL BRING JOBS TO APPALACHIA**

The Kentucky Division of Abandoned Mine Lands (AML) is seeking proposals that will attract new industry and jobs to Kentucky’s Appalachian counties.

Up to $25 million in federal grant money, administered by the federal Office of Surface Mining Reclamation and Enforcement, is available to AML for pilot projects in Appalachian counties that have the potential to create long-term economic benefits.

The pilot program is now in its fourth year of funding. Projects that have received funding in the past include the Silverliner manufacturing facility in the Industrial Park in Pikeville; the Appalachian Wildlife Center on 12,000 acres in Bell County; and the HAAS e-Kentucky Advanced Manufacturing Institute training program in Johnson County.

Proposals must be submitted by June 21. For more information, visit bit.ly/2VeaoQf or contact Bob Scott, director of the Kentucky Division of Abandoned Mine Lands, at (302) 782-6761 or BobF.Scott@ky.gov.

**STATE**

**THE LANE REPORT**

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10 JUNE/JULY 2019
THE University of Louisville and IBM are partnering to establish an IBM Skills Academy on the UofL campus.

The academy will open this fall in the Miller Information Technology Center on UofL’s Belknap Campus. The academy will focus on helping train the workforce needed in fast-growing technology areas such as artificial intelligence (AI), blockchain, cybersecurity and cloud computing.

IBM’s new artificial intelligence tools and related education initiatives are drawn from methods and technologies the company has developed to drive its own workforce transformation. The five planned IBM Skills Academies aim to transform how cultures and people operate with digital technology, including ethics and human bias in coding.

Through the IBM Academic Initiative, IBM will make available software and cloud technology valued at up to $5 million to UofL students and faculty for teaching and noncommercial research purposes. IBM will also provide training for select UofL faculty in eight areas: artificial intelligence, blockchain technology, cybersecurity, cloud technology, data science, internet of things, design thinking and quantum computing.

Once trained, UofL faculty will be qualified to teach colleagues and students and serve as workforce development agents for the community, helping people earn IBM digital credentials or college credit that will better qualify them for high-tech careers. UofL faculty also will participate in curricular innovation, including integrating digital learning into college courses as well as K-12 classes.

LOUISVILLE
IBM ESTABLISHES NEW PROGRAM AT UofL TO DEVELOP TECHNOLOGY WORKFORCE

LOUISVILLE
ONLINE PET RETAILER’S NEW CUSTOMER SERVICE CENTER FETCHES 300 NEW JOBS

C HEWY.com, an online pet supply retailer, is investing $7.2 million to locate a pharmacy customer service center in Louisville that is expected to create 300 new jobs.

The center will employ pharmacists and pharmacy technicians, who will earn an average wage of $35 an hour.

The Florida-based company is moving into an 88,000-s.f. office space on Fern Valley Road in southeast Louisville.

Chewy was founded in 2011 and within six years had captured a significant share of the nation’s online pet food and litter sales. The company was purchased for $3.35 billion in 2017 by PetSmart and has continued to grow. Last year, Chewy opened a new 100,000-s.f. customer service center in Florida as well as a new distribution facility in Arizona, and in April of this year filed an S-1 for an initial public offering. The company currently employs approximately 10,000 people across the United States.

BUSINESS BRIEFS

HIGHLAND HEIGHTS
■ Northern Kentucky University has partnered with the Tri-State Logistics Council (TLC) to launch a supply chain and logistics hub where NKU students can network for future internships and job opportunities while earning their degree. The hub gives students the opportunity to interact with TLC members from the transportation and logistics industries, governmental agencies, community groups and affiliated agencies. Industry studies estimate by 2020 there will be one qualified candidate for every six supply chain-related jobs. NKU has the only four-year degree program in supply chain and logistics within the region.

JEFFERSONTOWN
■ The City of Jeffersontown is seeking a private-sector developer to take on a 2.38-acre site in the city’s Gaslight Square District, a walkable area that includes dining and entertainment options. Jeffersontown officials envision a mixed-used development on the site but are open to other ideas, including a boutique hotel, office complex or retail center. The Jeffersontown Economic Development Authority has issued a request for proposals (jeffersontownky.gov), with a deadline for responses set for July 15.

LAWRENCEBURG
■ Four Roses Distillery has completed a $55 million expansion project that doubles the company’s production capacity. The project added two new buildings and equipment at the Lawrenceburg distillery and a new bottling facility at the warehouse and bottling facility in Cox’s Creek.

Production capacity is scheduled to increase from 4 million to 8 million proof gallons, enough to fill more than 130,000 barrels a year.

LEXINGTON
■ Tempur-Pedic has introduced a new line of mattresses designed to regulate temperature and help sleepers feel up to eight degrees cooler through the night. The Lexington-based company said its thermal, material and textile scientists have spent more than 10 years and 2.6 million hours to research and develop the new Tempur-breeze® line.

Lexington-based A&W Restaurants, which celebrates its 100th anniversary this year, has opened a company-owned restaurant in Singapore’s new Jewel Changi Airport.

The Singapore location, which is open 24 hours a day, represents a return of A&W to the country after a 16-year absence. In 1966, A&W was the first American quick-service restaurant to enter the country and remains a favorite throughout Southeast Asia: Guests waited up to three hours at the April 17 grand opening of the new Singapore restaurant. A&W plans to open 35 more locations this year across Southeast Asia.

■ The University of Kentucky’s Gatton College of Business and Economics is launching a real-time, online MBA option starting this fall, geared toward working professionals and executives. Unlike a standard MBA program, the real-time online MBA option offers candidates the opportunity to attend classes online from any location, in person at the Gatton College, or a combination of both. Courses will be taught in the classroom and broadcast live on designated weeknights from 6:30 p.m. (Eastern time). Known as “synchronous learning,” the technology creates an interactive, participatory in-classroom experience, allowing online learners the benefit of interacting and participating in real time with faculty, classmates and each other.
Lexington

Becker’s Healthcare has named Baptist Health Lexington and the University of Kentucky Albert B. Chandler Hospital to the 2019 edition of its list of “100 Great Hospitals in America.” Becker’s Healthcare selected the hospitals for inclusion based on an analysis of ranking and award agencies, including U.S. News & World Report 2018-19, rankings, CareChex, Healthgrades, CMS star ratings, Leapfrog grades and IBM Watson Health top hospitals. Nominations were also sought but organizations cannot pay to be included on the list. The two Lexington hospitals were the only Kentucky facilities to be included in the listing.

Louisville

The River Ridge Development Authority in Southern Indiana plans to invest more than $315 million over the next two decades to complete infrastructure improvements at the River Ridge Commerce Center. A report released earlier this year showed River Ridge helped create or sustain more than 16,000 regional jobs and generated $2.3 billion in economic impact. However, less than 30 percent of the 6,000-acre business park has been developed and much of the park’s north end is still undeveloped.

Ford Motor Co. has announced that its all-new Lincoln Corsair will be built at the Louisville Assembly Plant. The two-row SUV, which replaces the Lincoln MKC, will be available in dealerships beginning this fall.

Louisville-based Stock Yards Bancorp Inc. has completed its acquisition of King Bancorp Inc., the holding company for King Southern Bank. King Southern operates five branches in the greater Louisville area and in neighboring Nelson County. The acquisition enables Stock Yards – which has offices in the Louisville, Indianapolis and Cincinnati metropolitan markets and $3.5 billion in assets – to extend its reach into the Nelson County market. As of April 30, 2019, King Bancorp had approximately $192 million in assets, $166 million in loans, $125 million in deposits and $15 million in tangible common equity.

The Louisville Muhammad Ali International Airport has opened a new “Mother’s Room” that provides traveling moms with private lactation space and changing areas to care for their children. Located on Concourse A, the Mother’s Room consists of a large common area with three private suites, each equipped with dimming lights, a comfortable glider and plenty of electrical outlets and USB ports.

Churchill Downs is investing $8 million to build an equine medical center and quarantine facility and make related capital improvements to the racetrack’s backside. The equine medical center, which is slated to open in March 2020, will be used for everyday equine therapeutic purposes as well as immediate and advanced onsite care in the event of injury. The quarantine facility will allow international horses to fly directly to Kentucky and eliminate long van rides when racing at Kentucky venues. It will also provide a facility for isolating, monitoring and treating horses suffering from contagious equine diseases.

Campbellsville

Manchester Tank & Equipment Co. has announced plans to locate a $10 million propane tank manufacturing facility in Campbellsville, a project that is expected to create 175 new full-time jobs in the coming years.

The company, a division of Alabama-based McWane Inc., is acquiring and retrofitting an existing 238,000-s.f. building on 120 acres in Campbellsville. The facility will be used for production and supply of components to the company’s existing facilities. Manchester’s components division includes steel coil processing, steel blanking, deep drawing presses, plasma cutting and bar-feeding machining centers.

Manchester Tank was founded in 1945 as Manchester Welding and Fabricating Co. in Los Angeles. The company started with seven employees, producing five-gallon vertical tanks for butane and propane, primarily used by mobile homes. Manchester now operates four manufacturing facilities in the United States and three offshore operations that serve local markets. In total, the company employs nearly 1,000 people globally and produces thousands of tanks daily.

Kentucky facilities to be included in the listing.

A project to expand parking at Blue Grass Airport will increase the number of parking places from 640 to more than 985. The expansion is part of a $5.8 million construction project that will also provide travelers parking in the long-term lot with a covered walkway and add a 40-space cell phone waiting area where drivers can wait to meet arriving passengers. The project is expected to be complete by spring 2020.

Propene Tank Manufacturer Will Put New $10M Facility in Campbellsville

New Jim Beam Institute at UK Will Train Next Generation of Distillers

The new “Mother’s Room” will provide traveling moms with private

LEXINGTON

BRIEFS

NEW JIM BEAM INSTITUTE AT UK WILL TRAIN NEXT GENERATION OF DISTILLERS

Jim Beam Bourbon is donating $5 million to the University of Kentucky to establish the James B. Beam Institute for Kentucky Spirits. The institute will support a curriculum to educate the next generation of distillers.

The gift represents Beam Suntory’s largest single philanthropic or educational gift in the company’s history.

Led by the College of Agriculture, Food and Environment, the institute will support courses across engineering, chemistry, business, law, horticulture, forestry, food science, and entomology to address spirits industry needs in sustainable agriculture, research and development, and more. The university began a popular certificate in Distillation, Wine and Brewing Studies in 2014, and its online version is set to launch this fall.

Bourbon contributes $8.6 billion to Kentucky’s economy each year, including $1 billion in payroll, and $235 million in state and local tax revenue. The bourbon industry also provides more than 20,000 jobs in the state.

“Very few places in the world have a historic landmark product like bourbon,” said Seth DeBolt, horticulture professor and institute director. “The institute is a collaboration to increase the longevity and the economic development for the spirits industry in Kentucky. It is really driven from an interdependence that we see between the university and the industry, and of course, remembering UK’s land-grant mission is to serve the economy of Kentucky. It’s a win-win all the way around.”
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BRIEFS

LOUISVILLE

The University of Louisville has hired three “entrepreneurs-in-residence” (EIRs) to help guide research-backed inventions to market. The EIRs will each serve a six-month term and will provide guidance on product development, business planning and other activities to accelerate the commercialization of university inventions. Funding for the EIRs comes from the Louisville Entrepreneurship Acceleration Partnership (LEAP), a public-private partnership led by UofL and backed by the Kentucky Cabinet for Economic Development, to grow Louisville’s entrepreneurship ecosystem.

MANCHESTER

WellCare of Kentucky and the WellCare Community Foundation have donated $100,000 to Volunteers of America Mid-States to open a new residential addiction treatment program in Manchester for new and expectant mothers. VOA plans to purchase, renovate and expand an existing facility in Manchester to house up to 16 women and their children. VOA will also offer a transitional outpatient program with subsidized housing and case management supports. The new facility is expected to open in 2019.

MOREHEAD

Morehead State University has announced plans to freeze housing rates and graduate tuition for the upcoming school year. “Part of MSU’s dedication to student success is not just an experience that combines personalized attention and quality academic programs, but also making that experience affordable to students and families,” said MSU President Jay Morgan.

NEWPORT

Newport Independent Schools has launched a new apprenticeship program with Sims-Lohman, a regional distributor of kitchen cabinets, granite countertops and bathroom fixtures. The apprenticeship program is part of the Newport schools’ mission of developing career pathways that prepare students for the future while connecting local employers with students after they graduate. Sims-Lohman currently has 57 apprentices working throughout the company, according to CEO Steve Steinman. “With labor shortages in the marketplace, our apprentices are learning and growing within our culture and often become some of our top performers,” said Steinman.

PADUCAH

Statistics from the American Quilter’s Society show that the 2019 Spring QuiltWeek Show in Paducah generated an economic impact of $25.5 million. The show drew some 31,000 quilting enthusiasts from 47 states and 11 countries, selling out hotels in the region and supporting the area’s many restaurants and shops. Paducah, which has become known as Quilt City USA, has hosted AQS QuiltWeek for the last 35 years.

STATE

In an effort to address a statewide opioid crisis, the Kentucky Hospital Association has partnered with the Cabinet for Health and Family Services to launch the Kentucky Statewide Opioid Stewardship program (KY SOS). “This is the first statewide program of its kind where all hospitals in Kentucky collaborate together to combat the opioid crisis at its root — inappropriate or excess opioid prescribing,” said Phillip Chang, chief medical officer at UK Healthcare, who is chairing an advisory committee to develop standards for the program. The advisory committee will focus on promoting the appropriate prescribing of opioids and is comprised of clinical experts in emergency medicine, addictions treatment, pharmacy and nursing, along with hospital administration and a former patient.

LOUISVILLE

UPS has completed a $310 million, multiyear expansion of its Centennial ground hub in Louisville.

The project added over 838,000 s.f., more than tripling the size of the facility. Now covering more than 19 football fields, the expanded facility can process approximately 85,000 packages per hour via nearly 25 miles of conveyors using highly automated processing equipment. Six-sided laser label decode tunnels can rapidly capture package information from address labels, and high-speed label applicators place UPS “smart labels” on packages at a rate of three per second, providing UPS personnel instructions for proper routing and loading into waiting trailers or into package delivery vehicles.

The hub’s proximity to UPS Worldport at the Louisville International Airport allows UPS to provide end-of-runway express service to its customers in Louisville and surrounding areas. The new setup will allow packages to be inserted into the Worldport air operations as late as 1:30 a.m.

UPS plans to add 300 more full- and part-time positions to support the expansion.

HAZARD

High school students in the Hazard Independent School District and Perry County schools are being given the opportunity to participate in Kentucky’s first high school apprenticeship program.

The goal of Kentucky Advanced Technical College High (K-TECH) is to help Kentucky meet the heightening demand for workers with STEM (science, technology, engineering and math) skills by incorporating apprenticeship opportunities in those subjects into the high school curriculum.

Kentucky was selected by the United States Department of Education to receive one of six highly competitive national awards, which will fund the launch of the apprenticeship program.

The program will focus on two of the state’s fastest growing job sectors: health care and information technology. Students will have the opportunity to meet potential employers, take dual-credit course work, receive soft-skills training, and participate in paid apprenticeships. The goal is to place at least 100 Kentucky high students into paid apprenticeships over the next three years. The curriculum matches each student with an industry mentor for the duration of the program and progressively builds opportunities for students to connect classroom learning to real-life situations and applications.

The program is being created through a partnership with the Hazard Community and Technical College (HCTC), the University of Kentucky Center for Excellence in Rural Health, Appalachian Regional Hospitals, Juniper Health and Hazard Independent Schools.
CORPOREX Cos. and AEG Presents/Promo West have reached an agreement for Corporex to build a $40 million music venue in Newport.

The venue will be part of the first phase of the Ovation development, a 25-acre mixed-used development located along the Ohio River, across from downtown Cincinnati.

The design will accommodate indoor audiences of up to 2,700 and will have an outdoor capacity for summer shows of up to 7,000 concert guests. The facility is expected to attract more than 180 events each year and up to 400,000 guests annually.

The concert hall will have a unique, sweeping roof design and will sit atop a 550-car structured parking garage. The Venue Plaza will be linked to future phases of the Ovation development via a pedestrian walkway over the recently opened Route 9 extension. The pedestrian bridge will be linked to the restaurants, nightlife and other entertainment spots that will make up the main pedestrian streets dubbed Broadway and Main Streets within the Ovation development.

BUSINESS BRIEFS

STATE
- The Kentucky Lottery Corp. broke a 30-year record for monthly sales in March when its scratch-off sales topped $70 million. The record month occurred just six months after the lottery’s launch of Scientific Games Enhanced Partnership program for instant game management in September 2018. The management program was the first such change in the lottery’s history, made to help grow proceeds to education in the state of Kentucky, and covers all aspects of the lottery’s $613 million product line of scratch-offs, including game development and portfolio management, advanced logistics for warehousing and distribution, and growing retail sales. In fiscal year 2019, retail sales growth of instant games is already tracking close to 10% year over year.

- The Kentucky Real Estate Commission is now offering a new online licensing process for all applicants seeking a real estate license and for current licensees to renew or verify their license, view continuing education history and requirements, and more. License information is available at krec.ky.gov.

- An annual progress report produced by the Council on Postsecondary Education shows that Kentucky is on track to reach its educational attainment goal of 60% of the working-age population with a certificate or degree by 2030. The total number of undergraduate degrees and credentials conferred increased 2.9% in 2017-18 over the prior year, exceeding the 1.7% average annual increase needed to stay on track. The increase includes both public and independent institutions.
**INTERSTATE LANE**

Business news from Indiana, Ohio, Tennessee and West Virginia

### BUSINESS BRIEFS

**INDIANA**
- **Viewrail**, a family-owned and operated manufacturer of custom stairs and stair components, is investing more than $12 million to double its footprint in Goshen, Ind. The project will add 40,000 s.f. to its existing production facility, allowing the company to expand its metal and wood shops and increase production. Viewrail has experienced six consecutive years of 60% annual revenue growth and expects to achieve $100 million in sales by 2021 with the increased production. The company plans to add up to 200 employees to the existing 135-member workforce within the next four years.

- **Continental Diamond Tool**, a producer of super-abrasive grinding wheels and custom tooling, is investing $3.5 million to expand its manufacturing operations in New Haven, Ind., creating up to 226 new jobs over the next four years. In addition to increasing its manufacturing capacity and research and development labs, the company is also investing in new computer and information technology hardware, and new machinery and equipment. The project will be Continental’s third expansion since 2014.

- A company that uses technology to turn corn field waste into sustainable products is investing nearly $30 million to establish its first United States production plant in Rushville, Ind. **Cormo USA Inc.**, a joint venture between Switzerland-based Cormo AG and Florida-based **Sustainable Projects Group Inc.**, will process maize straw from up to 150,000 acres of corn fields each year into a 100% sustainable peat moss substitute for agricultural uses and into foam products for material sciences uses. The new operation will create 250 jobs by the end of 2023.

**OHIO**
- **General Motors** has announced that it is creating more than 450 manufacturing jobs across three Ohio cities as part of a $700 million expansion project. The company’s DMAX plant in Moraine is expanding diesel engine production for GM’s new heavy-duty pickups, which will go on sale later this year. **Toledo Transmission** will expand production of the company’s new 10-speed automatic transmission for trucks and SUVs. **The Parma Metal Center** will expand production of stamped parts and deploy laser cell welding technology.

- **Root Insurance** is expanding its operations in Columbus, Ohio, with a new customer service and claims center that will add 400 new jobs to the company’s current 550-member workforce. The Columbus-based company is the nation’s first auto insurer to incorporate driving behavior into all rates, using smartphone technology and data science to measure driving behavior.

**TENNESSEE**
- **Arrive Logistics** is investing $3.6 million to expand its operations in Chattanooga, creating 500 new jobs. The Texas-based freight brokerage company, which works with shipper and carrier partners to deliver services, chose Chattanooga for its expansion to keep up with the company’s continued steady growth due to the strong logistics industry presence in the southeastern United States. Since its inception in 2014, the company has doubled in size and revenue each year, reaching revenues of $370 million in 2018.

- **Western Express** is investing $88 million to expand its headquarters operations in Nashville. The project will create 225 new jobs over the next five years. Founded in 1991, the asset-based, over-the-road carrier now operates more than 2,600 tractor trucks and 6,500 trailers. The company currently employs more than 2,100 full-time employees in Tennessee and a total of 3,600 worldwide.

**GLOBAL DEFENSE COMPANY TO HIRE 300 FOR NEW MANUFACTURING PLANT**

**GLOBAL defense and security company Saab** has announced plans to establish a new advanced manufacturing and production facility in West Lafayette, Ind. Located at the Purdue University-affiliated Discovery Park District Aerospace, the Saab facility will support production of the **U.S. Air Force’s next-generation T-X jet trainer** and is a fundamental part of the company’s strategy to grow its U.S. industrial and technology base.

Stockholm-based Saab is investing $37 million to construct and equip the new facility, and expects to add 300 new jobs to support the project, with hiring starting in 2020. The U.S. Air Force contract for the T-X pilot training program was won by **Boeing**, and the U.S. Air Force plans to purchase 351 jets in the first phase. Saab teamed with Boeing for the competition and is a top supplier to Boeing for the contract. In Indiana, Saab will produce major aero structures for the T-X, which features an all-new aircraft designed, developed and manufactured by Boeing and Saab.

With suppliers including **Triumph Group**, **General Electric**, **Collins Aerospace** and **L3 Technologies**, more than 90% of the T-X will be made in America and is expected to support more than 17,000 U.S. jobs.

**FREIGHT COMPANY GEARS UP FOR $88M EXPANSION, 225 NEW JOBS IN NASHVILLE**

**ASHVILLE-based freight and transportation company Western Express** is investing $88 million to expand its headquarters operations in Nashville. The project will create 225 new jobs over the next five years.

Nashville-based Western Express ranks as one of the nation’s top 25 freight carriers based on revenue.

The expansion will add new technology, business services and back-office support at the company’s Nashville headquarters. Western Express will also invest in new trucks, trailers, GPS and other transportation-related equipment. In addition to the 225 headquarters positions, Western Express plans to hire more than 350 driving associates each year over the next five years.
COMPETITION FOR WORKERS HEATS UP
For some time now, employers across a broad array of industries have been reporting that they are having difficulty finding qualified employees. A recent survey conducted by recruitment firm Robert Half found that nearly 60% of job seekers have received two or more offers simultaneously when applying for jobs. Salary and benefits continue to weigh heavily in the decision-making process, but there are other important factors too, when making an offer to land the right job candidate.

REAL ESTATE STILL RULES AS BEST INVESTMENT
Stocks have had a strong 2019, with the major U.S. stock indices establishing or nearing record highs in April and early May. Still, more Americans continue to believe real estate is a superior long-term investment to stocks or other investment options. A Gallup poll in early April asked the following question: Which do you think is the best long-term investment?

THE CHANGING FACE OF SOCIAL MEDIA
While social media has become a significant component in advertising, to get the best results, you have to pursue the avenues that put your message in front of the demographic you are seeking. A report from Edison Research released earlier this year confirms that Facebook is experiencing an exodus of young people moving to Instagram and Snapchat while more users age 55 and up are signing up.

AIRFARE COMPARISON
The U.S. Department of Transportation has released its latest average airfare ranking report. Listed below is a fare comparison chart for airports in Kentucky and the surrounding region. The 2018 average domestic itinerary airfare of $350 was the lowest inflation-adjusted annual fare since the Bureau of Transportation Statistics began collecting such records in 1995, down 1.8 percent from the previous low of $356 in 2017.
CORPORATE MOVES
New leadership for Kentucky businesses

BIG MOVES
■ Fort Thomas-based KLH Engineers has announced the following appointments: Robert Heil, who has served as chief executive officer and president for the past four years, will serve as the new chairman of the board of directors and will continue to lead as CEO. James Taverneli will serve as president and continue in his current role as chief operations officer.

Doug Johansing and Alex Jonovski have been named as principals in the firm. Brian Bruggeman, who joined the firm as director of business development in 2014, is expanding his role to serve as chief client officer.

Stephen Federle has been named director of engineering. Brandon Johnson has been named electrical engineering manager.

■ Matthew Robertson has been named business development officer for Lexington-based Bank of the Bluegrass & Trust Co.

■ Craig Miller has been promoted to president of Hammond Communications Group in Lexington. Miller succeeds co-founder Ron Mosotti, who has stepped down as president after 30 years. Mosotti will continue to serve as senior advisor.

■ Kelley Bright has been appointed Kentucky office leader for the Louisville office of Merz, a global consulting firm.

ADVERTISING/MARKETING
■ Power, a Louisville-based advertising and marketing agency has announced the following appointments: Glenn Goodman – executive director, creative; Dennis Smiley – executive director, operations; and Shareen Dunn – executive director, digital.

■ Jennifer Drennan has been named president of Field & Main’s Lexington market.

■ Greg Haddix has joined Lexington-based private equity firm MiddleGround as vice president.

■ Hilliard Lyons Trust Co. has announced the following appointments: Don Asfahl – chairman; Mark K. Nickel – president and chief investment officer; and Chris Staples – chief operating officer.

■ Paula Beebe has joined Central Bank as vice president, mortgage lending in Winchester.

■ Doug Peabody has joined Stegner Investment Associates Inc. in Louisville as president and chief operating officer.

BUSINESS DEVELOPMENT
■ Amererah Palacios has joined Greater Louisville Inc. as director of marketing and communications.

■ Judy Williams Daniel has been named director of business and industry development for Big Sandy Community and Technical College.

■ Quentin Young has been named vice president of finance and chief financial officer at the University of the Cumberlands.

■ Eddie Kenny has been named vice president of advancement at Kentucky Wesleyan College.

■ Brian Cusato has been named special assistant to the president at Centre College. Cusato will continue in his role as associate vice president of academic affairs.

■ Northern Kentucky University has named Andrea Falcone as dean of the W. Frank Steely Library.

■ Dr. Mohammed Kazimuddin has been named assistant dean of the University of Kentucky College of Medicine – Bowling Green Campus.

■ Claire Fuller has been named dean of the Murray State University Jesse D. Jones College of Science, Engineering and Technology.

■ Matthew Ruanik has been named vice president of admissions for Kentucky Wesleyan College.

■ Hassan R. HassabElnaby has been named dean of Northern Kentucky University’s Haile/US Bank College of Business.

■ The University of Louisville has announced the following appointments: Brad Shafer – vice president for university advancement; Rehan Khan – vice provost and chief information officer; and Teresa Reed – dean of the School of Music.

■ Doug Way has been named dean of the University of Kentucky Libraries.

■ Linda Strong-Leek has been named provost of Berea College.

■ Sean Howard has been named chief flight instructor for Eastern Kentucky University’s aviation program.

■ Deepa Dubal has been appointed vice president for information technology at Transylvania University.

ENERGY
■ Jeremy Sussman has been named chief financial officer for Ramaco Resources Inc., a Lexington-based operator and developer of metallurgical coal.

■ Kimra H. Cole has been named president and chief operating officer of Columbia Gas of Kentucky. Cole succeeds Herbert A. Miller Jr., who is retiring on July 1, 2019.

EQUINE
■ Christa Marrillia has been named vice president and chief marketing officer at Keeneland. Marc Therrien has been named managing director of Keeneland hospitality.
**LEGAL**

- **Steve Smith** has been named Kentucky market leader for Graydon, a law firm with locations in Northern Kentucky and the Greater Cincinnati area.
- **Daniel E. Toberge** has joined the firm to lead its new economic development services team. The firm has also named the following members to its executive committee: **Steve Goodin**, **Jack Greiner** (chair and managing partner), **Dan Heyd**, **Tom Prewitt**, **Dan Reitz** and **Kent Wellington**.

- **Becky Mayton Moore** has been named chair of Frost Brown Todd’s finance practice group. **Josh O’Bryan** has been named chair of the firm’s private equity industry team. Both Moore and O’Bryan practice in Frost Brown Todd’s Louisville office.
- **Josh Beam** has joined McBrayer’s Lexington office, where he focuses on estate planning, probate and corporate law.
- **Mark S. Franklin** has joined Dinsmore & Shohl in Louisville as public finance partner.

**LOGISTICS**

- **Todd Johnson** has joined Walton-based Verst Logistics as president and chief operating officer.

**INSURANCE**

- **Mark Bunning** has been named chief financial officer of Lexington-based Kentucky Employers’ Mutual Insurance (KEMI).

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**INFORMATION TECHNOLOGY**

- **Jennifer Werner** has joined Paducah-based Computer Services Inc. as chief marketing officer.

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**MEETINGS/EVENTS/CONVENTIONS**

- **Brian Sipe** has been named director of booking at Rupp Arena.

**NONPROFIT**

- **Julie H. Berry** has been named executive director for Lexington-based Blue Grass Farms Charities.

**REAL ESTATE**

- **Chelsea Cook** has joined Horizon Commercial Realty in Louisville as marketing administrator. She succeeds **Aubrey Meiners**, who has been named marketing coordinator.
- **Larry Smith** has been named chief operating officer of Louisville commercial real estate firms Hollenbach Oakley and Horizon Commercial Realty.
- **Jenny Dixon** has joined Kentucky REALTORS as education and real estate industry coordinator.

**TECHNOLOGY**

- **Jennifer Werner** has joined Paducah-based Computer Services Inc. as chief marketing officer.

**TRANSPORTATION**

- **Leslie Combs** has been named executive director of Kentuckians for Better Transportation, a statewide transportation association.

**UTILITIES**

- **Curt Dillon** has been appointed health and safety programs manager for Kentucky American Water.

**OTHER**

- **Andrew Berry** has been named director of conservation for Bernheim Arboretum and Research Forest.
- **Shannon Conforti** has been named executive director of Christian Flights International, an organization that leads mission trips.
- **Tony Semak** has been named head of investor relations for Louisville-based Charah Solutions.
- **Material Handling Systems Inc.** announced that company co-founder and Chief Operating Officer **Scott McReynolds** has been named chief executive officer of the Louisville-based company. McReynolds succeeds co-founder and Chief Executive Officer **Tony Mouser**, who has stepped down as CEO, but will continue managing special projects. Co-founder **Greg Judge** remains in his role as president of the company.

**DEPARTURES**

- **Stacey Church** has resigned as general manager of the Kentucky International Convention Center in Louisville to accept the position of assistant general manager of the Kay Bailey Hutchison Convention Center in Dallas.
- **Terry Gill** has resigned as secretary of the Kentucky Cabinet for Economic Development. He plans to return to work in the private sector.
- **Barton D. Darrell** has resigned as president of Kentucky Wesleyan College, effective June 1, 2019.
- **Karen Profitt Newman** is retiring effective June 30 from Baptist Health Louisville, where she is vice president and chief nursing officer.
- **Marianne Eaves** has left her position as master distiller at Castle & Key Distillery in Frankfort. Eaves plans to pursue other opportunities involving the bourbon industry, including consulting, book, speaking, digital and culinary projects.
- **Marcia Hobbs** has retired as dean of the Murray State University School of Nursing and Health Professions.
- **Seamus Carey** is leaving his position as president of Transylvania University. Effective July 1, Carey will become president of Iona University in New Rochelle, N.Y.
- **Ed Webb** has resigned as president of World Trade Center Kentucky to accept the position of president and CEO of World Trade Center New Orleans.

**FOOD/SPIRITS/HOSPITALITY**

- **Dan McKee** has been promoted to master distiller for Michter’s Distillery, succeeding **Pamela Heilmann**, who retired from the position May 1. Distillery Manager **Matt Bell** has been named distiller.
- **Ricky Carpentieri** has been named director of food and beverage at Lexington Marriott City Center and Residence Inn Lexington City Center.
- **Stoli Group** has named **Lee Tatum** as managing director for the Kentucky Owl brand, based out of Louisville and Bardstown.
- **Louisville-based KFC Corp.** has named **Monica Rothgery** chief operating officer of KFC U.S.

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ON THE BOARDS
Kentuckians named to organizational leadership roles

AMERICAN DIABETES ASSOCIATION OF KENTUCKY
- Demetrius Holloway has been appointed to the community leadership board of the American Diabetes Association of Kentucky. Holloway is a partner with the law firm of Stites & Harbison, based in the Louisville office.

APPALACHIAN REGIONAL COMMISSION SUBSTANCE ABUSE ADVISORY COUNCIL
- Janell Brewer and Nancy Hale have been appointed to serve on Appalachian Regional Commission’s Substance Abuse Advisory Council. Brewer is the founder and chief executive officer of SPARK (Special People Advocating Recovery Kentuckys) in Stanton. Hale is president and chief executive officer of Operation UNITE in London.

BARBASOL CHAMPIONSHIP ADVISORY BOARD
- The following individuals have been named the 2019 advisory board for the Barbados Championship, the PGA golf tournament that will held July 18-21 at the Champions at Keene Trace Golf Club in Jessamine County: Mitch Barnhart, Bruce Drake, William B. Frye, Evan Gossberger, Bobbi Turner, Lauren Vernon, Lee Webb and Jon Weece.

BLUEGRASS CRIME STOPPERS
- John Thurston has been named board chair of Bluegrass Crime Stoppers for 2019. Thurston is retired from the United States attorney’s office and the Lexington Police Department.

FARM CREDIT MID-AMERICA
- Laura Knott has been named to the board of directors of Farm Credit Mid-America. Knott is an owner/partner in M&L Farms in Grand Rivers, Ky., and executive director of the Kentucky Corn Growers Association and Kentucky Small Grain Growers Association.

FUND FOR THE ARTS
- Terry Wright has been elected to the board of the Fund for the Arts in Louisville. Wright is a partner in the law firm of Stites & Harbison and chair of the intellectual property and technology service group.

GATEWAY FOUNDATION
- Jamie Parsons and Anthony Kelly have been named to the board of trustees of the Gateway Foundation, the philanthropy arm of Gateway Community and Technical College.

JEFFERSON COUNTY LEAGUE OF CITIES
- The following individuals have been installed as officers for the Jefferson County League of Cities: President — Mayor Bonnie Jung, Douglass Hills; Vice President — Mayor Becky Peak, Plantation; Treasurer — Mayor Mary Hornek, Meadow Vale; and Secretary — Commissioner Mary Rose Evans, Parkway Village. Serving as the JCLC’s board of directors are: Councilman Bernie Bowling, St. Matthews; Mayor Beverly C. Burton, Shively; Mayor Byron Chapman, Middletown; Mayor Zak DuGla, Creeksside; Mayor John Evans, Prospect; Mayor Brent Hagan, Lyndon; Mayor Tommy Hewitt, Anchorage; Mayor Mary Masick, Hurstbourne; Mayor Brenda Moore, West Buechel; and Mayor Mark Petruska, Broeck Pointe.

KEENELAND
- Thoroughbred owner and breeder Everett Dobson has been appointed a Keeneland trustee.

KENTUCKY ASSOCIATION OF BLACKS IN HIGHER EDUCATION PROJECT
- Cory Clark has been elected president of the Kentucky Association of Blacks in Higher Education. Clark is the minority academic service coordinator at Morehead State University.

KENTUCKY EQUINE EDUCATION PROJECT
- The Kentucky Equine Education Project (KEEP) has announced the following appointments to its board of directors: Sean Bierne, director of the University of Louisville equine industry program; Debra Hamelback, executive director of the Kentucky Veterinary Medical Association; Carl McEntee, president of the Kentucky Thoroughbred Farm Managers Club and managing partner of Ballysax Bloodstock; Ted Nicholson, senior vice president and general manager of Kentucky Downs; and Andy Roberts, a veterinarian and member of the North American Association of Racetrack Veterinarians board of directors.

LEXINGTON CLINIC
- Lexington Clinic has announced its 2019 board of directors and officers: President — Dr. Stephen C. Umansky; Vice President — Dr. Michael T. Ceci; Secretary — Dr. Kimberly A. Hudson; and Treasurer — Dr. Robert A. Davenport. 2019 Board members: Dr. Haider Abbas, Dr. An-Yu Chen, Dr. Kyle Childers, Dr. Shailendra Chopra, Dr. Jamil Haneef, Dr. Robby Hutchinson, Nick Rowe and Alan Stein.

NATIONAL ASSOCIATION FOR CAMPUS ACTIVITIES
- Kendrick Durham, assistant dean and director of campus activities at Centre College, has been elected to serve on the board of directors of the National Association for Campus Activities.

NATIONAL ASSOCIATION OF UTILITY REGULATORY COMMISSIONERS
- Talina R. Mathews has been appointed to the board of directors of the National Association of Utility Regulatory Commissioners. Mathews is commissioner of the Kentucky Public Service Commission.

REPUBLIC BANCORP
- Andrew Trager-Kusman has been elected to the board of directors of Republic Bancorp Inc.

SHELBYKY TOURISM & VISITORS BUREAU
- Joyce Nethery has been named to a three-year term on the board of directors of ShelbyKY Tourism & Visitors Bureau. Nethery is master distiller at Jeptha Creed Distillery in Shelbyville.

SOUTHEASTERN ASSOCIATION OF EDUCATIONAL OPPORTUNITY PROGRAM PERSONNEL
- Tom Rowland has been elected president of the southeastern Association of Educational Opportunity Program Personnel, a nonprofit organization of eight states whose members are involved in equal educational opportunity while advancing the ideals of student access, persistence and completion of postsecondary education. Rowland is director of Morehead State University’s Commonwealth Educational Opportunity Center.

STATE BOARD OF ELECTIONS
- David “Oz” Osborne and Katrina Fitzgerald have been appointed to the State Board of Elections. Osborne, of Owensboro, and Fitzgerald, of Brandenburg, are both retired county clerks.

TRANSYLVANIA UNIVERSITY
- Mark Lyons has been elected to the Transylvania University board of trustees. Lyons is president and chief executive officer of Nicholasville-based AllenTech.
Campus Culture: Build it, and they will Come and Stay

Attracting and retaining students begins with creating an ‘ecosystem’ for connection

BY JOHN WHITNEY, AIA

Higher education is in a state of flux, reacting and adapting to the ever-changing learning landscape. While most want to focus on building up students and research—the real work of education—the need for building up structures to support scholarship and discovery continues apace. However, the core business model for attraction, enrollment, retention, and achievement remains the same: engage students so they achieve academically, stay because they are happy, and attract others because they create a culture of learning.

“...engage students so they achieve academically, stay because they are happy, and attract others because they create a culture of learning.”

Enrolling new students is only the first step in a continuing and expanding effort to retain students and provide them with the tools necessary to matriculate. Architects and planners focused on higher education know their campus designs need to surpass the expectations of today’s students and serve to reinforce the socialization process necessary to fully engage young adults—both socially and intellectually—as they become members of the academic community.

For decades, campus buildings tended to be single purpose: one is for eating, another for sleeping, and another for studying. Additionally, students and faculty have been separated into different dining halls and work spaces. Why is this? And is it serving (and attracting) today’s top students and faculty?

To best serve the needs of higher education clients, Luckett & Farley launched an internal studio to pair industry expertise with creative technology and modern solutions, specifically with tomorrow’s campus in mind.

One project where they’re leading with student-centered design is a renovation of The Commons at Western Kentucky University. A collaboration with Gensler and Cinci-little, this project is rethinking the relationship between social and intellectual spaces in the campus ecosystem, as Luckett & Farley transition the campus library from a repository for books to a common space where ideas are created, shared, and shaped. With a functional focus on opportunities for collaboration and interaction to serve the whole student, the new design will make The Commons a new academic center for the campus where students and faculty can eat, study, and connect.

Another example of blurring the fictional edges of academic buildings is the J.H. Richmond Residence Hall renovation at Murray State University where Luckett & Farley proposed a larger, more appealing gathering space. Going beyond the archetypical dormitory, the building functions as a social hub, encouraging student connections to improve retention.

The nature of education has become increasingly multi-dimensional, and the buildings that house it need to evolve as well. hybrid structures designed to foster faculty and student interaction and generate collaboration are fast on their way to becoming the norm and what incoming students expect.

With over 30 years of experience, John Whitney leads the Higher Education studio, sharing a wide range of skills in all aspects of project development, design, management, and construction administration with our clients. Contact John at 502-585-4181 ext. 1913 or jwhitney@luckett-farley.com.
and purposeful about the way in which university is trying to be more mindful community in Louisville. It’s a strong Council, the business and civic relationship with the mayor, the Metro how intricately intertwined we are. We are and the city have a deep appreciation of good point in time where the university get from one another. We’re at a very don’t completely understand what they extent so goes Louisville. When you talk understanding that as goes UofL to some love for the university and a deep People who live in Louisville, whether they rooted in the life of the community. university because it shows that it’s deeply I love the legacy of this Neeli Bendapudi:

**WHEN UofL IS GREAT PLACE FOR LEARNING, GOOD RESULTS FOR COMMUNITY FOLLOW**

President Neeli Bendapudi explains how transparency creates trust to fulfill its mission, and that in turn creates success for Louisville

**BY MARK GREEN**

Mark Green: UofL was the first city-owned university in the nation and although it’s been part of the state system nearly 50 years, there remains a special town-gown relationship. City leaders say UofL’s success is key to Louisville success. What is the current status of town-gown relations and how do you see the university’s role as an economic engine?

**Neeli Bendapudi:** I love the legacy of this university because it shows that it’s deeply rooted in the life of the community. People who live in Louisville, whether they went to the university or not, have a deep love for the university and a deep understanding that as goes UofL to some extent so goes Louisville. When you talk about town-gown relationships, these are often contentious because the two sides don’t completely understand what they get from one another. We’re at a very good point in time where the university and the city have a deep appreciation of how intricately intertwined we are. We are symbiotic; we need to help each other.

We have developed a strong relationship with the mayor, the Metro Council, the business and civic community in Louisville. It’s a strong relationship and getting stronger. The university is trying to be more mindful and purposeful about the way in which we impact the city. I often talk about how we at the university should have ripple effects. Our first impact should be on Louisville, then the commonwealth, then the country, and then the world. We have global aspirations, but we understand that our difference has to begin with the local.

**MG:** UofL is in a unique position to promote and encourage diversity. Why is the university’s role as an engine for social change important?

**NB:** In terms of social impact, universities have a very unique place in both reflecting the trends of the society and modeling changes that then go out into society. So we don’t just reflect society, we get to shape society as well. Because of the discussions we have in the classroom and the interactions students have with one another, we have an impact on society when they give back and enter the work force.

Diversity is one place where the UofL has always done well – and I can brag on it because I had nothing to do with it. For years this university has been viewed as very welcoming to a diverse student body and faculty and staff community.

**Shaun Harper,** executive director at the USC Race and Equity Center, co-authored a study (“Black Students at Public Colleges and Universities”) citing the University of Louisville in a tie with two others as the best place for an African-American student in the country. This just came out a few months ago. Similarly, a couple of magazines that follow how we’re doing in LGBTQ awareness and openness also rated us as No. 1. This university has a long tradition of being very diverse and being very welcoming. Our department of Pan-African Studies was one of the pioneers in 1973, maybe five years after the very first such department started in the country.

To recognize this diversity that UofL has, after I became president we became signatories to the CEO Act/On Forum. If you go to ceoaction.com you’ll find that PwC, one of the big accounting firms, decided diversity is so important to social and economic development that the CEOs of businesses need to take the lead in diversity; we shouldn’t just wait for other institutions to set policy. At ceoaction.com you’ll see all kinds of businesses represented, pretty much every Fortune 500 company, but also universities are signing on. On behalf of UofL, what this implies to me is that we can look at attracting many businesses.

For example, when you talk about GE FirstBuild (a maker/creation space partnership between UofL’s Speed School of Engineering and GE Appliances), or any institution today, there’s a deep understanding that if we have multiple points of view, different perspectives, different life experiences at the table when we are making decisions, we are all better off for it. So UofL does a great deal to enhance the diversity of Louisville and to project that image that if you are based internationally and want to come here or have a new idea you want to test, we are the place where we welcome all different perspectives.

**MG:** At the highest, most general level, what are your goals for the university?

**NB:** The No. 1 goal is to make UofL a great place to learn. Often, when we forget our primary purpose that’s when we get into trouble. Our main purpose is to create a great place for everybody to learn – not just students. To have dedication to learning and apply those insights to solve the big problems of our day.

To do that, I’ve got to make sure we’re a great place to work for our faculty and staff. A great place to work does not imply just job satisfaction; I want to talk about it as ‘engaged’ employees, people who so believe in the
mission of the university, our vision and where we are trying to go, that they’re willing to go the extra mile, to bring their whole selves to work.

And the second broad goal: We’re not going to that first one unless everybody sees us as a great place to invest. I’m thankful to The Lane Report that one of the things you are doing is telling our story. This gives an opportunity to residents of the commonwealth, to the taxpayers, to employers, donors, alumni, all, to say, ‘Why does it makes sense to support the university?’ I see this as a virtuous cycle and each feeds off the other.

The investments we get enable us to recruit and retain the best faculty and staff. The more we are able to create, recruit and retain the best faculty and staff, the better the learning experience for our students. The better the learning experience for our students, the more likely people are to invest in us.

These are the three big goals. We will achieve those three by really celebrating diversity, fostering equity and striving for inclusion. I created what I call Cardinal Principles. This is a values mnemonic that spells out CARDINAL to make it easy for people to remember. But one of the things that I emphasize there is R is for respect.

1. Let us be a university that offers:
   - Community of Care. Care for self, care for one another as the Cardinals family, and care for the community beyond as the human family. We are a community – not just a collection of individuals. We are a community – not just buildings connected by an HVAC system.
   - Accountability to the team. We keep our promises. We own mistakes. We are accountable to the team.
   - Respect, irrespective of position. We respect each other’s humanity and dignity, no matter what our positions in the organization are. We also respect our right to differing and conflicting positions on issues. To quote, “We will be a place that prepares students for ideas, not protects students from ideas.”
   - Diversity and Inclusion. We celebrate diversity of thought, of life experiences, of perspectives. We know as our state motto states, United We Stand. We want everyone, in the richness of all of their many unique and intersecting identities to feel included in the Cardinal fold.
   - Integrity and Transparency. We will be true to our mission of an urban research university to create, disseminate and apply knowledge. Integrity is our collective commitment to make decisions with the best interests of our university in mind and to share the decision-making rationale and the outcomes transparently.
   - Noble Purpose. Each of us will identify for ourselves the way in which we make a difference. We know we must solve the problems of access and affordability to give everyone the opportunity to find and pursue their own noble purpose.
   - Agility. We will recognize that things change and when they do, we must change things. We know that when adaptation in an organization does not keep pace with adaptation in the environment, the organization will not survive.
   - Leadership. We recognize that management is a position but leadership is an activity. We will all behave as owners of the University of Louisville because we are.” We are UofL” is not just a hashtag or a slogan. It is our declaration of leadership and ownership.

And regardless of your position, you treat one another with respect. We may disagree on some idea or some thoughts, but we still need to treat each other with respect. This is a big principle because when we talk about diversity, people seem to think diversity and freedom of speech are at odds of our academic freedom, and I don’t believe that at all.

I like to quote the saying: “We’re not trying to protect students from ideas. We’re trying to prepare students for ideas.” We want them to learn and understand and figure out how to debate and how to propose alternative solutions.

MG: You were given a significant mandate for change at the university, which, as you said, is a complex system of students, faculty, staff and infrastructure. How do you approach this task? What comes first and what are the crucial elements to bringing change to a large organization?

NB: The first thing is to earn people’s trust. The biggest challenge is to get people to fully accept the leader as having the institution’s best interest at heart. And the next thing is building a strong team because no one person, no matter who they are, can be superman or superwoman. It’s just not possible.

MG: UofL’s J.B. Speed School of Engineering has been growing in recent years, which is important to Kentucky’s plans to become a world center for advanced manufacturing. What is in the works at the Speed School?

NB: The Speed School is such a gem for us. We have to keep the pipeline strong. If the state wants to be a manufacturing magnet or if we are to be the ‘makers’ (of products), it’s important that we have a very strong Speed School.

I would like to see more growth for the Speed School; we’ve had so many graduates and I want them to keep in mind that the demand for engineers is growing. But we have outgrown the space. We need more lab space. We need the ability to train the next generation more. We have a wonderful new dean, Emmanuel Collins, and the alumni are very loyal to the Speed School. So how do we keep that momentum going? We’re making big strides in bringing in women and underrepresented students into the engineering pipeline. But overall, I would like to see it continue to grow.

MG: How long does it take the university to create a new degree program or a skills certificate program after determining there’s a need for it?

NB: If all goes well, it takes about eight months or so to present a new degree program to our faculty for input and approval, share it externally to ensure it meets accreditation requirements, gain the support of our board of trustees, then have it approved by the Kentucky Council on Postsecondary Education. As we are a public institution, the state has an interest in making sure that different universities are playing on their selective strengths and that we’re not unnecessarily duplicating every degree everywhere. Within a broad degree, the emphasis can be very different and there may be a need to distinguish the offerings.

Offering a degree is usually a longer-term proposition, whereas trying to get students to learn specific skill sets for a certificate, we have much more flexibility moving quickly on that. These are proof-of-concept in some way; we’ve done some study, we hear there is demand, but we can be pretty nimble about starting up these programs. And then shifting everything as the marketplace needs.

MG: What degrees or specialty programs does UofL offer that other universities do not?

NB: It’s less about degrees that others do not offer; often it’s a question of emphasis. For example, as a university we really want to become the place for optimal aging. Republic Bank and the Trager Family recently endowed for us the Trager Family Institute for Optimal Aging (formerly the Institute for Sustainable Health and Optimal...
Aging). So optimal aging can be a theme no matter what you’re studying: art and art therapy, or philosophy, or engineering, or nursing. Our students would be exposed to the big demographic changes we’re seeing in terms of fewer younger people and a greater percentage of the older population and what that means. How do we reorganize the nature of work? That might be an emphasis that we look at.

We have a franchise certificate now in the business school because look at how much of our economy in the commonwealth and certainly Louisville, is based on franchising a business model.

Other things of interest include work that’s being done in spinal cord research at the university. Recently we had Medtronic here and faculty from around the country came to see what Dr. Susi Harckema is doing in her research. We call it Victory Over Paralysis, teaching people who are completely paralyzed to gain mobility and to be able to walk.

Those are examples of cutting-edge areas where multiple schools might have a program but each university says, ‘We have a special niche and if you come here you’ll have an opportunity to get more hands-on work in this area.’

MG: UofL has grown its research significantly the past several decades. What are UofL’s current focus areas and what is the strategy moving forward?

NB: We are going through a strategic planning process right now. Being situated in a metropolitan area, University of Louisville research has two distinguishing features. One is, you will see that we tackle a lot of the big problems that impact a metropolitan setting because that’s our living lab, if you will.

The second thing is our research tends to be much more clinical or applied in nature because we want to be able to quickly take what we learn and apply it. For example, in our Kent School of Social Work we’re doing a lot to address: How do we ease the burden on communities? How do we provide more mental health counselors? It doesn’t matter which area we’re in, we tend to tackle big problems that impact cities, and our research tends to be very much focused on application as opposed to just basic sciences. It does not mean that basic sciences are not important; we rely on it.

As for specific areas we will be emphasizing, you brought up the school of engineering, and there is what’s happening in the health sciences. We are going through a strategic planning process right now, and we have a whole group looking what areas we ought to be emphasizing. Once we get the areas from the work group, we want to vet it with our board of trustees and then talk about staking that ground, areas we are particularly suited to do well.

MG: Related to research, does technology licensed from UofL research generate much income?

NB: It does generate income. But across universities technology commercialization is not so much about (licensing income). What tends to happen is spinoffs. We are not unique. They’re taking the culture of innovation, getting more people involved. You hear about Talaris Therapeutics; its whole technology (which hopes to prevent the need for immunosuppressing drugs following a kidney transplant) just got $100 million funding. But then look at places like our Envirome Institute that Aruni Bhatnagar runs. Just like we study the genome project, the Envirome (looks for human-environment interrelationships). Or the Conn Center for Renewable Energy Research. All of these are spurring innovation. So across the board, universities of technology commercialization don’t really make a lot of money in and of themselves; that’s not quite consistent with our model. What we often see is if we make it easier for our faculty, staff and students to interact with industry and to pursue those ideas, a lot of the giving comes back from grateful citizens of the University of Louisville.

MG: You mention strategic planning. What can you tell us about the university’s current strategic planning process? How long will that take and what will happen there?

NB: My belief in strategic planning is, it needs to yield a document that’s a living document, something that you constantly reference – something that acts as a guidepost, a North Star to see how we’re doing, something that’s flexible and that holds us accountable.

What we’ve decided is that in lieu of five-, 10-, 20-year plans we would do two three-year plans. One will be 2019 to 2022, the next one would be 2022 to 2025. I did that on purpose so that we will hold ourselves more accountable.

The process began with my executive team and the university’s senior leadership – including faculty, staff and student governance leaders – drafting top-level strategic goals for the university. We ended up with three bold goals around making UofL a great place to learn, work and in which to invest. The workgroups then went to work building out specific strategies to accomplish the goal and particular action steps that will be required to complete the strategy. Currently, the planning groups are working on targets and measures that we can use to assess our progress on the goals once the plan is released publicly. In June, we will be revising the final language and will share the final draft with our internal and external stakeholders for any final feedback. Once we have a finished plan, we will create an implementation committee that will work throughout the next three years to ensure we are held accountable to doing the work we commit to in the strategic plan.

I decided we would have three work groups that would work in parallel, in consultation with the senior leadership team and the board of trustees. We have 30 spots on each committee. We sent out an email soliciting nominations, and in less than a week we received over 1,400 unique names. That shows how eager the university community is to engage. I find it very gratifying that so many people would want to give their time for something that’s not compensated, just because they care about the direction of our university.

MG: Are there any construction plans currently for the university?

NB: Please stay tuned because through the strategic planning process we’re hoping to align our plans for the future with the areas for excellence, because we have to be mindful that we don’t have unlimited resources. We’re hoping to align our plans for construction with areas of growth in the university.

MG: UofL was pretty early to the use of public-private partnership agreements, such as having EdR of Memphis build student housing to meet some of your campus needs. Is the school looking to enter into further P3 relationships?

NB: We’re always open to any and all of these and that’s certainly on the table.

MG: What is the status of student housing on campus? Does it meet today’s needs or are there any changes likely?

NB: The challenge for student housing on our campus as well as anywhere is to make sure we continue to have affordable options. Students today have grown up where internet access is a utility like water and electricity.
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Housing also takes on great importance in building community. We are emphasizing living-learning communities, trying to make sure the discussions that start in the classroom can continue outside of it, that students are actively engaged. So we are trying to update our housing, but my challenge will always be to make sure that we try to keep up with the expectations and demands of a younger generation and that we keep it affordable as well.

MG: There is special campus housing for students who work with UPS. How did UofL’s special relationship with UPS come about, and are there other potential special relationships in the community?

NB: I hope there are! The Metropolitan College is a wonderful opportunity for our students, many of whom have to work to put themselves through college, even if they have scholarships. The Metro University model has been in effect for a long time. It allows students to work a couple nights a week at UPS, and in return they can graduate debt-free. UPS offers the students bonuses because they want students to stay in college. I had so much fun going there one day when they were giving out these bonuses, for a certain GPA, a certain number of hours achieved. These students are incredible because they learn leadership skills, learn how to be disciplined, learn time management. They’re inspirations to me because they also find a way to stay actively engaged on campus.

We are very grateful to UPS for this robust relationship, and we would be eager to discuss options like that with other employers. I have had some experience in other places. It doesn’t have to be identical. It could be ways our students can gain paid internship experiences that then translate into reducing their debt and making them more marketable after graduation. For example, the Speed School has a co-op program that’s fantastic because every student is able to gain that internship experience. That’s part of their degree. In our school of business, in the MBA program, there are guaranteed internships for students. These are very important to the students and to the employers.

I’ve always said that if an employer has to hire you just based on your test scores, it’s like a coach picking an athlete based on how well they know the rules of the game rather than if they can actually play the game. I find it very important.

MG: What was your pathway into academic administration and what about it generates your passion?

NB: Early on, when I was at Ohio State University (as a marketing professor), I was very grateful to the then-dean of the business school, Dr. Joseph Alutto, who went on to be provost and president at Ohio State, because he encouraged me to take on a leadership role. I was a rookie assistant professor – we have these three tiers in academe of assistant, associate, and full professor – and he gave me the opportunity to take a lead in setting up a center to connect the university and business community so that they would say, ‘How can the research being done at Ohio State help the business community and how can the insight from business improve our instruction and research?’ That got me very interested because I had the opportunity to bring theory and practice together.

That comes from my background as a business professor, so that particularly appealed to me. I continue to grow in that area. For a while, I went on to become executive vice president of Huntington Bank, and that, too, showed me the importance of leaders and setting the tone and pursuing an agenda and making sure that you are always looking out for the best interest of the organization and its future. I was quite content playing these different roles. Then I went to the University of Kansas, which is my alma mater, when they called to see if I could come to help at a very crucial time there and the business school had undergone some turmoil. Students were unhappy with the direction; we needed to be more fiscally transparent, and I figured I had to step up to the challenge and help. I truly enjoy that role tremendously. It’s a big shift when you become an administrator in academe because it’s no longer about your individual productivity. Unlike a company, where everyone has a shared fate based on how the company is doing, often in academics, we are in our titles: It’s ‘my’ classes, how I teach ‘my’ students, it’s ‘my’ research. Being an administrator gives you a chance to see and appreciate the breadth of the university and the contributions it can make.

MG: When you arrived at University of Louisville a year ago, you gave out your cell phone number to students. Do you continue to share it and what has been the impact of doing this?

NB: I do. I usually give it out to each freshman class so that in a few years the entire campus has my number. I give it out to groups of students and encourage them give it to all of their friends. And the reason for that is two-fold.

Not every student has someone they can reach out to in an absolute emergency. I tell students it’s not for something where they can find the answer on their own, and it’s not for routine questions. It’s for when they’ve hit a brick wall, whatever that might be, or they need somebody to help. I want them to reach out to me.

The second reason I do that is, it fosters accountability among everyone who reports to me. Because if a student calls or texts me – usually they don’t call, they text – and they’re running into trouble with a unit, they will know that that student (can reach out), that I will hear about it. Everyone knows that you don’t necessarily want the boss to hear these complaints. You see what I mean?

I’m not asking everybody who reports to me to give out their number. My biggest reason for doing that is, I want every parent who sends their child here to know that to the best of my ability I am here for their young people. Not everyone has someone they can call. Under my watch, I want every student to know that they are the reason that we exist here at the university.

It’s hard to know exactly, but by now I would say I’ve given my number to 7,500 students. There are different contexts, but I’ve never received a prank call. Everybody is genuinely respectful and I have responded when students reach out to me.

MG: Transparency is something you stress so that as many people in the university community as possible know what’s going on. How is your transparency effort progressing?

NB: Transparency is creating a culture of ownership. Part of the reason for transparency is no one person can know all the answers or know exactly what should be done. Transparency allows us to say: This is the issue, this is what I’m thinking about; what do you think? You really invite people in to add their voices to the discussion. Secondly, when you’re transparent, even if people don’t agree with one’s decision they understand the criteria from which those decisions were made. They understand and they’re willing to cut you so much slack because they understand what is behind that decision.

One caution I would give as a marketing professor is, it’s not just what
You say. People quickly can see through if it’s just idle talk and it’s not action. My husband, Venkat, and I have written articles about it, published in the Harvard Business Review. We called it “Creating The Living Brand” (bit.ly/2Vljy7q). Talk is cheap and really doesn’t matter; what matters is are you following that by your actions. In today’s world, people quickly know if it’s just words and you’re not following up. It’s our job to work at it every day. We say, ‘Let’s be transparent’ because we need to win back trust.

MG: At the University of Kansas you were the dean of the college of business. How has being head of a college of business impacted your priorities now as president at UofL?

NB: I had two roles at the University of Kansas. One was as the dean of business and then as executive vice chancellor and provost. As dean, in addition to being dean of the business school I also sat on public and private company boards, which I find incredibly...
important because this has allowed me to see how businesses react in a world of competition, that you cannot be complacent. It taught me how they have to have a single-minded focus and obsession with the customers they serve. We have to ask ourselves, what is our core purpose and how are we delivering on it?

In higher education today we need a business sense because if we are not able to bring the acumen and financial savvy to the decisions we make, it will actually undermine our goals. This includes making sure we create opportunities for first-generation college students. Students with less income and wealth are high priorities for me.

If we don’t set ourselves up to have resources to support those efforts, we will not be successful. A diverse faculty body is something that is increasingly important. With so many universities competing for a small pool of faculty, if we don’t have the resources not just to attract them but then to retain them here, we will not be successful.

MG: The university has a major medical school and a hospital and large physicians’ group. The hospital was at one point entering into a partnership with KentuckyOne Health and CHI, but then that came apart. What is the status of the health care operations at the university?

NB: The university’s health care operations are strong. In January, we hired a world-class CEO for our hospital. He is an innovative, proven, hospital executive and has already turned around the finances of our once-failing hospital. The entire health sciences campus community is working to cut costs and increase our financial sustainability through a variety of cost-cutting efforts led by our dean of medicine, CFO, and the leadership of the UofL physicians group. Finally, we are engaged in conversations to potentially acquire the KentuckyOne Health assets in Louisville. We are still evaluating this opportunity, but we are excited at the potential of strengthening the university’s medical mission and extending our role in the community as a provider of choice for health care delivery.

MG: Does the university have its own health care plan for employees, staff or students because of the medical school and facilities?

NB: We have a self-insured health plan that is administered by a third party, Anthem. By being self-insured, we take

on our own risk rather than having to pay an insurance provider to take on that risk. This enables us to offer an outstanding health plan while saving our faculty and staff a substantial amount of money. This has proven to be very effective for our employees and very cost-effective for the university.

MG: What is UofL’s new, long-term partnership with IBM and the IBM Skills Academy?

NB: We’re very excited because the eight subject areas that are part of this partnership have the potential to be hugely impactful for everybody in the commonwealth. The business model of this IBM Skills Academy is helping us by providing us with the tools, the technology and the people so that our faculty can be working side by side with subject-area experts at IBM. Our goal starting this fall is to offer courses to our students. There are three goals of the partnership.

One is, we want to reach our students and faculty and staff inside the university. How great would it be if we could guarantee that whether you major in music or computer science, you will leave knowing something about this emerging world? There are metropolitan areas and cities and states that are the most vulnerable to (job losses due to) automation and to artificial intelligence technology, and we rank high up there. Also nationally, the more people we have who are capable of delivering on these skills, the more attractive we will be to businesses that are already here to grow or others to come here.

The second is to work with the workforce who are already here in Louisville. Whether it’s Humana or Kindred or PNC, no matter who they are, all of them are desperately looking for people with expertise in AI, cybersecurity, the cloud, etc. We’re just relying on trying to steal people away from each other or trying to attract people from the coasts to come here.

Regarding these people who are already employed, why not offer a way for all of them to be able to learn (the new in-demand skills) right here in Louisville? It could be for college credit – or what we offer is not just college credit but IBM certification – the badging, micro-credentialing. A certificate from IBM doesn’t mean that they can only work on IBM products. It’s a level of expertise that says this person understands cybersecurity and can help you set up A. B. C.

Third, we want to be a place of study. We have a great school of education. We have psychometrics and the arts and sciences. We want them to say, ‘What is the best way to teach these subjects, in every school district in the commonwealth, to students K-12, to other professors?’

We’re very excited about it and we’re hopeful.

MG: Trends for university budgets include less public funding, higher tuitions, more student borrowing. Is UofL’s funding model changing at all?

NB: We’re trying to see if there’s some way to acknowledge the fact that our faculty and staff have gone without raises; we’d like some modest raises for our people if it’s possible. We’re also trying to keep it to just critical spending this year until we know what the priorities are that come out of the strategic planning process.

MG: What is the current state of philanthropy for UofL?

NB: Very good. We’re happy that people are coming back. We’re significantly up this fiscal year compared to last year at the same time. We’ve appointed Brad Shaper as our permanent vice president for advancement. We are very enthused about where we are.

MG: A Wall Street Journal study just said UofL’s athletics program is the third most valuable in the nation. You, athletics director Vince Tyra, basketball coach Chris Mack and football coach Scott Satterfield are all new in your positions. What’s the current state of U of L athletics and your relationship with the athletic director?

NB: It’s very positive. I feel very good about the people we have. We, have a team that is dedicated to winning with integrity, to a true commitment to our students, and that includes our student athletes. I am very enthusiastic about where we are and optimistic about the future.

MG: What has been your biggest challenge as president so far?

NB: Fully absorbing everything that we do as a university, the complexities of a big athletic system. It’s just being in a new role. It doesn’t matter what it is, there’s always something more to learn. In about a month it’ll be one year since I’ve been here. It’s been a joy and an honor, and I’m learning every day.

Mark Green is executive editor of The Lane Report. He can be reached at mark@lanereport.com.
AGING is a new dawn of health care. Tens of billions of dollars are at stake as an epochal time for revolutionary wellness and aging care begins. Louisville is contending to lead the revolution but it is not clear yet that anyone has defined exactly how best to compete for and win this new health sector of aging innovation.

The older we get, the more we recognize that age is just a number – and considering the alternative, age, at any age, is a good number.

In his book “The Longevity Economy,” Joseph Coughlin notes that the concept of “old age” is actually a newer invention: “Historically, in many different cultures and time periods, growing old was something experienced on an individual basis – not at a set age … and not always according to the same set of rules.”

Good to know since an avalanche of aging boomers is arriving – a byproduct of a decade-plus period post World War II when the world produced an outpouring of what had been lost in war’s carnage: life. Now, that burst of “baby boomers” is pouring in at a rate of 10,000 a day. They are coming; they are here.

Born 1946-1964, with plenty of company from the years before and after, they want what they want. Considered the “me generation,” it is 40% of total consumer spending and 70% disposable income (Forbes, Sept. 2017). Tech smart, active and focused on healthy lifestyles, they have...
unprecedented buying power and are generating an innovative health care rush by the thousands who serve them – from the single entrepreneur to the multifaceted provider communities.

But as the new dawn of aging breaks, what does it look like with new rules – or no rules?

The challenge of influencing, even leading, this new dawn has been set, and Louisville has a real shot at crafting the rules: what it can look like, how it can feel, how health care delivery happens both in hospitals and post-acute facilities and the halls of their homes, how seniors will engage, how they will interact with technological might, how they will access care, pay for it, even prevent sickness.

Yet, this megabuck competition may be Louisville’s to lose. It already has been deemed a national aging innovation centerfold by a 2018 Forbes magazine article based on its health care industry heavyweights like Humana, Kindred Healthcare, Trilogy Health Services, Atria Senior Living, PharMerica (merged now with BrightSpring), Norton Healthcare, Signature Healthcare, Baptist Health, Apellis Pharmaceuticals and others with approximately 375,000 employees across various domains of insurance, home-based health care, hospice, pharmaceuticals, rehabilitation, senior living and skilled nursing.

“We need to go and get it”

It’s already a powerful economic driver worth $90 billion in revenue, according to Ben Breier, president and CEO of Kindred Healthcare.

“Louisville is considered the aging-care capital of the United States,” said Humana CEO Bruce Broussard, “because of what the companies based here are doing in health care.”

“Health care is our largest sector in the city and Louisville has a legitimate claim, but we need to go out there and get it,” said Kent Oyler, president/CEO of Greater Louisville Inc.

“Earlier this decade – realizing the potential in aging care, some of Louisville’s sector leaders began efforts to join forces and grow their economic critical mass. Last year another dynamic was launched to increase the collective strength of once-siloed powerhouses of health care into a juggernaut of unprecedented force.

A dozen stalwart companies in the aging-care space formed the Louisville Healthcare CEO Council (LHCC) to aggregate the atomic power of these formidable health care giants and the critical resources big companies can provide for investment, prototype pipelines, mentoring and being a driving force for change – with the intent also of crowning Louisville the monarch of this medical sector.

“The whole concept is to band together with a common voice, a common place for opportunity to happen,” said Randy Buford, president/CEO of Trilogy Health Services.

“My colleagues and I on the LHCC represent the strength of health care organizations we have in this portion of the country,” Broussard said. “With the companies represented on this council, including Humana, you can journey map the entire patient health care experience beginning to end.”

“The creation of the CEO Council was the missing piece. ... We are now able to mobilize as an industry cluster and energy source for others to plug into,” said Joe Steier, president/CEO of Signature Healthcare.

“We now have a solid platform for intentional disruption,” Breier agrees. “It’s not always easy to think about innovation, but now we can solve for the big problem – start on one path, change when we need to.”

New tools to speed innovation

Some national innovation leaders agree that Louisville is a viable contender to be the capital of aging care innovation.

“I don’t think it (Louisville) is yet, but it could be,” says Cedric Francois, president/CEO/co-founder of LHCC member Apellis Pharmaceuticals, a biopharma development company working to create sophisticated therapies for autoimmune and inflammatory diseases. “We are about to see dramatic reform, and Louisville is onto something; I like the ambition behind it. The recent CareTech pitch (a LHCC aging innovation pitch competition) is a great example of focusing on an important segment of society that is neglected. Tactically honing into the caregiver is a great approach.”

“Louisville has a shot,” says Unity Stoakes, president and co-founder of...
San Francisco-based Start-Up Health, founded in 2011 to build a 25-year plan to improve health by investing in a “global army” of entrepreneurs. The LHCC “is a great example of an ecosystem that has emerged around a particular theme,” Stoakes said. “These great companies can not only invest but commercialize (products) and innovate new solutions.”

He went on to say that the emergence of the internet fueled the power of retail and media in the 1990s but outpaced health care innovation; Louisville’s ecosystem is better positioned now to speed things up.

This new speed is optimized by LEAP (Louisville Entrepreneurship Acceleration Partnership), a vehicle for entrepreneurs to jumpstart and accelerate their ambitions of innovation and technology in the aging-care space. It has the early blessing of the Kentucky Cabinet for Economic Development’s organization and funding, the academic and research arm of the University of Louisville, the startup support team at GLI’s Enterprise Corp., XLRate Health’s innovation building, and the LHCC, as well as a new capital model to help finance opportunities and the entrepreneurs needed to make them.

“Health care is a top sector and priority for the Kentucky economy and is so critical in real measurable economic output; it boils down now to focus,” said one of state government’s economic output; it boils down now to focus,” said one of state government’s economic development specialists. “There were stops and starts” in the city’s ascendancy efforts regarding well and aging care, said Randy Buford.

A growing collective reasoning emerges: Louisville may finally be able to play host to a full sanctuary of health care innovation; Louisville’s ecosystem is better positioned now to speed things up.

The current excitement around the LHCC is demonstrable, but there also is some better-late-than-never sentiment. “Now a motivated army in the city’s ascendance efforts regarding well and aging care, said Randy Buford.

When Signature Healthcare moved to Louisville in 2010 from Palm Beach Gardens, Fla., it had hoped to quickly be part of a broader business community of shared learning and collaboration. Signature viewed with reverence the rich health care legacy of Humana, Vencor, Kindred, ResCare Human Services and others. However, there was not as much collaborative synergy-creating connectivity at first.

“The main difference now,” said Joe Steier, CEO of Signature, “is that the health care vertical is being embraced by both private and public resources with funding shifts and resource support.”

Nine years later there is a broader sense that Louisville should fight even harder to wear the aging-care innovation crown, not only because of its existing juggernaut and health care legacy, but because the longevity economy is real. And it is big.

Success would be felt statewide

According to Coughlin’s “Longevity Economy,” which was released in 2013 by AARP and Oxford Economics, the financials of meeting the care needs of the aging generation clock in at around $8 trillion, and this is growing,” said John Reinhart, an early innovation leader.

Cooperation generates excitement

Entrepreneurs like John Williamson, founder/CEO of RCM Brain, a startup looking to use artificial intelligence to improve workflows, are encouraged. “Now a motivated start-up with a relevant solution may have a better chance at a connector and interested BigCo (big company) influence,” Williamson said.

“Innovation can now take hold in a real system, and have an outcome,” says Mary Haynes, CEO Nazareth Home Inc. “Baptist Health is actively working together with other Louisville-based health care companies and their CEOs, and the academic community,” said Gerard Coleman, CEO of Baptist Health and a recent addition to the LHCC, “to identify both existing companies and innovative start-ups that will not only help support and improve the lives of the senior population, but also the lives of those who care for them.”

The pace of technologies like AI (artificial intelligence) and nontraditional care settings like staying in the home longer is accelerating, with help from the powerful connectivity engine of telemedicine, “smart” home technologies, virtual reality, sensors that can determine just about anything, apps that can detect paid and unpaid caregiver burnout, analytics that can predict a fall before it happens, even the nonimaginary realization of “domotics” (domestic robots).

If it achieves traction, Louisville can not only redefine care delivery with its great depth of expertise but re-create and re-cast the meaning of aging—which it actually means to age—to rewrite the rules and become a mecca for entrepreneurs who aspire to advance their fields, products and services because of the support system that awaits them.
And what is it worth in real dollars to the city and the commonwealth of Kentucky? Hard-dollar figures on aging care’s present role locally do not exist, but should Louisville’s existing force achieve recognition as a leading world center and attract even 1% of the global longevity economy to move or expand here, that $80 billion would represent a 40% expansion of the state’s current $200 billion GDP.

According to recent reports, Louisville is already Kentucky’s primary economic engine and generates 42 cents of every state tax dollar, funding public services in all 120 counties.

“Expanding … in the aging care and wellness space is a top priority,” said Mary Ellen Wiederwohl, chief of Louisville Forward, the city’s economic development agency. “Health care is transformative to a local economy, creating growth in office space utilization and innovation jobs well above the median wage.”

In fact, think of the economic force of the 65 and up U.S. population as its own territory and space quantified by its own country calculated by GDP (Gross Domestic Product) and boomers become the third-largest country in the world.

Boom!

“We now live in a world chock full of older people, with, as of 2015, 617 million people aged 65-plus, a population roughly double that of the United States, the world’s third-largest country,” according to “The Longevity Economy.”

In fact, the Greater Louisville economic health care engine right now “reaches nearly half of the nation’s aging population and over 80 million people annually,” said Tammy York Day, president/CEO of the Louisville Healthcare CEO Council. And that will only grow as the Longevity Economy does.

An entrepreneurial system’s payoff

To be able to harness a part of the multitrillion-dollar aging care innovation world would bring Kentucky and Louisville into a first-tier city, perhaps as much as landing an NBA team would.

“And we would be solving problems,” Steier said. “I know our post-acute (care) space is five times more challenging to survive in than when we relocated here. … To have external peer support, accelerated alignment for the big change stuff and a safe place for objective dialogue is invaluable.”

“Funding for innovation in aging care can come from cost-avoidance for organizations paid under value-based or other recent incentive structures,” said David Jones Jr., managing partner and chairman of Chrysalis Ventures, a Louisville venture capital firm. “For example, Medicare Advantage insurers might be interested in paying for healthy food or telemedicine consultations in the home, if these innovations keep seniors out of the hospital.”

And just how important is the academic and research side of health care innovation? Big enough to be a founding member of the LEAP initiative: the University of Louisville, with a top entrepreneurial school, academic and research arms, and the UofL. Trager Family Institute for Optimal Aging, is considered a critical factor to the overall success of this developing ecosystem.

“We are all in,” said Neeli Bendapudi, University of Louisville president. “Especially from a research perspective. We have all the pieces of the (aging) industry (in Louisville). It’s what we want to be known for, and be a part of our city, state and industry focus.” “The Trager Family Foundation and Republic Bank Foundation are heavily invested in the community, particularly in making us (Louisville) a center piece in serving the aging public,” agrees Steve Trager.

Consider the following scenario for local, state, national and international innovation collaboration:

An entrepreneur is here, starts a company, develops a specialized technology, receives early-stage connections through LEAP, accesses capital, builds out a commercialization strategy through XLerate Health mentors, connects to fellow travelers and partners through GLI’s more than 400-member Health Enterprise Network, becomes an academic clinical trial at UofL, pilots with a local national BigCo, is showcased at The Thrive Center and scales its way to product adoption by the Louisville Healthcare CEO Council either for sale (B2B, B2C) or product service enhancement – an epic collaboration of resources in an aging world.

Louisville’s odds improve if…

But most are in agreement that the following must happen:

• The BigCo doors stay open.
• The LHCC giants engage – Kindred’s Breier and Humana’s Broussard are very engaged, according to a council member.
• The entrepreneurial innovators show up – LEAP aims to be a catalyst.
• The research and academic arms find effective ways to integrate their formidable power into the enterprising process, which requires variations of venture capital, investment and “friends and family” money to fund it.
• More access to new capital.
• The specialization of varied workforce, detailed labor and talent to get it all done is achieved.

Cover Story
And they do it all together. Louisville then has a good chance. But there may be a few challenges to overcome.

LEAP recently issued a comprehensive TechStar report assessing the local community and found that even with all the city’s goodwill toward innovation, it was still emerging in three of four categories. “We are emerging, but we want to be leading. We’re emerging because we are moving toward a higher number of start-ups being formed, but we do need more collaboration and impact. This is a team sport. Industry, academia, angel investors, venture capitalist, and mentors – we all need to work together,” says Patrick Henshaw, CEO, LEAP. “We need to go from activity to impact. We need to connect and collaborate.”

Sean O’Leary, EdjAnalytics founder and co-founder/former CEO of Genscape, an entrepreneur his whole career, says that he and others are very excited about the TechStar report and LEAP” and want to model “it after what Cintrifuse has done in Cincinnati.” Cintrifuse is a consortium similar to Louisville’s LEAP whose plan helped launch the Cincy entrepreneurial landscape into new stratospheres of impact.

“There is an opportunity,” O’Leary said, “for a young company from the B2B side who just needs a chance to prove a product, so that getting the opportunity to work with larger companies is critical. But how can Louisville compete with the Bostons and the San Francisco Bays, especially from a capital, workforce and tech development perspective?

Anything that drives the entrepreneurial spirit – and has an epicenter of challenge and economic gain – attracts competitors. And there are other cities vying to be the aging-care innovation capital. In addition to Louisville, experts point to the MIT AgeLab in Boston, for one; another Midwest city that is promoting its “SilentTech revolution;” and also, of course, the Northern California Silicon wave that is also swept up in this innovative aging race.

Capital? It ‘follows the opportunity’

Investment capital for innovation could also present a key hurdle since, as one Louisville entrepreneur said, “We have to work twice as hard to get local dollars.”

“We are addressing this by bringing capital into the region,” Day said, as well as better leveraging current investment streams and streamlining capital access intricacies.

But there’s good news.

“Capital follows the opportunity more than it creates the opportunity,” said Jones. “We exist to serve the entrepreneur. We are a matchmaker. And most importantly in the context of the LHCC and CareTech [pitch] and what’s going on in the aging economy, the purchasing power of these big companies, can be huge. Another constant challenge is the workforce talent and expertise needed; it exists already in Boston and larger first-tier cities, “It’s a growth area for our economy,” according to O’Leary, who has expertise in the high-level technical and analytical job market.

There are solutions, like the launch of The Hive – a joint creation by Kindred Healthcare and UofL to collaborate, for example, with West Coast tech resources, and to identify workforce early within the J.B. Speed Engineering School and spark thinking about the business of home health and senior care and innovative tech ways to address needs and solutions for this growing aging population.

Another big step toward fixing the workforce deficit is the launching of the IBM Skills Partnership that UofL’s Bendapudi announced in April. In this first-of-its-kind initiative, IBM is teaming with five universities to improve next-generation workforce skills by providing resources – including special training for faculty – to improve tech education “literacy tools” in cloud computing, artificial intelligence, data analytics, blockchain, supercomputing and other areas that are crucial especially in a modern health care world.

And there are the tech innovation hubs popping up across the Greater Louisville area from the new NuLu Hub, Startup Louisville, iHub and the 1804 Entrepreneur Center, where technological creations, solutions and gap-filling ideas grow out of either work experience or personal encounters. The emerging Louisville landscape is populated with the pieces to become a capital of “aging well” innovation, especially focusing on the city’s health care roots, and every leveraged strength of its health care past merging and integrating with the new seeds of startups.

There is a school of pragmatic thought to focus on where one leads or specializes. In Louisville’s case it is aging innovation care.

“The DNA of our health care existence in Louisville is really strong,” said Russell Cox, CEO, Norton Healthcare Inc.

Effective ecosystem attracts talent

If Louisville can’t compete with Boston and San Francisco, for example, for other technologically tuned innovative advancement, it can perhaps win the health care sector battle with its core strengths and increasing competitive advantages in aging care innovation. Unique to Louisville is the advanced leadership development in the aging-care space underway. Keith Knapp, associate professor and chair of the Health Services and Senior Living Leadership Department in Bellarmine University’s College of Health Professions, a health care quarterback for decades, has developed a senior-care management program for health services and senior living leadership at Bellarmine. There are less than 15 such programs in the country.

“We are developing leaders for tomorrow’s spectrum across the aging services continuum, anything in the post-acute care space including home health,
hospice, senior living, etc.,” Knapp said. “Equipping students who are not necessarily drawn to a clinical role but want to be leaders in health care are drawn to this unique career path. The common denominator is the deep-seated empowerment to make a difference.”

The program has attracted more than 30 students into the new major and had its first two graduates this year. New students are coming to Bellarmine because of the program.

“Our program is growing faster than expected; we are recruiting new faculty,” Knapp said. “And we (Louisville) have such a hallmark of leadership in the city, we can bring in the presence of locally based national practitioners to teach courses.”

And while Louisville isn’t Boston, Trilogy’s Buford makes the point that what separates Louisville from these other cities is that if the community gets the right ecosystem going, the talent will be drawn to a city where affordability and quality of life may outpace the competing markets.

“Some entrepreneurs simply can’t afford to live in San Francisco,” Buford said. “With growing access to capital and events like the CareTech Pitch, people are starting to notice our city. It doesn’t happen overnight. It’s a layering of piece by piece.”

“We need to fully adapt the opportunity of Louisville, which is a cool city for young people,” Apellis’ Francois said.

“It’s not just a place to live. It’s also a medical address that can take you fully through your life and enable you to age well, no matter your age,” said Norton CEO Cox. “Companies who provide health care services or products to any demographic can thrive here and achieve stickiness for a long period of time.”

PR efforts crucial to a win
Passport Health Plan CEO Mark Carter, one of the LHCC founders and its current chairman, describes it as “grabbing the space, distinguishing ourselves (from a Nashville market) and winning the PR battle” for the aging-care capital.

Breier agrees.

“It’s ours; especially if we say it enough,” he said.

It is an unusually rare opportunity, Day notes.

“Aging innovation is a national issue, and we are at its center for solutions meeting a critical national need. So why not here?” the LHCC president/CEO said.

“The council’s work is not limited to Louisville,” Humana CEO Broussard said. “Rather, Louisville is the nucleus, and the rest of the country benefits from what’s developed here. The LHCC was created to ensure that we are on the forefront of driving and discovery of innovation, supporting entrepreneurs and businesses, access to infrastructures and capital necessary to bring their ideas to market and scale their business.”

Within this decade, seeds tilled by many local entrepreneurial pioneers have grown together into an opportunity to stake a real claim as the aging-care innovation capital for the nation, maybe the globe. However, Louisville today doesn’t have the luxury of time that allowed a Kentucky Derby first run in 1885 to rise to worldwide prominence and a bourbon industry to mature over recent decades into its present global footing.

A technological environment in which forces can measure change in minutes and seconds must be respected, and action must be taken when the business forge reaches the right heat. If Louisville does not disrupt the current future of aging care, another city will. Louisville could truly be positioned to be a capital for aging innovation, or it could turn out to be a hub that feeds another.

An ecosystem is a dynamic force that if built, nurtured and developed can be an organism of change and make being the capital of aging care innovation a reality. And it looks like everything is pointing forward, with the LHCC dynamically unified, good and deliberate sowing of past efforts and the embarkment of real collaboration, even with some stubbed toes and previous starts and stops.

Louisville is taking the partnership steps to meet the critical needs of research, workforce and capital for the emerging space of entrepreneurialism for an aging globe.

The forces that are for Louisville are greater than the forces that are against her.
That Ad Is Following Me!

Tracking cookies collect personal data but aren’t a business attack risk

BY LORIE HAILEY

This scenario takes place many times every day. We discuss how strange it is with friends and coworkers, but rarely take time to figure out how it occurs or whether we’re truly OK with it. We accept it as a price we pay for the convenience of having internet access and quickly turn our attention elsewhere.

The process that serves up these individually aimed advertisements is called targeted ad tracking or online behavioral tracking. It is made possible by web "cookies": coding built into webpages that interacts with browsers to collect information about visitors. When you visit a webpage (especially for a product), a cookie is created on your computer. When you click to go to another page, its server first scans your browser's cookies and loads ads related to your recent online activities.

Cookies are a convenient way to accumulate and carry information from one session on a site to the next visit, or between sessions on related websites, according to the website whatarecookies.com. For example, cookies can store your username and password for a site so that you don’t have to log in every time you visit.

A specific type called a tracking cookie, however, can share info among many websites or services. Tracking cookies gather a history of the user’s actions on multiple sites and transmit it to the originator – and often its customers.

"Cookies are used extensively,” said Joe Danaher, chief information security officer of Integrity IT, a Lexington-based information technology services firm. “They identify your IP address. They identify and send (a history of) the websites you’ve visited, the searches you’ve conducted, even the purchases you make online. They can collect all this information silently. It’s just a byproduct of going to these websites.”

Currently, targeted ad tracking is a threat to personal privacy, but it is not a business-level threat, Danaher said.

Yi Hu, a professor in the Department of Computer Science at Northern Kentucky University, agreed. His research concentrates on data security, data mining, information assurance, database systems and trust management in cyberspace.

“It is more of a personal privacy issue as it is more related to internet browsing, purchase, and social behavior of an individual,” Hu said. “As most targeted ad tracking is disseminated via web browsers and targeted at a specific group of users, it is more of a concern for individual internet users.”

Oversharing is a threat to business

A larger threat to a company’s privacy is the oversharing of information on social media by employees, Danaher said.

"People pretty much share all aspects of their lives on social media,” he said. “Your work life is part of that.”
Oversharing is risky because cybercriminals use social media platforms to conduct open-source intelligence gathering, Danaher said, which does not violate any laws. Potential criminals can learn where people work, what their interests are, the format of their company email addresses and more by examining social media posts.

“For example, on Instagram, there’s a hashtag called #newbadge,” he said. “People who are proud they have new jobs take pictures of their employee badges (and post them) with the hashtag #newbadge. A lot of times it has their name on there, what department they work for and what company they work for. Also, they’re giving away the format of that badge. So, if I’m a criminal, I can print up a badge, go on site, put a USB drive in an open computer and I’ve got access to your network.”

Because personal interests are readily posted on social media, cybercriminals can use that information to send a believable spear phishing email to them that contains malware. They only need the target recipient to click one link, Danaher said.

Phishing is the practice of sending fraudulent emails or instant messages that purport to be from reputable individuals or companies, with attackers typically using personal information about the target to increase their likelihood of success.

(See the Glossary of Terms on page 39 to learn more cybersecurity key words and phrases.)

“People share their data on social media and just readily give it away. That oversharing is what we’re seeing as a bigger threat to businesses, more so than online behavioral tracking,” Danaher said. “People don’t even realize that something they’re posting could be used against the places they work.”

To mitigate this risk, businesses should talk to employees about what’s appropriate to post, and create and enforce social media policies for their business, he said.

You are the product on free sites

Online platforms of webpages or associated sites collect information about people and their interests and then sell that information — or access to it — to advertisers, said Gui Cozzi, cyberspace practice lead at Deanorton, an accounting firm and business consultant with offices in Louisville and Lexington, Ky., as well as Raleigh, N.C. Such info allows advertisers to accurately find potential customers and target them directly, he said.

Cookies can be placed and collected by organizations that profile and track customers across websites and devices, especially if users are taking advantage of free online services.

“A good rule of thumb is: If you are enjoying an online service for free, most likely their business model is selling information that they are collecting about you,” Cozzi said. “Facebook is a great example of that practice and some of the Google services as well.”

Firms that collect this personal information and sell it to other businesses, he said, also sometimes aggregate browsing information with multiple other data sources, including loans that are made public, credit card information or shopper’s card points, for example, he said.

Louisville marketing agency El Toro is an IP targeting company whose noncookie process precisely matches physical addresses and computer IP addresses. Its products can let an advertiser aim to give a user repeated exposure to a product a specific number of times or over a specific timeframe — if the rate that an advertiser has “bid” is higher than those of others who want their message presented to users with profiles they value.

The split-second lag between clicking onto a page and when its advertising messages load can involve the platform querying a variety of ad server networks to see who has bid the highest rate to reach users having the aggregated data profile matching what’s attached to the incoming IP address.

Any business that sells products or services online can use and benefit from targeted ad tracking. In fact, most online shopping sites collect information about their users, Danaher said.

“That covers ordering a pizza from Domino’s, buying some shoes from Nike and everything in between that has a place online where you can make a purchase,” he said.

That information is very valuable to online sellers. Marketing campaigns have always concentrated on trying to influence consumers, said Scott Logan, technical director of security at NetGain Technologies, headquartered in Lexington. Tracking consumers’ online activity allows businesses to advertise to consumers they already know are interested in their product, making them a qualified prospect.

A user’s browser history or recent purchase history can be used to put a product of current interest in front of them, Logan said.

Even though there are concerns about privacy, some people think it is better to see advertisements that interest them rather than ads from “spray and pray” marketing, where a business advertises its products or services everywhere to everyone and hopes it reaches those interested in its product.

Google and Yahoo offer ways to adjust your personal ad preferences and learn how and why advertisers are
targeting you, Danaher said. You can also see the content that has been gleaned from your browsing and search history. (Take a peek at your information: visit adsettings.google.com or myactivity.google.com while logged in to your Google account.)

It is important to remember that online content is not truly free. Content on all media platforms – whether physical like this magazine, broadcast, digital or other – is paid for by advertising, which “has been around for a long time,” Danaher said.

“That’s what helps keep online services free or very low cost. It is the way these websites generate revenue,” he said. “That’s how Google started, and I don’t know if any of us can imagine not having Google or it not being free.”

Is tracking a privacy threat?

Though very common and widely accepted, targeted ad tracking is a threat to personal privacy.

“The big privacy concern is that you never voluntarily said you would provide this information,” Danaher said. “You were never asked. You’re not aware, by and large, what is being gathered on you.”

Countless advertising networks secretly monitor users across multiple websites and build detailed profiles of their behavior and interests, according to the Electronic Frontier Foundation (EFF). It seems invasive, Cozzi said, but the actual privacy risks are minimal.

The bigger danger is private user data being used to manipulate or influence large numbers of people, he said. Privacy advocates such as EFF, the Electronic Privacy Information Center (EPIC) and others are working to help consumers regain control over their personal data and limit abuse of consumer profiling.

“A lot of people who really advocate for privacy are sounding the alarm that this kind of data collection and aggregation makes it easier for governments to weaponize and use it to polarize our enemies or...influence the outcome of an election,” Danaher explained.

Privacy concerns are on lawmakers’ radar. In the European Union, a new statute called the General Data Protection Regulation (GDPR) went into effect last spring. It requires any business that collects personal data to notify users what information is being gathered, how it will be used and who will be using it. Consumers must grant consent before their data is collected, and anyone can opt out. The regulation applies to any company that markets

Freaked Out by Ad Tracking? Here’s How to Stop It

If you are troubled by having information collected about you and used all over the internet to target you, there are some things you can do to sidestep tracking ads.

First, periodically clear your cookies on each of your devices. (A quick internet search will tell you how to do that on each of your browsers.) Be prepared to reenter passwords and other information on sites you visit frequently, since cookies store that information.

Some other tips:

- Purge your Google ad history by visiting myactivity.google.com.
- Use the “hide ad” function available on some sites, such as Facebook.
- Install an ad blocker or use a private browser. Consider installing a tracker blocker.
- Reset your advertising ID on your mobile device. (Use the settings function on Apple and Android devices to get to these options.)
- Opt out. Visit the Digital Advertising Alliance’s WebChoices Tool page at optout.aboutads.info to scan your cookies and opt out of advertising for specific companies or all of them.
How Safe Are Listening Devices?

Nearly a quarter of U.S. households own some sort of smart speaker or assistant such as Google Home or Amazon Alexa. The devices are inexpensive and can be fun to use. But they are always listening, and that can be problematic. Especially if the devices are used in a place of business.

"Are we willing to trade a little bit of our privacy to enjoy some free online services? I think that’s what we see with these listening devices," said Dean Dorton’s cybersecurity practice lead, Gui Cozzi. “Privacy is an interesting concept: On one hand, people are concerned about that; on the other hand, they provide their information willingly to all kinds of devices.”

Amazon recently admitted that it employs thousands of full-time workers to listen to what customers say to Alexa and transcribe the voice commands. The information is fed back into the software to help improve Alexa’s grasp of human speech. Amazon said only a small number of interactions with random customers are annotated, noting that it takes the “security and privacy of our customers’ personal information seriously.”

Information gathered by smart speakers, smart home assistants or mobile devices that use voice commands are stored with the vendor of the device, on its servers or cloud services, said Yi Hu, a professor in the Department of Computer Science at Northern Kentucky University. Anyone concerned about how much their device is listening should check with the device vendor to see how they collect, process and save user data, he said.

Businesses that deal with intellectual properties, national security matters or confidential information should probably not use smart speakers in their offices. “You want to be cognizant that you don’t talk about sensitive matters when you have these devices installed,” Cozzi said.

Phishing, malware still risks to business

Although phishing has been around for years, it remains one of the greatest business cybersecurity threats. Phishing emails are meant to get money quickly with minimal effort, so they are sent to a large number of email addresses. Cybercriminals only need a few recipients to fall for them.

"We are seeing a lot of small business getting into phishing situations where they are being tricked into sending payments or paying an invoice that is fraudulent," Cozzi said. “Especially in small companies without a formal billing system.”

Spear phishing emails are more targeted and the goal is to compromise the target user’s computer or get a foothold into their network, Danaher explained. If the cybercriminal can get the user to click a link or attachment, they can access the network. They often search online for the perfect target and customize the email to be more effective.

"That’s what we’re still seeing as the No. 1 threat at a business level," he said.

Some of these phishing attempts will look authentic at first glance, but can be recognized as fraudulent upon inspection. For example, a cybercriminal may try to mimic a popular company name like Amazon by replacing the ‘m’ with the letters ‘r’ and ‘n’, making the email look authentic at first glance, but can be recognized as fraudulent upon inspection. For example, a cybercriminal may try to mimic a popular company name like Amazon by replacing the ‘m’ with the letters ‘r’ and ‘n’, making the email

Citizens’ rights to protect their personal data must be safeguarded, the European Commission said.

That sentiment has not caught on in the United States, Danaher said.

“There’s a different view of this (collected) information as far as whether it really is your information, to be quite honest,” he said.

The U.S. does not have a single, comprehensive federal law regulating the collection and use of personal information. Instead, a combination of federal and state laws applies. There has been increasing discussion on the topic, however; last year, several congressional hearings focused on the data practices of Facebook, Twitter and Google.

Online behavioral tracking is still in its infancy, and the privacy risks will only increase as the practice evolves, Danaher said.

It’s not at the ‘ Minority Report’ level yet, but as machine learning, artificial intelligence and processing power to run those algorithms progresses, I think you are going to see this data can get stolen and maybe used for more criminal activity,” he said.

There is always a chance that data collected about users and stored on servers could be compromised. Some big-name companies have experienced massive data breaches in recent years, including Equifax in 2017 (143 million affected); Yahoo in 2013-2014 (3 billion affected); Marriott in 2018 (500 million affected); and Anthem in 2015 (78.8 million affected), among others.

Nearby a quarter of U.S. households own some sort of smart speaker or assistant such as Google Home or Amazon Alexa. The devices are inexpensive and can be fun to use. But they are always listening, and that can be problematic. Especially if the devices are used in a place of business.

"Are we willing to trade a little bit of our privacy to enjoy some free online services? I think that’s what we see with these listening devices," said Dean Dorton’s cybersecurity practice lead, Gui Cozzi. “Privacy is an interesting concept: On one hand, people are concerned about that; on the other hand, they provide their information willingly to all kinds of devices.”

Amazon recently admitted that it employs thousands of full-time workers to listen to what customers say to Alexa and transcribe the voice commands. The information is fed back into the software to help improve Alexa’s grasp of human speech. Amazon said only a small number of interactions with random customers are annotated, noting that it takes the “security and privacy of our customers’ personal information seriously.”

Information gathered by smart speakers, smart home assistants or mobile devices that use voice commands are stored with the vendor of the device, on its servers or cloud services, said Yi Hu, a professor in the Department of Computer Science at Northern Kentucky University. Anyone concerned about how much their device is listening should check with the device vendor to see how they collect, process and save user data, he said.

Businesses that deal with intellectual properties, national security matters or confidential information should probably not use smart speakers in their offices. “You want to be cognizant that you don’t talk about sensitive matters when you have these devices installed,” Cozzi said.

Phishing, malware still risks to business

Although phishing has been around for years, it remains one of the greatest business cybersecurity threats. Phishing emails are meant to get money quickly with minimal effort, so they are sent to a large number of email addresses. Cybercriminals only need a few recipients to fall for them.

"We are seeing a lot of small business getting into phishing situations where they are being tricked into sending payments or paying an invoice that is fraudulent," Cozzi said. “Especially in small companies without a formal billing system.”

Spear phishing emails are more targeted and the goal is to compromise the target user’s computer or get a foothold into their network, Danaher explained. If the cybercriminal can get the user to click a link or attachment, they can access the network. They often search online for the perfect target and customize the email to be more effective.

"That’s what we’re still seeing as the No. 1 threat at a business level," he said.

Some of these phishing attempts will look authentic at first glance, but can be recognized as fraudulent upon inspection. For example, a cybercriminal may try to mimic a popular company name like Amazon by replacing the ‘m’ with the letters ‘r’ and ‘n’, making the email...
Informations can assist management in information about a business' risks and are vulnerable. A risk assessment by an cyberthreats by first learning where they discriminate; they just want the money.

Businesses of all sizes are at risk. Experts advise that cybercriminals do not request of a spoofed CEO email associated to wire fraud. Emails are sending emails or instant messages purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers.

Cybersecurity needs to be a priority from the top down, Cozzi said. A company’s leadership team needs to understand the risks.

“There’s a financial risk and a reputation risk,” he said. “You could potentially lose customers or have to be enrolled in a data breach situation.”

Here are a few cybersecurity tips for businesses:

- Know your risks. If you have highly sensitive information, take extra steps to protect it.
- Use multifactor authentication to access your email.
- Educate all employees about cyberthreats. Train them to spot a phishing attempt. Some companies periodically send a fake phishing attempt to their employees to see if they catch it and report it to their internal IT teams.
- Create and enforce social media policies.
- Require employees to use strong passwords and change them often.
- Install antivirus software and antispyware. Remember, you get what you pay for.
- Secure your network with a firewall and encrypting information.
- Be prepared for an attack. Enlist the help of an IT provider that is prepared to quickly respond to an attack.
- Back up your data and have it available for recovery.
- Control physical access to computers and networks.
- Create a mobile-device action plan. Require mobile-device users to password protect their devices and install security apps to prevent criminals from stealing information while the phone is on public networks.
- Protect all pages of your public websites, not just the signup and checkout pages.

Awareness, education are the best defense

Businesses of all sizes are at risk. Experts advise that cybercriminals do not discriminate; they just want the money.

Companies can mitigate their cyberthreats by first learning where they are vulnerable. A risk assessment by an IT services provider will offer specific information about a business’ risks and where improvements can be made. That information can assist management in formulating the company’s cybersecurity policies.

companies. Attackers gather and use personal information about their target to increase their probability of success.

Supply-chain attacks: attacks that occur through a third-party vendor that has been compromised.

Glossary of Terms

Botnet: a number of internet-connected devices, each of which is running one or more bots. They allow the attacker access to the device and its connection, and can be used to perform distributed denial of service attacks, steal data or send spam.

Cookies: small pieces of data sent from a website and stored on a user’s computer by the user’s web browser. Cookies were designed to allow websites to remember information or to record the user’s browsing activity. They can also be used to remember data previously entered in form fields. Tracking cookies are commonly used to compile long-term records of browsing histories.

Formjacking: the use of malicious code to steal credit card details and other information from payment forms on checkout pages of e-commerce sites.

Malvertising: the use of online, malicious advertisements to spread malware and compromise systems. Generally, this occurs through the injection of unwanted or malicious code into ads on legitimate websites.

Malware: software that is specifically designed to disrupt, damage or gain unauthorized access to a computer system.

Phishing: the fraudulent practice of sending emails or instant messages purporting to be from reputable companies in order to induce individuals to reveal personal information, such as passwords and credit card numbers.

Ransomware: a type of malicious software designed to block access to a computer system until a sum of money is paid.

Spear phishing: phishing attempts directed at specific individuals or companies. Attackers gather and use personal information about their target to increase their probability of success.

Supply-chain attacks: attacks that occur through a third-party vendor that has been compromised.
KENTUCKY’S reputation as a transportation and logistics industry center continued to grow in May when Amazon founder and CEO Jeff Bezos showed up in Hebron to break ground for a $1.5 billion Prime Air hub at the Cincinnati/Northern Kentucky International Airport.

The 3 million s.f. Prime Air freight shipping operation – scheduled to open in 2021 – will be Amazon’s first and allow it to improve two-day Prime customer delivery to one day, Bezos said.

Prime Air and its planned 2,200 employees will literally be right across the street from the DHL Express Americas Hub, where the German-based international express services provider – the largest in the world – employs more than 3,000 workers and has invested $280 million in the past decade.

Quietly overshadowing the pair of large operations at CVG, however, is the biggest reason Kentucky is a logistics giant, UPS Inc.

The $71 billion juggernaut employs almost 29,000 people in Kentucky in package delivery operations, aircraft operations, ground freight, health care logistics and contract logistics. The company is based in Atlanta, but its UPS Airline – the nation’s seventh largest airline – is in Louisville, where Worldport airfreight hub operations ship millions of items to every corner of the Earth every day of the year.

The nuts and bolts of its Louisville operations are tucked away in south-central Jefferson County, both adjacent to and just minutes away from the Louisville Muhammad Ali International Airport.

Among the 29,000 UPS employees in Kentucky are these control room workers at the newly expanded and renovated Centennial Ground Hub in Louisville. The UPS annual payroll in the state tops $2.5 billion, and the logistics giant’s operations are involved in generating 2% of all state and local taxes in Kentucky.

The day after the Prime Air groundbreaking, UPS completed a $310 million multiyear expansion of its Centennial ground hub in Louisville. The project adds 300 full- and part-time positions as part of the 838,000-s.f. expansion that more than triples the size of the facility to over 1 million s.f.

The Centennial growth doubles the company’s sorting capacity to 85,000 packages per hour, with additional sorting automation equipment to accommodate increased e-commerce and traditional retail package business.

Recently, at its 4.2 million-s.f. Supply Chain Solutions campus in Louisville, UPS disclosed data from a new study assessing its economic impact across the commonwealth. Conducted by former Kentucky state economist Manoj Shanker, the study revealed some impressive data about the city’s largest employer.

UPS employees have an average salary of $77,000 per year, and its annual payroll tops $2.5 billion. The company has spurred $2.4 billion in construction projects over 20 years, and some 200 companies have relocated to Kentucky to be near the shipper. Those firms have brought with them an additional 62,000 jobs. More than $300 million in tax revenue – 2 percent of all state and local tax dollars – in Kentucky is created by UPS activities.

Although the company’s most familiar emblem may be its international fleet of 123,000 delivery trucks, a sizable chunk of its business is centered around its mammoth air operations, based in Louisville, along with a growing line of supply-chain services it provides.

Beyond shipping to supply chain

The March press conference was a chance for news media to observe an expanding part of UPS’s business, Global Logistics and Distribution.

Launched in 1996, the logistics and distribution arm accounts for nearly 20 percent of the company’s total revenue, according to the 2018 UPS annual report. (The other 80 percent align with domestic and international package delivery.) The logistics facility processes more than 250,000 transactions per day and lies just 5 minutes from the Louisville Muhammad Ali International Airport. Capacity exists...

**UPS: The Cornerstone of Kentucky Logistics**

Shipping giant continues to grow in Kentucky – and draws more companies to the state along the way

**BY ROBERT HADLEY**
to house customer inventories and to supply workers to ensure quality control before shipments to other businesses or consumers.

According to a UPS fact sheet, the facility can reach 62 percent of the U.S. population within two days via the company’s ground service.

Health care clients are the biggest portion of that business — 40 percent (1.7 million s.f., to be exact) of Global Logistics and Distribution is specialized facilities for health care shipping. Materials can be handled with FDA and other regulatory compliance in a temperature-controlled environment. UPS employs pharmacists to fulfill medication and medical device shipments, which can be stocked and inventoried, even down to processing product returns for eligible products.

During the news conference, reporters saw a guided tour of a UPS Supply Chain Solutions facility dedicated to serving one health care customer, Cologuard, whose product is an in-home colon cancer screening test. Under a banner proclaiming, “It’s not a package, it’s a patient,” a cadre of UPS workers readied the tests for shipment to consumers. Once patients supply test specimens, UPS ferries them back to Cologuard’s lab in Madison, Wis., within three days, a feat Cologuard President Mark Stenhouse, on hand for the tour, said required UPS expertise.

“Our partnership with UPS is critical, because UPS knows logistics, and Exact Sciences knows the science of colorectal cancer,” Stenhouse said. “We don’t know how to ship over 1 million kits last year into patients’ homes and get them back to our lab in Madison. We had to sit down with a partner.”

UPS supports Cologuard and other clients by way of its sizable air operations, including a fleet of nearly 250 planes, the largest of which can hold 300,000-pound payloads. UPS owns 10 of these Boeing 747-8Fs, with an additional 18 on order. The “smaller” Boeing 767-300s, which can hold 132,200 pounds, comprise 62 of the total arsenal, with nine additional planes on order. From the smallest 757-200, with a length of 155 feet, to the largest 747-8F, with a 290-foot length, each plane is served by a two-person crew.

UPS Airline operations alone employ 17,579 workers, with hubs in five other U.S. cities: Philadelphia; Dallas; Miami (serving Latin America and the Caribbean); Rockford, Ill.; and Ontario, Calif. International hubs operate in Shanghai and Shenzhen, China; Hong Kong; Cologne/Bonn, Germany; and Hamilton, Ontario. Including Louisville, the 11 hubs direct 1,138 domestic and 1,182 international flights each day, serving 400 domestic and 415 internationally airports.

Adapting to the marketplace
The changing retail landscape and ongoing rise in e-commerce the past two decades has prompted change at UPS and almost ensures the package delivery business won’t go away any time soon. To help homes and small businesses track packages, UPS offers My Choice, a system that alerts customers when deliveries are upcoming and lets them redirect a package to an alternative location if they aren’t at home.

This recent additional service continues UPS’s long history of adaption to market forces. Since 19-year-old founder Jim Casey launched the firm in Seattle, Wash., in 1907 with a $100 loan (equivalent to more than $2,600 in today’s currency), the company has reimagined and revamped itself several times to address customer needs.

The first threat to the business came in the form of cars and telephones, but as public relations manager Jim Mayer explains, Casey survived by evolving the business model into a delivery service for department stores. Shortly after the purchase of its first Ford Model T automobile, the company renamed itself United Parcel Service and carved a successful niche for itself the next three decades.

At that point, returning troops from World War II spawned the baby boom generation and drove outmigration from cities to suburbs.

“The future of retail delivery was limited,” Mayer said. “Seeing this shift, UPS managers at the time looked for other opportunities, and found them in expanding ‘common carrier’ service — rights to deliver packages between all customers, both private and commercial.”

That vastly expanded the customer base beyond just shipments to burgeoning middle-class shoppers. Packages now could be sent from factories to stores and to every other link along the supply chain. Despite competition from the U.S. Postal Service and lagging interstate commerce regulations, UPS triumphed, and by 1975 its reach had encompassed the entire continental U.S.

Mayer acknowledges e-commerce continues to generate pressures with rising demand for package delivery and said UPS is making infrastructure investments to keep pace.
“We’re in the process of purchasing 40 new aircraft (the next Boeing 747-8 arrives in the coming weeks), while extending package-sorting automation throughout our network,” he said. “Last year, UPS opened 21 new or renovated facilities around the world, and another 18 are set to open this year.”

**UPS as corporate citizen**

UPS’s own assessment of its economic contributions is positive, of course. Independent analysts caution that numbers require evaluation.

At the University of Kentucky, Michael Clark is the associate director for the Center for Business and Economic Research in the Gatton College of Business and Economics. He suggests a large employer’s benefits can depend on one’s perspective.

“For example, a large new employer may attract new residents to the city and push rental prices up,” Clark said. “Higher rental prices are good for those who own the property but raise costs to renters. Policymakers should understand that these benefits and costs might not be evenly distributed across residents.”

You would be hard pressed, however, to find any local or state public official who would throw shade at UPS or its contributions to the commonwealth. Representatives for Louisville Forward, the city’s economic development arm, and Greater Louisville Inc., the city’s chamber of commerce, as well as the Kentucky Cabinet for Economic Development all speak glowingly of the city-company partnership.

Sarah Davasher-Wisdom, chief operating officer of Greater Louisville Inc., lauded the company’s philanthropic impact via educational programs as well as its role in attracting and retaining other industries to the area.

“UPS is so important to what we do every day,” Davasher-Wisdom said. “One of our primary functions at GLI is attract jobs to our region, and it’s not unusual for us to go into an existing business and say, what is it that you like about living here, being here? What is it that made you locate here in the first place? And they always almost say, ‘Because Worldport is here.’”

UPS first dubbed its Louisville operation Worldport in 2002 upon completion of a $1 billion Hub 2000 expansion that doubled its size. Package sort capacity grew another 37 percent with subsequent expansions. Operations today handle 416,000 packages per hour in a facility whose perimeter spans 7.2 miles.

The now-5.2 million-s.f. Worldport package-handling facility last expanded in 2006, a project that triggered the company’s last major impact study.

Louisville’s unique partnership with UPS is a “long-term relationship” with supportive elements, Louisville Forward Chief Mary Ellen Wiederwohl said in a written statement.

**Our economic development team works in tandem with their business development team to attract new business and (support) the expansions of their existing operations such as the Centennial hub,”** Wiederwohl said. “All of our incentives with UPS are part of common state and local incentive programs administered by the Kentucky Cabinet for Economic Development.”

Among the positive partnership elements Wiederwohl mentions is Metropolitan College, a program launched two decades ago allowing students to receive tuition remission in exchange for working at UPS. Offered through UofL and Jefferson Community and Technical College, the program pays for undergraduate degrees at either institution, plus “book reimbursement money, bonuses and other benefits,” according to the program’s website.

Since 1998, Mayer said, over 5,500 students have earned more than 9,200 degrees and certifications through Metropolitan College. UofL even has special student housing space and class schedules for participants.

“UPS pays for half of the tuition, the state covers the other half through a tax credit, and the city covers the cost of staff and other expenses to support the students and manage the program,” Mayer said. “UPS’s tuition bill since then is $107 million, but it’s a great investment. We get a stable, committed workforce and end up hiring some of those students after graduation.”

Regarding the state’s financial incentives to UPS and others, which still are occasionally criticized as gifts, Erran Persley, commissioner with the Cabinet for Economic Development, characterized them not as “blank checks” but as partial rebates available as partial rebates available when a firm generates new jobs or tax revenue.

**The benefits of economic development incentives outweigh the risks,** Persley said.

**Incentives are a fraction of the new-to-Kentucky revenue generated by that particular taxpayer’s project, (revenues) which otherwise wouldn’t have existed,” he said.**

The main catalyst for UPS to apply for tax credits and other incentives was either expanding or adding jobs, Mayer said.

“But as the recent economic analysis showed, the city and state are getting an incredible return on investment in incentives with UPS,” he said. “The company is responsible, directly and indirectly, for more than 2 percent of all state and local taxes collected in the commonwealth.”

UPS added 300 full- and part-time employees in Louisville with the $310 million expansion of its Centennial Ground Hub, which doubled its sorting capacity to 85,000 packages per hour. UPS has 2,000 workers at Centennial, 10,000 at its Worldport and 23,500 total in Louisville. Statewide there are 29,000 employees with salaries averaging $77,000 annually.

Statewide there are 29,000 employees with salaries averaging $77,000 annually.
Powering Kentucky’s Economy

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50 Years of Fun

The Louisville Zoo celebrates its anniversary with celebrations all summer long

BY SUSAN GOSSELIN

On May 1, 1969, the Louisville Zoo opened its doors with 250 animals on site and a crowd of 15,000 waiting to stream in its gates. Fifty years later, more than 28 million people have visited the zoo, enjoying its 1,100 animals and 134 acres studded with award-winning animal habitat exhibits and lush botanical gardens. Since its opening, the Louisville Zoo has served as the official state zoo and one of Kentucky’s top attractions, bringing in crowds that average around 800,000 people a year.

“The zoo has become a go-to attraction for many people statewide, and it’s exciting to look at where we first started and how far we’ve come,” said John Walczak, Louisville Zoo director.

With so much success to celebrate, officials at the Louisville Zoo plan to celebrate the zoo’s 50th birthday all summer. The celebrations began May 18 at the zoo’s 50Fest, where attendees took part in special games, enjoy a new community mural and meet the zoo’s new animal mascots – a rhino and giraffe. Additional pop-up anniversary celebrations are scheduled during the summer throughout Jefferson County.

Building for the future

Over the course of decades, the Louisville Zoo has committed itself to quality of life for the animals in its care, as well as educating the next generation about the importance of protecting the world’s wildlife, and the habitats that support them. The zoo includes several exhibits recognized for their excellence and innovation by the Association of Zoos and Aquariums (AZA), including The Islands, Gorilla Forest and Glacier Run.

As the Louisville Zoo continues to grow, so do the exhibits. This past March, the zoo unveiled two new exhibits: Colobus Crossing and Snow Leopard Pass. Colobus Crossing features Colobus and Schmidt’s red-tailed monkeys, while Snow Leopard Pass was designed to represent a small Himalayan village in Nepal. The zoo’s family increased with its newest addition, Meru, a 1 1/2-year-old snow leopard transferred from the Los Angeles Zoo.

Both Colobus Crossing and Snow Leopard Pass feature overhead passageways that intersect with guest walkways, so the animals can walk overhead.

“We are dedicated to providing environments at the zoo that will enrich the quality of our animal ambassadors’ lives,” Walczak said. “Our mission is to better the bond between people and our planet, and to do that, we regularly offer conservation education for our visitors, so that they can understand the challenges animals face in the remnant wild. Our goal is to teach all the ways we can live in better balance with nature.”
Creating an animal health team

A big part of the zoo’s conservation effort centers on the health and wellness of its animals. And that’s a communitywide effort. In addition to its own staff veterinarians, the zoo regularly pulls in human medical experts to work with the animals, including acupuncturists, cardiologists, surgeons, ultrasound technicians, OB/GYNs and dentists, among others.

“It takes teamwork with local human health-care professionals to ensure the animals get the very best expert care,” said Dr. Zoli Gyimesi, senior veterinarian at the Louisville Zoo. “People are amazed to hear of this partnership, and that their own personal dentist or doctor may also be the person working on one of our animals. It’s a unique partnership that we are very proud of.”

Adding value, building loyalty

In 1969, admission to the zoo ranged between 25 and 50 cents. Today, admission runs between $12.75 and $18.75. But visitors get a lot more for the price.

The zoo features multiple playgrounds, rides and attractions, including the Splash Park, the Conservation Carousel Zoo trains, adventure ropes courses, camel rides and the BOMA African Petting Zoo. It also hosts 40 special event days each year including the Party for the Planet, a month-long celebration of the earth in April; the Throo the Zoo 5K Run/Walk; and the annual World’s Largest Halloween Party.

Walczak, for his part, said the zoo is poised to continue its success.

“If the zoo has been successful over the years, it’s because our visitors have been loyal to us, and turned us into an attraction they come to again and again,” he said. “We’re looking forward to serving them for another 50 years.”

Susan Goselin is a correspondent for The Lane Report. She can be reached at editorial@lanereport.com.
CENTURY-old companies are business leaders in communities across Kentucky, but Pittsburg Tank & Tower Group of Henderson turns 100 years old this year as an industry leader with clients around the globe. Mostly it designs and builds but it also performs maintenance and sometimes dismantles water tanks and communications towers, said Ben Johnson, president and owner.

Some of its 400 employees occasionally spend all their working hours in precarious positions more than 100 feet – or even several hundred feet – off the ground.

In addition to recently redoing all 14 Kentucky Educational Television broadcast towers and building more than 100 towers for Appalachian Wireless in Eastern Kentucky, PTTG has products in 54 countries, Johnson said.

The company, which has annual revenues of $75 million to $80 million, has put in facilities for terminals in Russia, Australia, South America, Nigeria and other African nations, Iraq and Afghanistan, and the Marshall Islands, he said, and NASA called in Pittsburg Tank & Tower Group to inspect a derrick the space agency needed to take down to analyze how best to dismantle the rig.

PTTG designs and builds tanks for fuel, milk, corn, dry pellets of all types, hemp and many other liquids and solids, but its origins are in water tanks and smokestack maintenance. Joseph Boyd McClelland began the company in 1919 in small, rural unincorporated Pittsburg, Missouri.

The exact date is lost, so the company will observe its platinum anniversary all year long with the highlight coming in August with a variety of events out in Henderson that involve the community.

Cloyce McClelland, son of the founder, moved the company in the 1940s to, oddly enough, another town named Pittsburg, this one in southeast Kansas. It remained there for four decades until Don Johnson, a longtime subcontractor for then-PT&T who had his own Globe Industrial Contractors, bought it and moved the merged operations to his hometown of Henderson in 1983.

The Johnson family – current president Ben is the son of Don – started Allstate Tower to provide turnkey solutions to the communications industry. In 2012, PTTG was formed to oversee Pittsburg Tank & Tower, Allstate Tower and Pittsburg Tank & Tower Maintenance.
Ben Johnson is a former president of the Henderson County Board of Education and PTTG has a strong relationship with the local public school system, Henderson Community College and Murray State University. PTTG has a strong safety culture now headed by Vice President of Risk Management Chris Johnson.

The E.D. Bullard Co. of Cynthiana is well into its second century, but its primary product, the iconic construction hardhat that Bullard invented, is 100 years old this year. To celebrate the anniversary, the company handed out 10,000 hats of a certain blue color at a University of Kentucky home basketball game in January.

A 121-year, fifth-generation, family-owned company, Bullard manufactures safety products for workers in the industrial health and safety, and emergency responder markets. The company’s innovative products have protected safety workers worldwide for more than 100 years and include thermal imagers, fire and rescue helmets, head and face protection, and respiratory equipment.

Having begun in 1898 in San Francisco, Edward Dickinson Bullard originally supplied carbide lamps and mining equipment to California gold and copper miners. His son E.W. returned from World War I with the idea of developing a version of the “doughboy” soldier’s helmet into mining headgear and created the Hard Boiled leather hat.

As a result of the Golden Gate Bridge project in 1932 being the first to require hard hats for its workers, who had to sand blast steel that had rusted during its long, ocean-going shipment to San Francisco Bay, Bullard recognized the need for and developed air respirators. Various respirator systems for
construction and emergency workers, especially fire fighters, remain a major Bullard product line.

A more recent Bullard innovation is the thermal imager technology it developed in 1998 for firefighters, adapting a new use for military technology that had just been declassified. Fire helmets are another significant product line that is sold and used in 80 countries.

Bullard first shifted some of its operations to Cynthiana in 1972 for logistical reasons to better serve customers in the eastern United States and elsewhere. In 1993, Bullard built a new, custom-designed facility and moved all its manufacturing operations to Cynthiana.

The number of hats the 240 employees in Harrison County produce annually is proprietary but is in the millions, said Wells Bullard, the current CEO. There are another 35 employees at a Lexington research and development facility and 60 more at a variety of sales and service locations, including Singapore.

Hard hats last two to five years, Bullard said, because ultraviolet rays degrade their ability to protect a worker against 8.5 pounds dropped from 6 feet. Hats are removed from service after an impact also.

Mark Green is editorial director of The Lane Report. He can be reached at mark@lanereport.com.

Other Notable Kentucky Business Centurions

- Luckett & Farley of Louisville is one of the oldest continuously operating architectural firms in the United States and designed such landmarks as Churchill Downs, the Louisville City Hall Clock Tower and the L&N Railroad Office Building. It was founded in 1853 and is 100% owned by its employees.

- Claiborne Farm in Paris is a Thoroughbred horse farm specializing in breeding, racing and sales. Claiborne is best known for being home to Triple Crown champion Secretariat, including his gravesite. It was founded in 1910 and today has around 120 employees during its peak seasons.

- Whayne Supply in Louisville is one of the largest Caterpillar dealerships in the world. It was founded in 1913 and now has 1,500 employees in locations across Kentucky and Southern Indiana.

- Farmers National Bank in Danville is a community bank serving Boyle County. It was founded in 1879 and has 187 employees.

- Peoples Exchange Bank in Winchester is owned and now operated by a fourth generation of the Beach family. It was founded in Beattyville in 1912 and has 103 employees.

- Milward Funeral Directors in Lexington is the city’s oldest business and is owned and operated now by a sixth generation of the family. It was founded in 1825 and has three funeral homes locations and a crematory in Lexington.

- Bavarian Waste in Walton is owned and operated by a fifth generation of the Brueggemann family. It provides waste disposal and landfilling needs in Northern Kentucky, southwest Ohio and southeast Indiana. It originated in 1901 as the Brueggemann Trucking Co. and today has 55 employees.
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THE impact of reliably plentiful and cheap natural gas from U.S. resources is disrupting decades-old economic and business norms in Kentucky, the nation and globally. However, the long-term and larger economic development effects are only starting to take shape and will occur in coming decades as the Appalachian Basin continues its development into a major energy hub.

Kentucky economic development and utility officials report they do not yet see shale gas bringing changes in mood and thinking among business prospects they talk to who are considering new or expanded operations in the commonwealth. Energy sector experts, however, see strong potential for gas resources to bring prosperity to Appalachian Kentucky.

The effect of plentiful gas so far has been painful for Kentucky coal operations; most mining jobs have disappeared in the past decade. More broadly, some 300 coal-fired U.S. power plants have retired since 2010 as utilities shift to gas, according to a May report by National Public Radio.

Meanwhile, there is rising expectation that better prospects for central and upper Appalachia could start happening in 2021, when a $1.7 billion aluminum mill is slated to open in Greenup County in Northeast Kentucky. Braidy Atlas Mill will be the largest aluminum mill built in the U.S. in four decades, according to The Wall Street Journal, and plans to provide high-tech, low-carbon sheet metal to auto and aircraft makers.

Also in the works about three hours away in Belmont County, Ohio, a Korean industrial consortium plans an advanced $10 billion ethane cracker unit to produce plastic from natural gas feedstock. A little farther northeast, Shell Polymers has a $6-7 billion ethane cracker under construction on the Ohio River near Pittsburg, and two more crackers are planned on the Ohio-West Virginia border.

“When the steel starts coming out of the ground (at the Braidy site) ... it’s going to create a buzz,” said Brett Mattison, president and COO of
Kentucky Power, which will supply electricity to Braidy Atlas Mill and was involved in recruiting the project. “People will look at the resources the gas, the Ohio River (as a transport asset), the highways in the region.”

There is an abundance of natural gas, and its price is stable “for the foreseeable future,” Mattison said.

Site selectors for projects under consideration are evaluating Eastern Kentucky and the upper Appalachian Basin.

“There are a lot of things out there, circling around,” Mattison said. “Once you get them (Braidy) up and running, you’ll start to see that you’ll have industry that wants to be close to the source” of the mill’s high-grade aluminum. He suggested operations in the automotive and aircraft manufacturing sector as likely prospects.

Prices lower, less volatile
Prior to the arrival of U.S. shale gas production in the last decade, industrial gas prices could drop 20% or rise 30% annually. Kentucky’s average industrial gas costs increased 124% in one six-year period from $4.63 per thousand cubic feet in 2002 to $10.41 in 2008, according to the U.S. Energy Information Administration. Recent Kentucky industrial gas costs have ranged from $3.84 in August 2018 to $5.26 in February 2019.

Along the banks of the upper Ohio River, 29 gas-fired electric power plants of at least 475 megawatts each are either recently completed, under construction or going through permitting, according to Site Selection magazine.

In the past decade, Louisville Gas & Electric and Kentucky Utilities, the state’s largest, has shifted from more than 97% coal-fired generation in 2000 to 80% today, a distribution that it expects to maintain for the next decade while keeping customer rates essentially stable, its leadership told The Lane Report this year.

Gas utilities in the state are distributors of the fuel who charge their customers a regulated fee for transmission; rates to residential and commercial customers are adjusted quarterly according to market costs from producers.

Prospective large customers with whom LG&E-KU has had conversations with in the past year or so continue to make overall cost their top decision factor, said John Bevington, director of business and economic development.

“Generally speaking, companies want to operate in the lowest-cost environment they can,” Bevington said.

And in today’s economy they increasingly want to be able to get into operation as fast as possible.

“In the past several years, our experience is that companies used to take two to three years to make a decision,” Bevington said. “Now they want to beat the competition to market.”

Fewer sites, fewer workers
After four or five years of record numbers of economic development announcements in Kentucky and elsewhere, there are fewer sites available to companies, he said. Communities, regions and states are taking any step such as utilities to sites they are offering.

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• support over 1,200 jobs
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• attract a 700,000+ audience that spends $16 million locally

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“Those who are ready now are getting to the next step” in the site selection process, Bevington said.

There are a few industries and prospects that are gas-intensive, he said, and do not want to wait for gas lines to be built for a site. Overall, though, rather than “gas, gas, gas,” Bevington said, the key variable is “workers, workers, workers. A lot of conversation revolves around workforce availability.”

Mattison points to former coal miners as well as the remaining 230 workers at an AK Steel plant in Ashland that will close by year’s end as important to the region’s prospects to generate new industry and prosperity.

Miners and steel plant employees “have the exact skill set for aerospace and metallurgy,” Mattison said, but they need new jobs soon or they will leave the region. “We have got to have diversification.”

World’s next major energy hub
Gas reserves thought to exist in shale formations indeed were accessed successfully in the last decade when directional drilling technology was combined with hydraulic fracturing. This decade, the United States became the world’s largest natural gas producer and a net exporter.

Longtime U.S. gas and oil epicenter Texas still produces the most natural gas, but the Appalachian portions of Pennsylvania, Ohio and West Virginia have more proven gas reserves than the geographically larger states of Texas and Oklahoma combined, according to the U.S. Energy Information Administration. Site Selection magazine reported in January 2019 that the Appalachian Basin looks like the world’s next major energy hub.

Eastern and southeastern Kentucky saw lots of drilling activity a decade ago,
but its thousands of wells are mostly capped and their gas “stranded” for now in favor of more productive gas resources and infrastructure in the Marcellus Shale of western Pennsylvania and southeast Ohio.

Kentucky’s public and private economic development, utility and energy community members say today that there is lots of potential, but at this stage the benefits of the commonwealth’s resources remain mostly theoretical. There is not a collection system to bring most of Kentucky’s gas to market.

“We’ve got to get people thinking,” said Scott Smith, senior consultant with Lexington-based Smith Management Group. “We’re being shortsighted in how we leverage our natural resources.”

Eastern Kentucky has stranded gas and oil resources and needs jobs and economic diversification, Smith said.

Probably one disincentive to invest in gas collection infrastructure in Eastern Kentucky is the fact that plenty of gas is available already. Multiple major U.S. gas transmission pipelines between Gulf Coast production facilities and Northeast users run right through the state.

“Kentucky is lucky that we have a lot of the transmission pipelines,” said Lindsey Ransdell, a senior project manager with the state Cabinet for Economic Development. “Kentucky is lucky that we have a lot of the transmission pipelines,” said Lindsey Ransdell, a senior project manager with the state Cabinet for Economic Development. Lucky because it is rare that an existing or prospective industry operation does not want natural gas to power operations or heat large interior spaces.

“It is a requirement for any industrial project,” Ransdell said, but cabinet project managers report no change in the past five years in the role gas availability plays.

Much more significant, said cabinet Communications Director Jack Mazurak, is making gas available to new sites that Kentucky is marketing to prospects.

“That’s a big stepping stone for the state and communities,” Mazurak said. “How do you fund that (pipeline to a site), especially if you have to run that for miles?”

Plenty of power for?....

Kentucky has a large and growing primary metals sector whose individual members are all “huge users of electricity,” Ransdell said. She cites Century Aluminum in Hawesville in Western Kentucky and Nucor Steel Galatin in Gallatin County between Louisville and Cincinnati among others that are the single highest load generators for their electric utilities.

Because multiple Kentucky utilities are members of multistate networks and have “access to as much extra power as they need,” she said, the state has sufficient capacity across the commonwealth to meet all foreseeable demand.

The state’s cheap energy costs, long the lowest in the eastern half of the U.S., mean there is little to no discussion of the ever-increasing gas resources coming from the Marcellus Shale region.

And you thought bourbon was our most prized liquid.

With a connection to over 600,000 jobs in the Louisville Metro area, you might say Louisville Water is the region’s liquid asset.

We’ll drink to that.
Ransdell said questions of adequate access to gas would “only come into play if you had a really huge, ridiculously massive user.” Members of the international chemical industry are such users, and there have been some international chemical companies looking around the state, she said.

Kentucky has “a pretty robust chemical and plastics industry” already, Mazurak said. Louisville has had multiple chemical operations for decades in its “Rubbertown” district, and the state’s largest chemical industry cluster is in Calvert City in Western Kentucky.

Smith echoes the view that “Kentucky has a very robust chemical sector,” and suggests the state should consider a strategy such as recruiting a small ethane cracker project for Eastern Kentucky that might use its stranded gas assets in a financially viable manner if operations were located physically near now-capped wells, lessening the need to create a large collection network.

“The politicians and policy people say, ‘Well, we just can’t get our (gas) product to market. Instead, let’s bring Mohammed to the mountains,’” Smith said. “Crackers can be small, but to get economies of scale everybody wants to build a big cracking unit.”

Eastern Kentucky does have railroad infrastructure from many previous decades of major coal operations that can ship out the various plastics and other products ethane cracking creates, he said.

Smith is a member of an oil and gas work group that Kentucky Energy and Environment Secretary Charles G. Snavely created to work on updating the state’s regulatory environment to facilitate modern development and help position the state to take advantage of market opportunities.

Sheila Porter is a senior business development manager with Direct Energy, which provides gas, electricity and energy services to 4 million North American customers across all 50 states.

Porter has noted more discussion of gas among customers. Over the past two to three years as the price volatility risk has decreased, customers are willing to look at longer-term contracts, she said.

Even longer term, Porter looks at the rise of U.S. natural gas and says, “I like to believe it is the bridge fuel to what we will get to in 50 years or so.”

Mark Green is editorial director of The Lane Report. He can be reached at mark@lanereport.com.
ART WITH A TWIST OF HUMOR

Lexington artist Lori Larusso finds freedom in being less serious

BY CHRIS CATHERS

FOR the past three years the regional arts organization South Arts, a nine-state consortium of state arts agencies from Southern states, of which the Kentucky Arts Council is a member, has awarded $5,000 state fellowships to one artist in each South Arts member state. Each state fellow is then in contention for the $25,000 Southern Prize, which also includes a two-week residency at Georgia’s Hambidge Center for the Creative Arts & Sciences.

Lexington artist Lori Larusso represented Kentucky as its state fellow in this year’s competition, and although she did not win the Southern Prize, her work was well-received by the adjudication panel. Larusso recorded an episode of the “KyArtsCast” podcast, and we’ve excerpted some of her remarks from that interview for this month’s Spotlight on the Arts.

Larusso was one of more than 70 artists from Kentucky who applied for the state fellowship, and one of more than 800 artists who applied from all South Arts member states. The annual Southern Prize competition is open to visual artists. Five judges narrow down the list to the nine state fellows and ultimately to the Southern Prize winner.

“When I first received (the state fellowship), I thought it was an honor to be included on a certain level,” Larusso said. “I apply for a lot of things – opportunities, residencies, exhibitions, grants – and I get a very small percentage of what I apply for. It’s always a bit of a surprise when I do.

“I hesitate to say this, but winning the state fellowship was, in part, validating,” she said. “I know I can’t ask to be validated by others all the time; I have to find that in myself, but it’s nice to be recognized.”

Larusso’s submitted work was from a collection called “Noncompliance,” for which she has received funding from the Kentucky Foundation for Women. The messages of her exhibit are juxtaposed images of traditional American domesticity, like a bathroom sink or a stove in a kitchen, with messages of nonviolent protest, incorporated into the titles. Titles of pieces in the collection included “If you can Moonlight as the Tooth Fairy” and “A Day without Immigrants” to highlight the integral roles of those groups in daily life. Total personal non-cooperation is where protestors nonviolently refuse to cooperate in their own incarceration, offering no resistance, but offering no cooperation either.

The images work hand-in-hand with the titles. “If you can Moonlight as the Tooth Fairy…” incorporates a 2D image of a bathroom sink, overflowing with toothpaste squeezed from a tube.

“All the images are representational and pertain to the domestic middle American interior space,” Larusso said. “The paintings are to scale, so as you approach them, you are approaching a bathroom sink at a human scale.”

For its serious messages, the collection also relies on humor as an avenue for delivering the theme: Noncompliance.

“There’s a lot of humor in the work,” Larusso said. “I appreciate when people find the work funny. I don’t think I ever have to force the humor. For a long time I forced myself to try to be very serious, to be taken seriously. Some professors at some point were trying to protect me from criticism, from not being taken seriously.

“I think art can be a whole range of things,” she added, “but I think for a long time I avoided anything that could be perceived as cute or pretty or fun because I received criticism that it could be taken as less important or less serious. In the past five years or so, I feel I’ve done a much better job of embracing that in the work I want to make.”

In addition to the South Arts state fellowship, Larusso said she’s grateful for the Al Smith Individual Artist Fellowship she received in 2012 from the Kentucky Arts Council, which she also described as validating.

“I think the work I make is strong and important and that everyone should love it, however, sometimes it’s difficult to take yourself seriously or think you’re being taken seriously. I felt the same at the South Arts exhibition. To be exhibiting among eight other artists, and all with work that was so different, from each other, was really an honor.”

To hear the entire podcast with Lori Larusso, go to kyartscast.ky.gov.

Art with a Twist of Humor

Detail work on a piece in artist Lori Larusso’s collection titled “If you can Moonlight as the Tooth Fairy, you can Participate in Collective Disappearance,” which examine and pertain to domestic spaces in middle America.
ONCE a month on a Friday morning, 200-plus communities around the world hold free gatherings at a local venue, each with their own guest speaker but all on the same topic. The program called CreativeMornings was founded in 2008 by Tina Roth Eisenberg, a designer in New York City. Now there are 202 chapters, from Amsterdam to Zurich, from Albuquerque to Washington, D.C., with Louisville and Lexington in between.

CreativeMornings Louisville launched in January 2015 at 21c Museum Hotel Louisville with 175 people in attendance to hear Alice Gray Stites speak. She is 21c’s chief curator and museum director. Since then, the Louisville chapter has averaged 400 to 450 people in attendance at 10 different venues.

“We believe CreativeMornings in Louisville is the front door to our city,” Terry said. “It’s a way for people to get connected and learn who the culture-makers are in our communities that will ultimately drive them to feel more rooted.”

Terry and others in Louisville have helped organizers start chapters in Lexington and Kansas City. Lexington’s first meeting took place in January 2017 – also at 21c Museum Hotel on West Main Street, but one located 80 miles east of the River City.

Jamie Rodgers, deputy director of the National Association of State Chief Administrators, had lived in Asia, Cincinnati and Louisville before moving to Lexington five years ago. She was familiar with CreativeMornings and thought it would be a great fit for Lexington.

“I was hesitant for me to be the one to apply” to launch a Lexington chapter, she said. “I knew I couldn’t do this alone.”

Rodgers reached out to Celeste Lewis, center director of the Pam Miller Downtown Arts Center. At the time, the New York office was only considering cities with a population of 500,000 or more. With help from the Louisville chapter, Lewis and Rodgers compiled the application paperwork and collaborated with members of Cornett, a creative marketing agency, and Kong Productions to create an audition tape showcasing Lexington as a creative city that could support a chapter.

The Central Kentucky video showed collaboration and accessibility across different fields, describing the city as “gumbo, culturally and creatively,” said Jason Majewski, associate creative director at Cornett.

New York granted Lexington a chapter with a memorandum of understanding.

“The few things they ask,” Rodgers said, “is that we always stick with the global theme and have a well-produced video and photography, since part of it is to elevate the communities.”

Every chapter’s videotaped monthly presentation is online at CreativeMornings.com. To date, at least 3,000 talks are viewable on global themes ranging from courage to craft, honesty, mystery and from serendipity to water.

Lexington’s core group of six organizers has weekly phone calls to plan out the speakers, venues, coffee and food for three months in advance, and 15 regular volunteers help out the day of each event, at various venues around Lexington.

“There’s definitely consistent interest and a strong community in place,” Majewski said. “We’re challenging ourselves in year three to expand that community.”

Inclusivity is a priority for the Lexington chapter, in terms of speakers, venues, attendees and the whole vibe of making sure everyone feels like they belong.

—Kathie Stamps
The Business of Farming at Inky Squid Homestead

John and Miranda Rudolph are first-generation farmers, which means they work 365 days a year on their farm in Murray, Ky., where they raise and sell goats, and make and sell goat milk soap. They purchased four acres in Calloway County in 2012 and started a small homestead with a garden and fruit trees, chickens and feeder hogs.

“We wanted to know where our food came from and what it had to eat and what kind of lifestyle it had before our dinner plate,” Miranda Rudolph said.

“We built it around the aspect of wanting to create something that would give us sustainability,” John said.

When their youngest son was born, he had a sensitivity to different soaps so the Rudolphs used goat milk soap shipped to them from southern Indiana. In 2013, Miranda got two goats to make her own soap. “Then a couple of goats turned into a lot of goats,” she said. The Rudolphs’ homesteading project became a business, and they have almost 60 goats on the farm this year: bucks, does and kids.

After serving a six-year term with the U.S. Navy in the submarine service on the USS Springfield, John Rudolph used his GI Bill to go to Murray State University, where he earned a bachelor’s degree in environmental engineering technology and a master’s in occupational safety and health. He grew up in neighboring Marshall County. Miranda’s hometown is Bargesville, Ind., so they named their place Inky Squid Homestead after the postal abbreviations for Indiana and Kentucky. Squid is a slang term for a submariner.

The Rudolphs raise registered dairy goats for breeding stock, for showing goats at shows within a five-hour radius, and for the milk used in the products they make and ship nationwide from their online store at rudolphfarmers.com. They also sell products at local farmers markets, including bar soaps, shaving soaps, sugar scrubs, lotions and beeswax lip balms. The Inky Squid goat milk soap bars come in varieties like citronella, coconut, Kentucky bourbon, lavender, peppermint, tea tree and vanilla. Their best seller is the tobacco and amber scented soap.

There’s no state licensure or permits required for soaps or products that wash off the skin, but the Rudolphs do label and weigh each product. They rent a certified kitchen from a local business to produce lotions and lip balms. It was 2017 when the Inky Squid Homestead owners decided to start selling products at local farmers markets in Murray. “We’re about to return for our third year. It has been wildly successful,” Miranda said.

She is a first-time college student who has just completed her first semester at Murray State, where she is studying agriculture. The Rudolphs’ two sons help out on the farm and are involved with 4-H and showing goats. “We realized that was a lot of fun we enjoyed as a family,” Miranda said of the show circuit. Their oldest son is very active with FFA – Future Farmers of America – at his high school and is raising turkeys on the family farm for an FFA project.

In addition to the goats and turkeys, the Rudolphs have a miniature horse on the homestead, along with a donkey, a potbellied pig, a sheep, two dogs, two barn cats and eight guineafowl, a bird originally from Africa. “They eat the ticks and whatnot,” John said of the guineas. “They’re good watch animals, loud and obnoxious, and work well on a farm.”

The Rudolphs lease another three-acre pasture down the road where John started raising Dexter cattle last year, four heifers and a steer. As a beekeeper, he has four hives, one of which he maintains for the local 4-H organization.

“It’s a lot of work but I honestly believe it’s in you or it’s not,” John said, of farming. “There’s not a lot of in between.” —Kathie Stamps

‘Signing Day’ for KCTCS Manufacturing Skills Graduates

Rookies in advanced manufacturing and the companies they’ll be working for participated recently in the first-ever Kentucky Manufacturing Going Pro Signing Day. The Kentucky Community and Technical College System and the Kentucky Association of Manufacturers sponsored celebrations for new hires in advanced manufacturing at all 16 KCTCS colleges across the state.

Signees are recent KCTCS graduates from the industrial maintenance; computerized machining and manufacturing; welding technology; engineering and electronics technology; electrical technology; computer assisted drafting; and air conditioning technology fields.

KCTCS is the primary provider of manufacturing training in Kentucky. In the last year, more than 2,600 graduates were prepared to go pro in high-paying, in-demand careers in advanced manufacturing that lead to a better life.

The colleges align their programs with local business needs, which prepares KCTCS students to walk out of college and into a high-paying career.

Salaries vary by job and company, but Statewide Occupational Employment Wages data from the Kentucky Center for Statistics shows an average starting salary is nearly $34,000 with a median manufacturing salary of $51,000.

“Right now, in Kentucky, there are thousands of open positions in advanced manufacturing, second only to health care,” said KCTCS President Jay K. Box. “KCTCS is the solution to this because we offer relevant programs based on what employers tell us they need. We’re also looking at innovative ways to get our students trained and into the workforce faster.”

KCTCS has more than 400 advanced manufacturing partners statewide and 135 business partners who offer work-and-learn experiences through the Kentucky Federation for Advanced Manufacturing Education (KY FAME).

—Matt Wickston
# KENTUCKY’S LARGEST PUBLICLY HELD COMPANIES

Corporate entities headquartered in Kentucky, ranked by annual revenue

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company Name (Ticker)</th>
<th>Headquarters</th>
<th>CEO/Chairman</th>
<th>Revenue (FY 2018)</th>
<th>Net Income</th>
<th>Market Capitalization (Rank in Kentucky)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Humana Inc. (HUM)</td>
<td>Louisville</td>
<td>Bruce D. Broussard</td>
<td>$54.91 billion</td>
<td>$1.68 billion</td>
<td>$35.56 billion (1)</td>
<td>Humana is one of the nation’s leading health and well-being companies.</td>
</tr>
<tr>
<td>2</td>
<td>Yum! Brands (YUM)</td>
<td>Louisville</td>
<td>Greg Creed</td>
<td>$5.69 billion</td>
<td>$1.54 billion</td>
<td>$30.90 billion (2)</td>
<td>The company develops, operates, franchises and licenses a worldwide system of restaurants, primarily through the three concepts of KFC, Pizza Hut and Taco Bell.</td>
</tr>
<tr>
<td>3</td>
<td>Ashland Global Holdings (ASH)</td>
<td>Covington</td>
<td>William Wulfsohn</td>
<td>$3.74 billion*</td>
<td>$114 million</td>
<td>$7.03 billion (4)</td>
<td>A global specialty chemicals company serving consumer and industrial markets, including automotive, construction, energy, nutraceuticals, personal care and pharmaceuticals.</td>
</tr>
<tr>
<td>4</td>
<td>Brown-Forman (BF-A)</td>
<td>Louisville</td>
<td>Paul C. Varga</td>
<td>$3.25 billion**</td>
<td>$717 million</td>
<td>$24.62 billion (3)</td>
<td>Though Brown-Forman at one time owned product lines ranging from china to luggage, it is returning to its wine and spirits industry roots.</td>
</tr>
<tr>
<td>5</td>
<td>Tempur-Sealy Int’l (TPX)</td>
<td>Lexington</td>
<td>Scott L. Thompson</td>
<td>$2.70 billion</td>
<td>$100.5 million</td>
<td>$3.51 billion (7)</td>
<td>Tempur-Sealy is the world’s largest bedding provider.</td>
</tr>
<tr>
<td>6</td>
<td>Texas Roadhouse (TXRH)</td>
<td>Louisville</td>
<td>Wayne Kent Taylor</td>
<td>$2.48 billion</td>
<td>$158.2 million</td>
<td>$3.83 billion (6)</td>
<td>Texas Roadhouse opened its first restaurant in 1993 and now operates 580 restaurants in 49 states and nine foreign countries.</td>
</tr>
<tr>
<td>7</td>
<td>Valvoline (VVV)</td>
<td>Lexington</td>
<td>Samuel Mitchell</td>
<td>$2.28 billion*</td>
<td>$166.0 million</td>
<td>$4.89 billion (5)</td>
<td>Incorporated out of Ashland in 2016, Valvoline produces and distributes industrial lubricants, and automotive chemicals.</td>
</tr>
<tr>
<td>8</td>
<td>Papa John's Int’l (PZZA)</td>
<td>Louisville</td>
<td>Steve M. Ritchie</td>
<td>$1.57 billion</td>
<td>$1.65 million</td>
<td>$1.48 billion (9)</td>
<td>Papa John's operates and franchises more than 5,000 locations in 45 countries.</td>
</tr>
<tr>
<td>9</td>
<td>Churchill Downs (CHDN)</td>
<td>Louisville</td>
<td>William Carstanjen</td>
<td>$1.01 billion</td>
<td>$352.8 million</td>
<td>$3.81 billion (8)</td>
<td>Churchill Downs has evolved into a racing, gaming and entertainment company with operations in nine states.</td>
</tr>
<tr>
<td>10</td>
<td>Turning Point Brands (TPB)</td>
<td>Louisville</td>
<td>Lawrence Wexler</td>
<td>$332.68 million</td>
<td>$25.29 million</td>
<td>$988.09 billion (13)</td>
<td>The company manufactures and markets smoked and smokeless tobacco products, including pipe tobacco, snuff, chewing tobacco and vaping products.</td>
</tr>
<tr>
<td>11</td>
<td>U.S. Computer Services Inc. (CSVI)</td>
<td>Paducah</td>
<td>Steven A. Powliss</td>
<td>$266.49 million***</td>
<td>$44.96 million</td>
<td>$1.02 billion (11)</td>
<td>U.S. Computer Services Inc. provides data and transaction processing, e-business services and hardware to financial firms.</td>
</tr>
<tr>
<td>12</td>
<td>Republic Bancorp (RBCAA)</td>
<td>Louisville</td>
<td>Steven Trager</td>
<td>$257.63 million</td>
<td>$77.85 million</td>
<td>$1.01 billion (12)</td>
<td>The bank holding company for Republic Bank &amp; Trust, which has locations in Kentucky, Indiana, Florida, Tennessee and Ohio.</td>
</tr>
<tr>
<td>13</td>
<td>Rhino Resource Partners (RNO)</td>
<td>Lexington</td>
<td>Richard A. Boone</td>
<td>$244.54 million (-$15.95 million)</td>
<td>$12.12 million</td>
<td>$1.02 billion (21)</td>
<td>Rhino produces metallurgical and steam coal in a variety of U.S. basins.</td>
</tr>
<tr>
<td>15</td>
<td>Community Trust Bank (CTBI)</td>
<td>Pikeville</td>
<td>Jean R. Hale</td>
<td>$185.41 million</td>
<td>$59.23 million</td>
<td>$733.54 million (15)</td>
<td>Community Trust operates 70 banking locations in eastern and central Kentucky, six banking offices in West Virginia, and three banking locations in Tennessee.</td>
</tr>
</tbody>
</table>

* Fiscal year ending 9/30/2018
** Fiscal year ending 4/30/2018 (most recent posted)
*** Fiscal year ending 2/28/2019
<table>
<thead>
<tr>
<th>Rank</th>
<th>Company Name (Ticker)</th>
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<th>Net Income</th>
<th>Market Capitalization</th>
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</tr>
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<tbody>
<tr>
<td>16</td>
<td>Stock Yards Bancorp (SYBT)</td>
<td>Louisville</td>
<td>James A. Hillebrand</td>
<td>syb.com</td>
<td>$155.44 million</td>
<td>$55.52 million</td>
<td>$793.09 million</td>
<td>(14) Stock Yards Bancorp is the parent company of Stock Yards Bank &amp; Trust Co., which has banking locations in Louisville, Indianapolis and Cincinnati/Northern Kentucky.</td>
</tr>
<tr>
<td>17</td>
<td>Sypris Solutions Inc. (SYPR)</td>
<td>Louisville</td>
<td>Jeffrey T. Gill</td>
<td>sypris.com</td>
<td>$87.97 million</td>
<td>(-$3.50 million)</td>
<td>$18.23 million</td>
<td>(20) Sypris provides technology-based and specialty services, and is a major defense and government contractor.</td>
</tr>
<tr>
<td>18</td>
<td>Industrial Services of America (IDSA)</td>
<td>Louisville</td>
<td>Todd L. Phillips</td>
<td>isa-inc.com</td>
<td>$61.02 million</td>
<td>(-$349,000)</td>
<td>$9.97 million</td>
<td>(22) The company buys, processes and markets ferrous and non-ferrous metals, and other recyclable commodities in the United States.</td>
</tr>
<tr>
<td>19</td>
<td>Kentucky Bancshares (KTYB)</td>
<td>Louisville</td>
<td>Louis Prichard</td>
<td>kybank.com</td>
<td>$48.28 million</td>
<td>$12.43 million</td>
<td>$144.45 million</td>
<td>(17) Kentucky Bancshares is the holding company for Kentucky Bank and First Federal Savings Bank.</td>
</tr>
<tr>
<td>20</td>
<td>Limestone Bancorp Inc. (PBIB)</td>
<td>Louisville</td>
<td>John T. Taylor</td>
<td>limestonebank.com</td>
<td>$40.34 million</td>
<td>$8.79 million</td>
<td>$112.59 million</td>
<td>(18) Limestone Bancorp, formerly known as Porter Bancorp, is a bank holding company for Limestone Bank, with offices in 12 counties.</td>
</tr>
<tr>
<td>21</td>
<td>Citizens First Corp. (CZFC)</td>
<td>Bowling Green</td>
<td>Matthew Todd Kanipe</td>
<td>citizensfirstbank.com</td>
<td>$19.19 million</td>
<td>$4.82 million</td>
<td>$63.50 million</td>
<td>(19) Full-service community banking operations from eight locations in Barren, Hart, Simpson and Warren counties in Kentucky; and a loan production office in Tennessee.</td>
</tr>
<tr>
<td>22</td>
<td>Apellis Pharmaceuticals Inc. (APLS)</td>
<td>Crestwood</td>
<td>Dr. Cedric Francois</td>
<td>apellis.com</td>
<td>$0.00 million</td>
<td>-$127.92 million</td>
<td>$1.21 billion</td>
<td>(10) Apellis is a clinical-stage biopharmaceutical company that develops therapeutic compounds for autoimmune and inflammatory diseases.</td>
</tr>
</tbody>
</table>

Note: Former Kentucky-based publicly held companies that have been in the Blue Chip list have been acquired and/or taken private such as General Cable, PharMerica, Almost Family, Cafe Press, Delta Natural Gas, Farmers Capital Bank Corp., and Investors Heritage Capital Corp.
The History of Bourbon

Distillery tours offer a glimpse into the making of Kentucky’s favorite spirit

BY KATHERINE TANDY BROWN

If you were raised in the Bluegrass State and not in a teetotaler family, chances are good that you sipped your first bourbon at an early age, maybe on New Year’s Eve, at a wedding reception or at Aunt Ethel’s birthday party. If not, maybe you jumped on board the bourbon train recently, when you noticed that Kentucky’s native spirit is being talked about and tasted simply everywhere. But how much do you know about the drink’s roots? Who started the commonwealth’s distilleries? Was it a lone individual with a monumental thirst or a family looking to make a living?

A great way to find out the answers to these questions and more is on a Bourbon Barons Tour with Stone Fences Tours, based in Lexington. On any of nine different options, you’ll learn all about the different distilleries, and, of course, have the opportunity to sample the goods.

“We have tours and tastings, but we want you to learn how a distillery got there, who put it there – the family or the person. We’re history geeks. We want you to take part of Kentucky home with you. We want you to be able to tell your friends – over a glass of bourbon – about the seven-generational Beam family.”

A “history geek” is definitely the person you want leading a tour about the roots of bourbon. Hope is a history teacher, while Jerry is an arm-chair historian, retail manager, aspiring stand-up comic, and certified bourbon steward. They are members of the Kentucky Civil War Roundtable, the Battlefield of Richmond Association, the Bluegrass Trust for Historic Preservation, and the Filson Historical Society. These geeks are the real deal - as are their Bourbon Baron Tours. Last year, the couple began with six tours and added three more for 2019. The following are brief descriptions of the options. Full details are on the Stone Fences website.

The Ripy Tour: Built by Wild Turkey tycoon Thomas B. Ripy in 1888, the T.B. Ripy House in Lawrenceburg is a grand mansion known for its architecture, intriguing history and ghost(s). When Prohibition came along, the Ripy family had secret compartments, trap doors and hidden staircases to secret rooms added to hide a few hundred barrels of bourbon, some of which may still be in the creepy basement. A house tour and bourbon tasting are included.

The Peppers Tour: Three generations of Peppers come alive, from the small distillery of Captain Elijah Pepper, to Oscar and James Pepper, who grew the business. You’ll visit the site of Elijah’s first foray, and enjoy tour and tastings at Woodford Reserve, the Barrel House Distilling Co., and the newly restored Pepper Distillery.

Colonel Taylor Tour: Colonel E. H. Taylor modernized the bourbon industry by traveling to Europe and returning with new techniques for his Old Crow, Old Fire Copper and Old Taylor Distilleries. Visit Glenns Creek Distilling, Buffalo Trace,
and the spectacularly renovated Castle & Key Distillery.

**The Beams Tour:** Follow the Royal Family of Bourbon, members of which have been involved in bourbon production at most of Kentucky’s distilleries since the late 1700s, Jacob Beam’s early days. Tour and taste at Heaven Hill and Limestone Branch distilleries and the Jim Beam American Stillhouse.

**Early Pioneers:** Travel back to the late 1700s to settlers on the Wilderness Trail – Jacob Myers, Elijah Craig and Jacob Spears – who carried hopes in their hearts and stills on their backs. Visit the Wilderness Trail Distillery, Hartfield & Co., and Bourbon 30 in Georgetown, where Master Distiller Jeff Manley walks you through a tasting. (There are tastings at the others as well, of course.)

**Whiskey Row:** Explore the bourbon industry on Louisville’s Whiskey Row, starting with a new bourbon exhibit at the Frazier History Museum. Then move on to Evan Williams Bourbon Experience, the new Old Forester Distillery, and the Bulleit Bourbon Experience at Stitzel-Weller Distillery, which was Julian P. “Pappy” Van Winkle’s legacy.

**Distiller’s Row:** You’ll learn about four bourbon-producing families who lived on Distiller’s Row in Bardstown, the Bourbon Capital of the World: the Willett family (Willett Distillery), the Mattingly and Moore families (Barton 1792), and eight generations of the Samuels family (Maker’s Mark). Sip at all three.

**Matriarchs of Bourbon:** Castle & Key, Jeptha Creed and Michter’s all boast women master distillers. You’ll taste at all three and learn about the early “bold bourbon broads” who paved the way.

**Prohibition Tour:** Delve into the history of bootleggers and speakeasy owners who kept bourbon flowing during the Prohibition. Stops include the Oscar Getz Whiskey Museum in Bardstown, the new Prohibition Craft Spirits Distillery, the Evan Williams Distillery for a special speakeasy tasting, and a cocktail at Louisville’s cool speakeasy bar, Hell or High Water. Lunch at Gatsby’s on Fourth in the Seelbach Hotel, where such characters as Al Capone and F. Scott Fitzgerald hung out.

The Ripy tour is the only half-day Bourbon Barons offering and costs $50, all inclusive. All the rest are day tours, which run $100 and include the tour, lunch and tastings.

Every tour is all-inclusive, Jerry says. “That means all you have to take your wallet out for is a souvenir or a bottle of bourbon.”

Family-owned Stone Fences turned a year old in April after three years of prep and research. Its impressive menu includes historically accurate, entertaining tours with a focus on horses, vineyards, history and bourbon. Offerings include Behind the Fences (Keeneland, a horse farm, The Red Mile and Isaac Murphy Memorial Art Garden), a paranormal investigation experience at haunted Roh’s Opera House in Cynthiana; spring and summer Historic Saturdays; Daniel Boone; Abe Lincoln in Lexington; Bluegrass Divided; Window to War; craft breweries and battle axe throwing; and more.

By request, specialty group tours for at least four to six (with two-month advance reservations) include Distilling at the Ranch (hands-on, daylong bourbon-making); Conquering the Trail (bourbon, all distilleries plus Buffalo Trace, Barton 1792, Castle & Key, and the James E. Pepper distilleries); the Bourbon Artisan Quest; Culinary Trail of the Commonwealth; Dinner on the Vine; Kentucky Crafted: Louisville West; and Kentucky Crafted: Western Kentucky. Tour descriptions, dates, times and prices can be found stonefencestours.com or by calling (606) 548-2181.

Katherine Tandy Brown is a correspondent for The Lane Report. She can be reached at editorial@lanereport.com.
Buffalo Trace Offers Special Bottling for Free for Charity Fundraising

IN April 2018, Buffalo Trace Distillery rolled its 7 millionth barrel produced since Prohibition into Warehouse V, the world’s only bonded single-barrel aging warehouse. That meant, of course, the existing 6 millionth barrel that had been residing in Warehouse V since 2008 would need to take up new residence.

Promptly moved into another warehouse to mature for another year, this bourbon has now aged a full 10 years 11 months. The 6 millionth barrel of Buffalo Trace Kentucky Straight Bourbon Whiskey has been filled into 375ml bottles and is being made available exclusively to nonprofit organizations for fundraising opportunities.

“Each bottle from the 6 millionth barrel has a beautifully handwritten description on the glass. The bottles in turn have been packaged in a numbered hardwood showcase box that includes a piece of the charred oak stave from the historic barrel and a small brochure explaining the significance of this collector’s edition.”

Buffalo Trace is offering all 400 bottles to charitable organizations across the country – free of charge – to auction off and raise money for their worthwhile causes.

“These commemorative bottles will only be available to nonprofit organizations in the United States wishing to raise funds for their charity and will not be available in stores. To be considered, organizations must submit an official U.S. nonprofit tax ID number and auction the bottle within the 2019 calendar year. Applications will be taken online only at 6millionthbarrel.com. The cutoff date to submit an online application is July 1, 2019.

“Recipients of the bottles will be notified by email in early July. Bottles will be shipped free of charge in August 2019 and recipients will have until Dec. 31, 2019, to auction the bottle.

“We’re thrilled to be able to do something with the bottles to help those in need,” said Kris Comstock, Buffalo Trace senior marketing director. “We decided on the 375ml size bottles, rather than a larger size, to allow for more bottles so we can help more charities. We really hope whiskey enthusiasts will help some deserving nonprofit groups raise serious money. These bottles are beautiful, the package is first class, and the bourbon tastes amazing. Our goal is to raise $500,000 for charity!”

This is not the first time Buffalo Trace Distillery has offered commemorative bottles for nonprofits to use for fundraising purposes. In 2011 the Frankfort distillery offered its Millennium Barrel of bourbon, put up to age on Dec. 31, 1999. That effort raised more than $150,000 for various charities across the U.S. In 2016, its inaugural O.F.C. Bourbon Whiskey from 1980, 1982 and 1983 was released in the same manner, and nonprofits reported they raised more than $1 million for charitable causes.

Global Market Changes Impact Paper Recycling in Central Kentucky

CHANGES in the global marketplace for recycled materials have forced the Lexington Recycle Center to temporarily suspend recycling of paper products.

“Outlets for paper products are accepting only limited amounts due to an overabundance of material in domestic markets,” said Nancy Albright, Lexington’s commissioner of environmental quality and public works. “The recycle center does not have the space to store the paper long-term, or in large quantities.”

Lexington is actively seeking new recycling outlets for paper - at least three new nearby mills are expected to begin receiving materials by late fall of 2019, Albright noted – but in the meantime, to reduce processing costs, residents are encouraged to throw office paper, newspaper, magazines, cereal boxes, paper towel rolls and similar products in their trashcans.

The change affects the materials Lexington Recycle Center (or Lexington Materials Recovery Facility) receives from public and private waste haulers in Lexington and many other Central Kentucky communities. Partner communities include Anderson County, Berea, Boyle County, Clark County, Danville, Franklin County, Georgetown, Harrison County, Harrodsburg, Jessamine County, Lawrenceburg, Madison County, Midway, Montgomery County, Mt. Sterling, Nicholasville, Paris, Scott County, Shelby County, Shelbyville, Simpsonville, Versailles, Winchester and Woodford County.

Residents in all of these communities are encouraged to temporarily refrain from putting paper products in their recycling containers.

“Central Kentuckians will be encouraged to once again put paper products in their recycle carts once a reliable outlet is in place,” Albright said.

The recycle center does have a buyer for dry corrugated cardboard, such as moving and shipping boxes, and residents are encouraged to recycle their cardboard, as long as it is dry.

Recycling markets across the country are under strain due to increased standards in China. Over the past several months, the city has often given mixed paper and paperboard away to avoid sending it to the landfill. The center will combine the paper products it receives, and give the paper to recycling outlets, when possible. Unclaimed paper will be landfilled. This process will remain in effect until a reliable recycling outlet is available.

The city is also exploring improvements and new equipment for glass recycling. The current single-stream set-up causes equipment breakdowns at the recycling center, and does not produce the most desirable recycling product.

More information and updates on recycling status are available at LexingtonKY.gov/RecycleUpdates.
A
AA has launched a widespread safety campaign in Kentucky and other states to draw attention to the risks of driving while using mobile devices.

The campaign targets drivers who would never consider getting behind the wheel after drinking alcohol but will use mobile devices while driving that dangerously take their eyes and minds off the road.

The campaign “Don’t Drive Intoxicated – Don’t Drive Intexticated” was created with the goal of making distracted driving as socially unacceptable as drinking and driving. And why not? The two are comparably dangerous and deadly.

AAA’s “intexticated” message makes clear that the consequences of both alcohol-impaired driving and texting while driving are often the same: deaths and injuries among drivers, passengers and pedestrians.

Each day, distracted driving kills an average of nine people and injures 1,000, according to the National Highway Traffic Safety Administration. It is the third leading driver-related cause of crash fatalities, surpassed only by speeding and driving under the influence.

Research by the AAA Foundation for Traffic Safety reveals that even though 97 percent of drivers say texting/emailing while driving is a serious or very serious threat to their safety, 45 percent admit to having read a text or email while driving – and 35 percent admit to having typed one – in the past month.

Decades of public education efforts against alcohol-impaired driving and related efforts have helped reduce the number of alcohol-impaired crash fatalities since the 1980s by 50%, according to the National Institutes of Health. The goal of the “intexticated” campaign is to make a similar impact when it comes to texting and emailing behind the wheel, too.

For tips on how to avoid distraction behind the wheel and to take a pledge against driving distracted, visit www.AAA.com/DontDriveDistracted.

THE LANE REPORT • LANEREPORT.COM
JUNE-JULY 2019
63

Risky Business: Motorists Warned to be on the Lookout for Credit Card Skimmers

ITH the summer travel season now in full swing, Kentuckians are being reminded to be on the lookout for credit card skimmers at fuel pumps across the commonwealth. The devices are used to steal credit card data from unsuspecting motorists.

As Agriculture Commission Ryan Quarles notes, this is unfortunately not a new problem.

The Kentucky Department of Agriculture (KDA) inspectors were involved in a 2017 case that resulted in the arrest of eight people involved in a credit card skimming scheme in which some 7,000 unique card numbers were compromised in several Louisville-area retail locations. (Under state law, motor fuel pumps must be inspected by KDA personnel once a year. Inspectors test pumps to ensure that the amount of fuel dispensed matches the amount shown on the pump, and check to make sure each pump is in proper working order.)

The KDA advises motorists to be on the lookout for evidence that a fuel pump has been compromised. Signs of tampering include components that look different from the rest of the machine, a loose card reader or scratches and other damage around locks or doors.

According to the National Association for Convenience Stores, a single compromised pump can capture data from 30 to 100 cards per day.

Consumers who find evidence that a pump has been tampered with are advised to bring it to the attention to the retailer and local law enforcement. To report possible tampering to the KDA, call (502) 573-0282 or email ag.web@ky.gov and include the retailer’s name and location, the pump number, and the fuel grade.

Kentucky Resident Rate Offered at State Park Resorts

K ENTUCKY State Parks have announced a special rate for Kentucky residents of up to 10% off the regular lodging price at the park system’s 17 resort parks.

Guests must show a Kentucky driver’s license or some other proof of Kentucky residency. The residency rate is offered year-round and is subject to availability. Discounts will vary by date and park and do not include taxes or fees.

Reservations can be made by going online at parks.ky.gov and selecting “reserve a lodge/cottage.”
LEXINGTON

UNIVERSITY OF KENTUCKY INDUCTS 6 NEW MEMBERS INTO COLLEGE OF ENGINEERING HALL OF DISTINCTION

The University of Kentucky College of Engineering has inducted six new members into its Hall of Distinction, honoring those alumni who have demonstrated distinguished professional accomplishments, outstanding character and commitment to community service. Pictured left to right are new inductees David Houchin, Claude “Skip” Berry III, Mary Beth Willis Hudson, Steve Polston, Karen Martin Maxwell, Lonnie Bellar, with Dean Rudy Buchheit.

ELIZABETHTOWN

WESBANCO DONATION SUPPORTS FOUNDERS DAY CELEBRATION

WesBanco Bank is continuing to support the community of Elizabethtown through its sponsorship of the city’s Founders Day Celebration. Held each year on July 4, the celebration features vendors, contests, entertainment and fireworks. Pictured here is Elizabethtown Mayor Jeff Gregory with WesBanco City President Marilyn Ford.

SOMERSET

CORETRANS DONATES VEHICLE TO COMMUNITY COLLEGE’S COMMERCIAL DRIVING PROGRAM

CoreTrans, a Somerset-based trucking company, has donated a 2007 Volvo sleeper truck to Somerset Community College (SCC) to help train students enrolled in the college’s new commercial driver’s license program. The program, which will start this fall, was established to help meet a nationwide demand for more truck drivers. Pictured here with the newly donated truck are (left to right) CoreTrans Controller Sue Strunk; CoreTrans Director of Maintenance Chris Nicholas; CoreTrans President Brian Whitaker; SCC President Carey Castle; SCC Senior Vice President of Academic Affairs Clint Hayes; Workforce Solutions Vice President Alena Johnson; Workforce Solutions Program Facilitator Eric Harris; and SCC Vice President of Institutional Advancement Cindy Clouse.

LOS ANGELES

DPL FOUNDER DAVID LAU THROWS OUT FIRST PITCH FOR DODGERS-NATIONALS

David Lau, founder and CEO of Louisville-based DPL Financial Partners, recently went from pitching the benefits of commission-free insurance to realizing a boyhood dream when he had the opportunity to toss out the first pitch in the May 9 baseball game between the Los Angeles Dodgers and the Washington Nationals. Though Lau is a lifelong Red Sox fan, he is connected to the Dodgers through one of its insurance carrier partners, Security Benefit, a sponsor of the team.

LOUISVILLE

QK4 RECEIVES ENGINEERING EXCELLENCE AWARD FOR WORK WITH TOUCHSTONE ENERGY

Louisville-based engineering firm Qk4 Inc. has been awarded the American Council of Engineering Companies’ Engineering Excellence Award for its work with Kentucky’s Touchstone Energy Cooperatives, using innovative technology to bring jobs and investment to Kentucky. Pictured, from left, are Brad Thomas, economic development manager for Kentucky’s Touchstone Energy Cooperatives; Taylor Kelly, CEO of Qk4 Inc.; Ben Shinabery, survey manager for Qk4; and Rodney Hitch, economic development director for Kentucky’s Touchstone Energy Cooperatives.
SUMMER CELEBRATION
31st Annual
Friday, June 7
7 pm to midnight
Donamire Farm, Lexington

Space Jam
The Jimmy Church Band

Big Bang Bids
Silent Auction includes UK basketball lower-arena season tickets, vacations, jewelry, furnishings, fine art, and 300 more discoveries

Cosmic Couture
Summer festive or astro attire

Lift Off
$150 per person or $1,500 for reserved tables of eight. Includes a buffet, open bar, and entertainment.

STARFLEET COMMANDERS
David and Bonnie Adkisson

HOSTESS
Mira Ball

800-866-0366
KET.org/SummerCelebration
Proceeds support KET’s programs and services.
RESEARCH IN KENTUCKY
THAT’S OUT OF THIS WORLD

Advanced manufacturing research in Kentucky allows us to put our products on the front lines—and even into space—quickly.

Whether it’s researching and building microsatellites, creating medicines and medical devices of the future, or integrating cutting edge engineering advances into our automotive assembly plants, some of the greatest minds in the world are at work right here in Kentucky.

We also offer an ideal central location and three global air shipping hubs to help you get your new products to market overnight.

Let us help you manufacture your perfect future. Check out our other advantages at ThinkKentucky.com.