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SEPTEMBER 2019

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On the Cover

Convention center updates are happening across the United States and especially in Kentucky where the Kentucky International Convention Center, shown here, in downtown Louisville just celebrated the first anniversary of its reopening after a \$208 million renovation that enlarged its space and allows visitors to better experience the city during KICC events.



Lane One-on-One: Aric Andrew CEO, Luckett & Farley

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PERSPECTIVE

KEEP UP KY TAX REFORM

Success of 2018 modernization should encourage further steps

BY MARK GREEN

ENTUCKY broadened and flattened its state tax structure in early 2018 and now has encouraging results from the first fiscal year under those reforms. Tax revenues beat state budget expectations by \$194 million and topped 2018 totals by \$550 million.

With that success, the governor and Kentucky General Assembly can now look at further tax reforms. State business leaders are quite clear about what they advise: more broadening, more flattening and a shift from income taxes to consumption taxes.

The 2018 reforms broadened the range of goods and services to which the state's 6 percent sales tax applies, including tickets to performances and events put on by nonprofit organizations, health club membership fees, labor on car repairs, pet care, dry cleaning, and lawn and landscaping services.

Individual and corporate tax rates were simplified from multiple brackets to one flat rate for everyone; that lowered the top rates. A pension income exemption for the first \$41,110 a beneficiary receives was decreased so that tax begins after the first \$31,110 in pension income.

The Office of the State Budget Director attributed the commonwealth's fiscal 2019 revenue growth to economic development efforts that have yielded \$20 billion in new investment announcements since December 2015 that created 54,000 new jobs and to tax reform policies that broadened the tax base and modernized the rate structure. In addition to those "announced" projects, Kentucky had further billions in investment and thousands more jobs from projects that were not "announced," meaning they were undertaken without benefit of state and local incentives.

Tax policy is not the only factor involved in business, job and income growth, but it certainly helps. Income tax rates tip some of the final choices decision makers arrive at in choosing where to locate or expand, and influence choices made by the talent Kentucky businesses must recruit to be successful.

Kentucky now has a flat 5% income tax. Ohio's eight income tax brackets

top out at whisker less than 5%. Indiana has a flat income tax of 3.23%. Tennessee has no income tax, and it has been a business and populationgrowth success story. Kentucky's business community likes to cite the experience of our neighbor and competition to the south as a good example to follow.

Tennesseans do pay the highest combined average sales tax in the United States, but that has not prevented it from attracting strong business, job and income growth at an enviable rate. And since 2014, Tennessee has provided community college to its residents at no cost – yes, free – in an effort aimed squarely at improving workforce development.

Kentucky doesn't have to follow Tennessee's path, or Indiana's or Ohio's, but Kentucky should continue with further incremental tax reforms and modernizations. The sales tax exemptions removed last year produced no reports of businesses closing as a result – to the contrary, business grew. Removing exemptions did allow a decrease in income tax rates. It was a conservative approach, which is our state's culture.

Legislators and whomever Kentuckians elect this fall as their governor should take further tax reform steps in the 2020 session of the General Assembly. The goal is not to jump to the finish line but to move forward. To do nothing, as the state did for too many years, is to fall behind. Other "service" products remain exempt from Kentucky sales tax, hundreds of millions of tax dollars worth. That's just for starters.

A wise strategy for public and elected officials is to maintain active lines of communication with the state's private sector, and private sector leaders for their part must be proactive in expressing their views and offering advice. Government exists to serve the private sector, but achieving a result that serves us all requires active participation.

It is common to hear that individual ideas, voices or votes don't matter. The truth is: All it takes to have influence is to have an opinion and express it. Time to get to work.

Meanwhile, it's time to start efforts toward updating the state's decade-old economic development incentives.



Mark Green is executive editor of The Lane Report. Opinions expressed are those of the writer and not The Lane Report.

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FAST LANE

A compilation of economic news from across Kentucky

LOUISVILLE

UofL TO ASSUME KENTUCKYONE HEALTH'S LOUISVILLE ASSETS TO SAVE AREA MEDICAL FACILITIES AND JOBS

N an effort to prevent the closure of struggling **Jewish Hospital** and other vital Louisvillearea medical facilities, the **University of Louisville**'s board of trustees has unanimously approved an agreement to assume **KentuckyOne Health**'s Louisville-area assets.

UofL will pay \$10 million to acquire the assets from KentuckyOne's parent company, **CommonSpirit Health**. The purchase includes four hospitals, two specialty centers, four outpatient centers and KentuckyOne's physician practice as well as two parking structures. As part of the agreement, CommonSpirit will forgive \$19.7 million in

outstanding promissory notes from **University Medical Center Inc.** UofL will receive more than \$76 million of working capital in the form of accounts receivable and cash to meet future operating expenses.

To help secure the purchase, the state has pledged support for a \$50 million, 20-year loan, half of which will be forgiven if the university meets certain criteria in areas of employment or service to currently underserved areas of the community and commonwealth. Gov. Matt Bevin noted that the acquisition will maintain more than 5,000 health-care jobs in the Metro Louisville area.

Two local foundations, the **Jewish Heritage Fund for Excellence** and the **Jewish Hospital and St. Mary's Healthcare Foundation**, also are investing in the future of the facilities, contributing \$10 million and \$40 million respectively, to be paid over four years.

University of Louisville President Neeli Bendapudi said the outside investment is vital to the agreement, as it helps offset the significant financial risk such a purchase poses to the university. While acknowledging the risk, she stressed the upside of the acquisitions, noting that the additional medical facilities will strengthen UofL's academic medical center, providing more opportunity for residents and students at the university's Health Sciences Center. The additional facilities and resources also will provide venues in which to conduct leading-edge research and entice more clinical trials, external funding and renowned faculty to the university.

WICKLIFFE

PHOENIX PAPER ADDING \$200 MILLION RECYCLING FACILITY, 150 MORE JOBS AT BALLARD COUNTY MILL



Phoenix Paper's newest facility will take cardboard and mixed paper to recycle into industrial pulp and finished paper.

HOENIX Paper, which just opened a paper mill in Wickliffe earlier this year, has already announced plans to expand with the addition of a \$200 million paper recycling facility.

UofL's purchase of KentuckyOne

Jewish Hospital, including the

and Lung Center, offices and

Sts. Mary & Elizabeth Hospital

Our Lady of Peace hospital

Jewish Hospital Shelbyville

Jewish Medical Centers East,

Northeast, South and Southwest

Physician groups affiliated with

Outpatient Center, Rudd Heart

Health assets includes:

parking garages

KentuckyÖne

Frazier Rehab Institute

Last year, Phoenix executives announced plans to purchase the former **Verso Corp.** mill for \$16 million, refurbish it with a \$150 million investment and reopen it, eventually creating 500 full-time jobs. The mill opened earlier this year and produced its first roll of bleached, hardwood pulp on May 29. The facility currently employs more than 200 people and has an annual capacity of 300,000 tons.

Company leaders now plan to use the existing site to build a paper-and-pulp recycling facility. With an estimated 700,000-ton annual capacity, the new facility will receive post-consumer cardboard and

mixed paper from various regional locations. Following cleaning and screening of the raw material, the stock will be formed and dried into industrial pulp and finished paper. Construction is expected to begin before the end of the year and be completed within 14 to 18 months. The new plant is expected to create 150 full-time positions.

LOUISVILLE

EXPANSION AT EL TORO EXPECTED TO GENERATE 400 AD-TECH POSITIONS

L Toro Internet Marketing LLC, a fast-growing ad tech firm headquartered in Louisville, has announced plans to add hundreds of new jobs and move its headquarters from downtown to a larger building in Louisville's NuLu district.

El Toro provides a range of online marketing services, including advanced analytics, mobile location marketing and IP targeting. The company's patented

tools allow customers to directly market to their target customers via numerous omnich annel methods, including digital advertising, connected TV and direct mail.



Since opening in Louisville in 2013, El Toro has seen steady growth and in 2017 was listed at No. 13 on Deloitte's Fast 500 list, which ranks the fastest-growing technology companies in North America. El Toro currently employs a staff of more than 100 in Louisville and plans to add another 400 as part of the upcoming expansion. The new jobs will include software engineers, programmers, data scientists and sales positions.

"The explosive growth of El Toro is proof that tech companies don't need to be located on the coast to be successful and that Louisville has the talent to fill the demands of new and growing tech companies," said Mayor Greg Fischer.

The company plans to lease 36,700 s.f. on the third and fourth floors of the Gateway to NuLu building on East Market Street. The headquarters relocation is expected to be complete by February 2020.



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VAPING, JUULING, E-CIGARETTES - REGARDLESS OF THE NAME, THEY POSE A DANGER TO OUR YOUTH

e-Cigarettes have become more popular over the past decade, and by that name most people assume there is nicotine in the product. They are also easy to spot when people use them—they look like a fake cigarette or pipe and produce a noticeable cloud of vapor, which is why the term "vaping" is used to describe them. JUULing is a newer form of e-Cigarettes that entered the market in 2017.

JUUL is popular among middle and high school students because of its small size and flavors such as mango and crème brulee — which appeals to a younger audience. The device is also very small and looks like a USB device. The JUUL even recharges in a computer USB slot, so parents may not even know it's a JUUL device their kids are using. In 2018, JUUL accounted for about 40% of the e-cigarette market, grossing \$150 million in retail sales the last quarter alone.



Robert Prichard, MD
President and Chief
Executive Officer of
St. Elizabeth Physicians

The most disturbing part of these products is that kids (or adults) don't know or understand that these products contain nicotine and other varieties of harmful products – it isn't just water and flavoring like most kids believe. In 2018, the Centers for Disease Control and Prevention (CDC) reported that although there has been a decline in cigarette use, vaping has increased. Even more troubling, it's the youth of America who are using these specific products. E-cigarette use has increased from 11.7% to 20.8% among high school students and from 3.3% to 4.9% among middle school students from 2017 to 2018.

THE HIDDEN DANGERS OF VAPING

The liquid used in vaping contains nicotine. One of the issues is that the Federal Food and Drug Administration (FDA) does not regulate these products; therefore, the amount of nicotine is not even known. Some products contain the same or even more than the amount found in actual cigarettes. The FDA has such concerns with these products that in late July, it released new anti-vaping commercials [https://www.youtube.com/channel/UCxg_kBtJtSclPreOEjRDweQ] warning of the dangers of vaping.

Vaping doesn't involve burning, instead it turns a liquid into an aerosol before it's inhaled. However, the aerosol is not just harmless water vapor, rather it contains particles of nicotine, toxic chemicals to help the body ingest the nicotine, and sometimes even heavy metals. Many of the products in vaping liquid have been linked to cancer, as well as respiratory and heart diseases. Long-term studies on the effect of vaping have not taken place because the product has not been on the market long enough and is not FDA approved. Experts believe the addiction to vaping may also be harder to kick than cigarette use. In addition, most of the pharmaceuticals used to help adults quit smoking are not approved for people under the age of 18.

Nicotine is especially harmful to developing brains as the human brain continues to develop until the age of 26. Nicotine can halt that growth in the prefrontal cortex, which controls attention and focus, learning, mood, and impulse control.

WHAT CAN YOU DO TO HELP PEOPLE UNDERSTAND

Education is critical. Many young people don't understand the facts about vaping. A recent study showed 60% of teens who vape don't know vaping liquid contains nicotine. Parents need to be aware of vaping and JUULs. JUULS are small and can be mistaken for a USB drive. Teens are able to use it discreetly in the open because they have learned how to hide it – it's extremely easy for kids to hide it in their wrist with a hairband, or they have learned how to hold it in their hand undetected.

In July, a federal court decided that by May 2020, e-Cigarette manufacturers will need to apply to the FDA for a public health review of their products. The lawsuit that brought this issue to court was filed by the American Academy of Pediatrics and its Maryland chapter, American Cancer Society Cancer Action Network, American Heart Association, American Lung Association, Campaign for Tobacco-Free Kids, Truth Initiative and five individual pediatricians. No one knows enough about how harmful these new dangers can be and what the incidence of lung cancer and other cancers will be on people who vape – especially among our youth.

The popularity of these new e-cigarette's will continue to threaten the health of our Northern Kentucky region and Commonwealth, so educating yourself and establishing evidence-based approaches to decrease tobacco use in youth should serve as a template for regulation. Failure to act now could have devastating long-term consequences to our future generations and region.





FAST LANE

BUSINESS BRIEFS

BOWLING GREEN

■ Fruit of the Loom has cut approximately 100 jobs at its headquarters in Bowling Green as a result of the company's decision to transfer information technologies services to Wipro Ltd. Wipro is an India-based



company that specializes in IT, consulting and business process services. Fruit of the Loom employs approximately 1,000 people in Bowling Green and has a workforce of around 28,000 worldwide.

- English, Lucas, Priest and Owsley has created a program to mentor students who would like to enter the field of law, with a goal of ensuring that students of many different backgrounds consider law as a career option. The program takes attorneys into high school classrooms and to college and career fairs to discuss what educational paths students should pursue if they would like to pursue law as a career; identifies students who may be interested in a mentoring relationship with a local attorney; and provides jobs or internships to students who are interested in working in law.
- Owl's Head Alloys, a leader in the secondary aluminum business, is establishing an employee stock ownership plan (ESOP) that will make the 17-year-old Bowling Green company 100% employee owned. Employees who have completed 1,000 hours will be eligible to receive ESOP benefits and will earn shares of stock in the business each year. The transition to ESOP ownership will not change the management or day-to-day operations of the business.



CLERMONT

■ Beam Suntory has broken ground for its new Fred B. Noe Craft Distillery in Clermont, which will produce the company's small-batch bourbons like Booker's and Baker's and serve as a functional

production facility to explore new fermentation and distillation techniques. The new distillery, named for seventh-generation Master Distiller Fred Noe, is part of a larger \$60 million investment to re-establish the James B. Beam Distillery Co. in Clermont. The **James B. Beam Distilling Co.** was the company's name immediately following Prohibition and will serve as the name of Beam Suntory's Clermont operations going forward.

COVINGTON

■ HSD Metrics, a human resources analytics company with more than 220 national and international clients, is moving its headquarters from Columbus, Ohio, to Covington. The 26-year-old company helps organizations measure and achieve high-performance, high-retention work cultures by collecting data on a customized platform and providing it to clients in real time, using advanced analytics. HSD Metrics President and CEO Dan Cahill is the new chair of the Northern Kentucky Chamber of Commerce.

CRITTENDEN

■ Wolf Steel Ltd. is investing \$5.9 million to expand its grill and fireplace manufacturing plant in Crittenden. The Ontario, Canada-based company has operated in Crittenden since 1999 and since then has twice added property to accommodate its growth,



enlarging the plant from 39,000 s.f. to more than 180,000 s.f. Wolf, which makes products under the **Napoleon** brand, currently employs a staff of 82 at its Crittenden facility and plans to add another 30 full-time jobs as a result of the most recent expansion.

DANVILLE

■ International Farmaceutical Extracts LLC (IFE) is investing more than \$6 million to locate a manufacturing plant in Danville for CBD oil extraction and distillation. IFE plans to buy an 11,750-s.f. facility on Roy Arnold Boulevard. to house the manufacturing operation, where the company will use its patented extraction and distillation technology to produce up to 5,000 pounds of high-quality CBD oil from up to 50,000 pounds of industrial hemp flower pellets a day. The operation is expected to create up to 34 full-time jobs over the next 10 years.

ERLANGER

AMAZON CONTRACTOR ATLAS AIR TO ADD 600 JOBS AS PART OF \$34M EXPANSION

TLAS Air Worldwide Holdings is investing more than \$34 million to expanding its operations in Northern Kentucky, where it plans to add nearly 600 new jobs over the next 10 years.



Atlas, a major contractor for Amazon Air, currently employs 318 people at its facilities in Northern Kentucky. The company plans to lease a new facility in Erlanger near the Cincinnati/Northern Kentucky International Airport that is

expected to open in 2021. At that time, Atlas employees at the Florence location will relocate to the new Erlanger site.

Atlas provides outsourced aircraft and aviation operating services to customers around the globe. Its subsidiaries include Atlas Air Inc., **Southern Air Holdings Inc.** and **Titan Aviation Holdings Inc.** The company is also a majority shareholder of **Polar Air Cargo Worldwide Inc.** In addition to its headquarters in Purchase, N.Y., Atlas maintains training and operating facilities in Miami.

SIMPSONVILLE

LG&E/KU'S NEWEST FACILITY PROVIDES EASY WAY FOR CUSTOMERS TO GO SOLAR

have opened a new 1,400-panel solar facility in Simpsonville just off Interstate 64 that represents the first of eight 500-kilowatt sections that will be part of the companies' Solar Share Program.

The Solar Share Program is a subscription-based program that provides



LG&E and KU's new solar array just off 1-64 in Simpsonville is the first of eight planned sections that will be part of the companies' Solar Share Program.

a cost-effective way for residential, business and industrial customers who want to support solar energy. When energy is produced by the facility, customers earn credits on their monthly bills based on their subscription level. By participating in the program, customers get the benefits from solar energy without the up-front cost and long-term maintenance that come when installing a private solar system.

Subsequent sections will be completed as each is fully subscribed. The utilities are currently accepting enrollments for the second 500-kilowatt section. More information is available at lge-ku.com/environment/solar.

LG&E and KU are planning to use property within the solar site to establish a pollinator habitat, rich with native plants that create an environment that attracts and supports pollinators such as native bees, honey bees and monarch butterflies, which have experienced population declines over the last decade. Other benefits of pollinator habitats include beautifying the landscape, supporting grassland birds, reducing water runoff and soil erosion, reduced maintenance costs and educational opportunities.

BENTON

KY-BASED MEAL PREP COMPANY ADDING **JOBS. LARGER FACILITY TO MEET DEMAND**

Benton-based meal preparation company that delivers meals to body builders and other elite athletes across the country is adding 50 new jobs and building a new facility to keep up with growing demand for its products.

Brothers PG and Billy Georgiou founded MegaFit Meals four years ago, beginning in their parents' restaurant in Benton. During



Benton-based MegaFit Meals delivers fresh-cooked, healthy meals across the United States.

their bodybuilding days, the brothers used the restaurant to prepare their meals a week ahead to save time. Members of the pair's gym took interest in ordering healthy, easy-prep meals for themselves, inspiring the idea for MegaFit Meals

MegaFit Meals now a USDA-certified company that prepares fresh-cooked, healthy meals and ships them across the United States. Two years ago, the company built a new facility in Calvert City but now needs an operation four times larger to meet ongoing and expected future growth. The company is investing nearly \$3 million to build a 16,000-s.f. distribution facility in Benton's Southwest One Industrial Park.

"When we started this company four years ago, we never expected it to be where it is today," said Billy Georgiou.

BUSINESS BRIEFS

EASTERN KENTUCKY

■ The Kentucky Transportation Cabinet has announced plans to begin construction on the final segment of KY 30 that will straighten a 13.5mile curvy corridor between US 421 in Jackson County to Travellers Rest in Owsley County, reducing the length by 3.5 miles. A shorter, straighter path means drive times will be cut in half from 21 minutes to 11 minutes. KY 30 is the



most direct route from Lee, Jackson and Owsley Counties to I-75 south, businesses in London, western Kentucky, and Tennessee. Costs for the construction phase of the federally funded project are estimated at \$63 million. The project is expected to be complete by the end of 2022.



EDDYVILLE

■ Resonate Foods LLC, a craft hemp company that produces food and pharmaceutical-grade products, is investing \$2.7 million to expand its operations in Lyon County. The company currently operates a 15-acre processing site near I-24 and plans to add greenhouses, drying buildings and equipment as well as a lab to extract, distill and refine hemp into

wholesale and retail products. The expansion is expected to create at least 16 full-time jobs.

ERLANGER

■ The Cincinnati/Northern Kentucky International Airport recorded 426,246 local passengers in the first six months of 2019, setting a new all-time record. In addition, CVG's average airfare of \$347 made it the only airport in the region to have lower fares than the national average

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FAST LANE

BUSINESS BRIEFS



FRANKLIN

Old Friends, a Thoroughbred retirement facility based in Georgetown, has closed its satellite division at the **Kentucky Downs** racetrack in Franklin. The Franklin location was home to seven retired Thoroughbreds, which have been moved to Georgetown. The collaboration was originally designed by Old Friends President Michael Blowen and former Kentucky Downs President Corey Johnsen to help raise awareness of retired racehorses

and to promote local attractions in Simpson County. "We had a wonderful run, but unfortunately, we did not achieve the level of tourism or growth we had hoped for," said Blowen. "We felt it was no longer cost effective to remain open.

■ Harman Becker Automotive is closing its 150,000-s.f. plant in Franklin in September, a move that will eliminate 158 jobs according to paperwork filed with the state. Harman Becker, which has been at the Franklin location since 2000, produces audio components for automotive manufacturers such as BMW, Porsche and Subaru. Harman International has operated as a subsidiary of Samsung Electronics since 2016.

IRVINE

■ The federal Economic Development Administration has awarded \$4 million to the Estill County Board of Education to help build a 40,000-s.f. Area Technology Center (ATC) educational building. The ATC will focus on developing skilled workers in fields that include advanced manufacturing, health sciences, information technology, diesel technology and more. The project, which is expected to be operational by spring 2021, will be matched with \$4.7 million in state investment and is expected to help create more than 500 jobs, retain 450 jobs, and generate \$19.4 million in private investment.

LEXINGTON

■ Lexington-based mattress manufacturer Tempur Sealy has unveiled a new product that automatically senses and responds to snoring. The new Tempur-Ergo Smart Base features sensors that



detect snoring vibrations and then silently adjusts the sleeper's head position. In addition, each morning sleepers receive a personalized sleep report and sleep score based on a range of bio, sleep and environmental metrics that include heart and breathing rates, time spent awake and in various sleep phases, and sleep efficiency. The queen-size Smart Base retails for \$1,799.

- The University of Kentucky is tied for third among U.S. colleges and universities for the number of graduates who are chief executive officers of Fortune 100 companies, according to a recent report in U.S. News and World Report. UK currently has two graduates who are leading executives of Fortune 100 companies: Sam Hazen, CEO of HCA Healthcare, one of the leading health providers in the country, and Rodney McMullen, CEO of Kroger, the country's second largest general retailer. Texas A&M leads the ranking with four CEOs on the list. UK is the only other Southeastern Conference university among the Top 15 listed by U.S. News and is tied with institutions such as Duke, Dartmouth, Harvard and Purdue.
- Faneuil Inc., a national customer service outsourcing company, plans to establish a new call center in Lexington that will create 450 full-time jobs by the end of 2021. Founded more than 25 years ago and headquartered in Hampton, Va., Faneuil employs more than 5,500 people nationwide and provides customer service for commercial and government clients in sectors including transportation and tolling, health and human services, utilities, state and municipal governments and retail services.

LOUISVILLE

■ Louisville-based Limestone Bank has announced it is acquiring four branch banking centers in Elizabethtown, Frankfort and Owensboro from Republic Bank and Trust, also headquartered in Louisville. The purchase includes \$153 million in deposits and \$112 million in loans, as well as all fixed assets of the locations. The acquisitions will grow Limestone's presence in Owensboro and give the company entry into the Frankfort and Elizabethtown markets.

NEWPORT

NEW DEVELOPMENTS ARE TRANSFORMING NEWPORT'S CENTRAL BUSINESS DISTRICT

new mixed-used development that includes a hotel, office building, retail space and parking garage has been approved for the World Peace Bell site in Newport's central business district. Construction will begin in about a year on the hotel and parking garage, with development of the mixed-use building following in the second phase.



A new mixed-used development, a \$40 million music venue and a 230-foot SkyWheel are among the projects slated for downtown Newport.

"This project will be the missing link connecting Newport on the Levee to Monmouth Street and the central business district," said Newport City Manager Tom Fromme.

In addition to the World Peace Bell development, a **\$40 million music venue** is being built on the Newport riverfront by Covington-based **Corporex** and plans for the construction of a 230-foot **SkyWheel** on the city's riverfront are also moving forward.

Newport city commissioners have also approved a memorandum of understanding with the Kentucky Transportation Cabinet for the construction of a pair of **elevated pedestrian walkways** that will connect Riverfront Commons to the Taylor-Southgate Bridge, which spans the Ohio River and links downtown Newport to downtown Cincinnati. Riverfront Commons is an 11.5 mile walking/biking path that runs along the Ohio River and links all of Northern Kentucky's river cities: Ludlow, Covington, Newport, Bellevue, Dayton and Fort Thomas. The pedestrian bridges will connect on the east and west sides of the Taylor-Southgate Bridge.

MAYSVILLE

PATIENTECH TO HIRE 100 FOR NEW PRODUCTION FACILITY IN MAYSVILLE

PATIENTECH LLC, a manufacturer of tech-enabled health-care products, is investing nearly \$1.8 million to open a production facility in Maysville that will create up to 100 full-time jobs.

PatienTech is relocating production from a site in Canada and plans to lease a 22,000-s.f. facility on Industrial Park Drive in Maysville to accommodate the operation. The project comes as PatienTech seeks to capitalize on growing global demand for medical and residential smart bed products. A recent partnership with **KKR/Hilding Anders** to bring smart beds to Asia and Europe is also a driving factor. The Maysville facility will focus on production of smart bed components, including RF-welded bladders, computerized pumps and overall smart bed construction, for retail, health care and sports markets.

Founded in 2010 to commercialize its patented smart fabric technology, PatienTech was the first to convert common fabrics into electronic data collection devices. The company got its start with health-care products to protect patients from pressure ulcers and bed falls. It currently develops and markets advanced medical, sleep and sports systems using proprietary and patented smart fabric technology.

WILLIAMSBURG

CUMBERLANDS OFFERING FREE BUSINESS CLASS TO EASTERN KENTUCKY RESIDENTS



NIVERSITY of the Cumberlands is offering a new course this fall in entrepreneurship and small business administration that is free of charge to residents living in the 606 area code.

"Entrepreneurship in the Real World" is

designed for those interested in opening a new business or growing an existing business. The course is being led by Geoff Marietta, who previously served as executive director of Pine Mountain Settlement School and taught classes at the Harvard School of Business. Marietta is also co-founder of both Mountain Tech Media and Giant Otter Technologies and owns a small business in downtown Corbin.

"The entrepreneurial concepts presented in this course provide business owners with a solid foundation for achieving success and helping boost the local economy," said Marietta. "I believe this will be a great platform for better understanding how we can draw resources from local counties and further grow downtown areas."

The course is a blended format of online assignments and in-person classes, during which time students will learn from entrepreneurs who have built thriving businesses in the region. All travel greater than 30 miles from a participant's home will be reimbursed. The cost of books and course fees is also covered.

Students completing the course will earn an internationally accredited certificate in Entrepreneurship and Small Business.

BUSINESS BRIEFS

LOUISVILLE

The UPS is continuing to grow in Louisville with the opening of a new supply chain distribution center on National Turnpike. The 416,000-s.f. building houses a new customer, Columbia Sportswear, the popular outdoor apparel, footwear and equipment retailer. Until now, Columbia handled distribution in-house but with its own facility at capacity, the sportswear



company turned to UPS for help. UPS now manages the distribution of products to Columbia retail stores across the country. The new warehouse is creating 83 new full-time jobs with pay starting at \$13.30 an hour.

■ Turning Point Brands, a Louisville-based company that specializes in tobacco and tobacco-alternative products, has acquired Solace Technologies for \$15.25 million. The young Los Angeles-based product development company has established one of the top e-liquid brands in the vapor industry and become a leader in alternative products. The Solace assets and team will be combined with Turning Point's Nu-X Ventures division. As part of the transaction, Nu-X Ventures will establish a headquarters in Southern California.

MAGOFFIN COUNTY

■ Construction of the newest segment of the **Mountain Parkway** expansion began in August, continuing a major corridor project designed to benefit Eastern Kentucky. The more than \$70 million construction project will widen and improve a crash-prone section of the parkway near the Magoffin and Morgan county line. The new segment – known as Magoffin County West – will connect the new fourlane roadway currently being built in Morgan County with a four-lane section already completed near Salyersville, improving mobility along a 21-stretch that has been only two lanes. The Magoffin County West segment is due to be completed in the fall of 2022.





FAST LANE

BUSINESS BRIEFS

MERCER COUNTY

■ Lexington-based **Bluegrass Hemp Oil/Kentucky Cannibis Co.** has acquired 120 acres of land bordering the Salt River in Mercer County. The new acreage will increase the company's production of hemp used to create their cannabidiol (CBD) products, which continue to be in high demand.

MILLERSBURG

■ The U.S. Economic Development Administration (EDA) has awarded a \$986 million grant to **Community Ventures Corp.** to convert a portion of the former **Millersburg Military Institute** into a full-service kitchen incubator and business accelerator. The grant, to be matched with \$766,615 in local investment, is expected to create or retain 60 jobs and generate \$1 million in private investment. The facility will provide training, technical assistance and mentoring services to entrepreneurs throughout a seven-county region of the state that has been severely impacted by the loss of coal-related jobs.



MUNFORDVILLE

■ Hollander Sleep Products has permanently closed its Munfordville plant, citing significant decreases in orders for the mattress pads the facility produces. The move follows the company's decision in May to voluntarily restructure the business through Chapter 11 bankruptcy proceedings. Hollander acquired the Munfordville plant with the acquisition of Louisville Bedding Co. in 2013. The plant closing eliminates 208 jobs.

PERRY COUNTY

■ Sykes Enterprises is laying off 179 workers at its Perry County banking services support center/inbound call center. Sykes employs a total of 375 people at the Perry County facility. Perry County Judge-Executive Scott Alexander told *The Hazard Herald* that local officials are working with Sykes to find another potential partner so that those who are laid off can be brought back to work.

PIKEVILLE

■ The University of Pikeville has been awarded a \$750,000 federal grant to create a Master of Social Work (MSW) program containing a specialization in mental health and addictions. UPIKE's MSW will contribute to the workforce expansion program by increasing the number of professionals trained to transform integrated behavioral health and primary care teams, as well as to effectively prevent and treat substance abuse in community-based practices. The grant will aid the MSW program with student recruitment, personnel attainment, professional development, stipends for students and other key functions.

STATE

NEW SOFTWARE SYSTEM IS HELPING HOSPITALS ADDRESS OPIOID CRISIS

\$250,000 grant from the **Anthem Foundation** is equipping Kentucky emergency-room physicians with state-of-the-art software to help them make faster, more informed treatment decisions.



Hospitals that are part of the **Kentucky Hospital Association** will have access to EDie, a real-time, risk-adjusted event notification and care collaboration platform that identifies and supports high-risk patients. EDie collects data from

thousands of hospitals, urgent care centers, clinics and health plans, and packages the needed data for emergency situations, delivering critical information to the emergency physician in real time. The report allows a medical team to see patient history, visit summaries, medical providers, security events, and even care recommendations like preferred language and drug allergies.

"One particularly powerful application of this technology is in fighting Kentucky's opioid epidemic," explained KHA President Nancy Galvagni. "Emergency room hopping is a serious obstacle in helping people suffering from addiction and this software can tell a treating physician if the patient has a history of ER visits for pain treatment. EDie can be the difference between enabling addiction and treating it."

As of late June, 10 Kentucky hospitals had adopted the technology, with 28 more in the process of onboarding the software. The facilities will not only have access to data provided by each other, but also to data from hospitals in other states as well as substance use disorder facilities, skilled nursing facilities and specialty clinics across the country.

"Information is a powerful tool in medicine, especially emergency medicine when life and death decisions must be made quickly," said Harold C. Warman, president of Highlands Regional Medical Center in Prestonsburg, the first hospital in Kentucky to go live with the EDie software. "EDie instantly consolidates information from multiple sources that would otherwise take hours to obtain, and lets emergency physicians make fasters, more informed clinical decisions."





The Total Package





BBC News HD 2

HD 3 news, music and features.

STATE

ANTHEM, RENEW RECOVERY LAUNCH IN-HOME SUBSTANCE ABUSE TREATMENT

HROUGH a new partnership between **Anthem Blue Cross and Blue Shield** in Kentucky and **Renew Recovery**, a Kentucky-based treatment center specializing in substance use disorders, Anthem consumers covered through employer-based and individual health plans now have access to a treatment model that allows them to receive addiction treatment in their own homes.

Anthem consumers who meet the criteria for in-home treatment will undergo a highly personalized in-home treatment program for one to two months and then transition to an



outpatient model lasting up to two years. The care team will include a psychiatrist, responsible for creating treatment plans; a licensed therapist and case manager, who provides ongoing counseling

through individual and group sessions; and a peer support recovery coach to deliver continuous support while connecting the member and his or her family to recovery resources in the community.

As part of the program, a pharmacist with Louisville-based St. Matthews Community Pharmacy will consult with members in their homes about medication-assisted treatment, and when appropriate, will administer naltrexone, one of three FDA-approved medications to treat substance use disorder.

"This program will allow us to reach a new segment of the population that often forgoes treatment due to time constraints, other daily obligations and the unfortunate stigmas associated with substance use disorders," said Amanda Newton, chief operating officer of Renew Recovery.

The in-home program also incorporates BehaVR, an evidence-based platform that uses virtual reality technology to encourage healthy lifestyle changes. Research shows that individuals who receive mindfulness-based relapse prevention – the foundation of the BehaVR platform – report significantly lower levels of craving following treatment.

While this is the first program of its kind in Kentucky, Anthem has previously provided coverage for in-home treatment models in New Hampshire, Maine and Connecticut.

BUSINESS BRIEFS

RICHMOND

■ Eastern Kentucky University is offering vouchers to eligible students who need child care for their children while they are in class. The vouchers are being funded through a Child Care Access Means Parents in School (CCAMPIS) grant. The vouchers can also fund tuition for after-school and summer programs. "There is strong evidence that when students



who have young children have access to high-quality child care, they are more likely to stay in college and graduate," said Dana Bush, EKU Applied Human Sciences department chair and grant co-author.

SHELBYVILLE

■ Martinrea laid off 192 employees in early August at its Shelbyville automotive parts production plant, nearly 25% of the facility's total workforce. The Shelbyville plant is a supplier for Ford, which is in the process of transitioning to a new Escape model that does not require as many parts as the previous model.

WEBSTER COUNTY

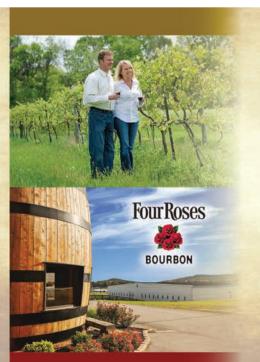
■ Citing weak market conditions, Alliance Resource Partners has closed its Dotiki Mine in Webster County, eliminating more than 200 jobs. According to local reports, Dotiki miners have been offered positions at other Alliance locations. The Dotiki mine has been in operation since 1967.



WINCHESTER

■ Atalo Holdings, a Winchester-based hemp research, production and processing company, has opened a second location in Winchester to meet current and forecasted market demand for CBD. The 50,000-s.f. facility expands the company's extraction, formulation, packaging and lab capabilities and has been certified under the U.S. Hemp Authority Certification Program.

■ Bluegrass Community and Technical College's Winchester-Clark County Campus is offering an introduction to hemp agribusiness course this fall, the first course of its kind in Central Kentucky. Students will explore the processing mechanisms for hemp and techniques used for hemp cultivation and learn about career options in the hemp industry as well as government regulations regarding hemp. Students may take the course for an elective college credit, or community members or business partners may take the course through BCTC Workforce Solutions.







INTERSTATE LANE

Business news from Indiana, Ohio, Tennessee and West Virginia

BUSINESS BRIEFS

INDIANA

■ BeijingWest Industries (BWI), a China-based company that designs and manufactures brake and suspension systems for the global automotive market, has opened a new \$80 million production facility in Greenfield, Ind. The company is on pace to have 195 employees by the end of this year and expects to have more than 440 by the end of 2021. The Greenfield plant is the first U.S. production facility for the company.



■ Indianapolis-based Republic Airways is expanding its partnership with Delta Air Lines with an agreement that adds 30 Embraer 175 E-Jet aircraft to the Republic fleet, growing its total number of aircraft to 220. Republic

currently operates 38 aircraft for Delta and expects the expansion to increase its scheduled daily operations by more than 75%. The operational expansion will also lead to the opening of two new Republic bases in Boston and Louisville. Republic currently has maintenance operations in Louisville and will add its crew base in December.

■ Allison Transmission, a global manufacturer of propulsion solutions for medium- and heavy-duty commercial vehicles, is investing more than \$400 million to add a new vehicle environmental test (VET) facility in Indianapolis, build a new innovation center and expand its core business. The VET will include environmental chambers capable of simulating temperature extremes, altitude and on-road conditions that will allow testing for regulatory compliance, on-board diagnostic development and performance improvements for vehicle optimization. The innovation center will feature expanded and unique virtual and physical system simulation, as well as development and validation capabilities to support customers, partners and supplier relationships.

INDIANA/OHIO

■ Indiana's Paoli Peaks ski resort and the Alpine Valley, Boston Mills Brandywine and Mad River Mountain ski resorts in Ohio are being sold as part of Vail Resorts Inc.'s acquisition of Peak Resorts Inc. The \$264 million acquisition also includes 12 other ski resorts in Vermont, New York, New Hampshire, Pennsylvania and Missouri.

оню

■ Amazon plans to open two new Ohio fulfillment centers that will create more than 2,500 full-time jobs. The new centers will be located in Akron and Rossford.

■ Cincinnati-based Fifth Third Bancorp has announced that it will raise its minimum wage to \$18 per hour



for approximately 4,900 employees beginning Oct. 28. In January 2018, Fifth Third raised its minimum hourly rate from \$12 to \$15, a move that company executives say contributed to a 16% year-over-year reduction in employee turnover in 2018 in those jobs most affected by the minimum wage. The new \$18 minimum hourly wage will primarily benefit employees in retail branches and operations support functions such as customer contact centers.

TENNESSEE

- EnableComp is investing nearly \$1 million to open an office in Tullahoma, Tenn., where it will process medical insurance claims from submissions to appeals. Based in Franklin, Tenn., EnableComp serves more than 800 health care providers in 39 states. The company currently has approximately 240 employees at its headquarters in Franklin and plans to add 200 employees in Tullahoma within five years.
- FedEx Corp. is investing an additional \$450 million in its Memphis hub modernization, a \$1.1 billion project announced in March 2018. The project, which will include a new sort facility and a new bulk truckload building to support changing e-commerce needs, is expected to be complete by 2025 and will produce a "significant" number of jobs along the way. The Memphis hub currently employs 11,000 people.

OHIO

TOTAL QUALITY LOGISTICS ADDING 600 NEW JOBS AS PART OF \$20M EXPANSION

INCINNATI-based Total Quality Logistics (TQL) is constructing a second building at its headquarters campus to accommodate its



ongoing growth in the third-party logistics industry.

The goal of the \$20 million expansion is to accommodate nearly 600 new employees that the company anticipates hiring over the next five years. The additional jobs will primarily be sales and information technology roles.

TQL is the second-largest freight brokerage company in North America, offering full truckload, less-than-truckload (LTL), and intermodal logistics services.

Founded in 1997, the company now has more than 5,500 employees in 57 offices across the United States and moves more than 1.6 million loads across the nation annually through a network of more than 75,000 carriers.

"Logistics is an increasingly tech-driven industry, and we continue to make substantial investments in our proprietary technology solutions, such as TQL TRAX, to improve transparency, communication, and drive greater efficiencies in transportation. This headquarters expansion will cater to the needs of technology professionals so we can attract and retain the highest levels of technology talent," said TQL President Kerry Byrne.

The new building will be approximately 120,000 to 130,000 s.f. and will be located next to the company's existing 100,000-s.f. building. When the headquarters campus is complete, TQL expects to have more than 2,000 employees located there.

INDIANA

CALIFORNIA-BASED EHEALTH TO LOCATE EASTERN HQ IN INDY, CREATING 500 JOBS

HEALTH Inc., a private online health insurance exchange, is investing \$10 million over the next three years to locate its new Eastern U.S. technology and operations headquarters in Indianapolis.

The project is expected to create up to 500 jobs by the end of 2023.

Founded in 1997 as eHealthInsurance, the California-based company's technology was responsible for the nation's first internet-based sale of a health insurance policy in 1998. The company's goal is to simplify the process for consumers to find, compare and purchase the plans that best suit their needs. eHealth is now licensed to market and sell health insurance in all 50 states and the District of Columbia and offers more than 10,000 insurance plans from over 180 health insurance carriers.

Publicly traded since 2006, eHealth has experienced dramatic growth in the last few years, with the company's stock value increasing more than five-fold during that time.

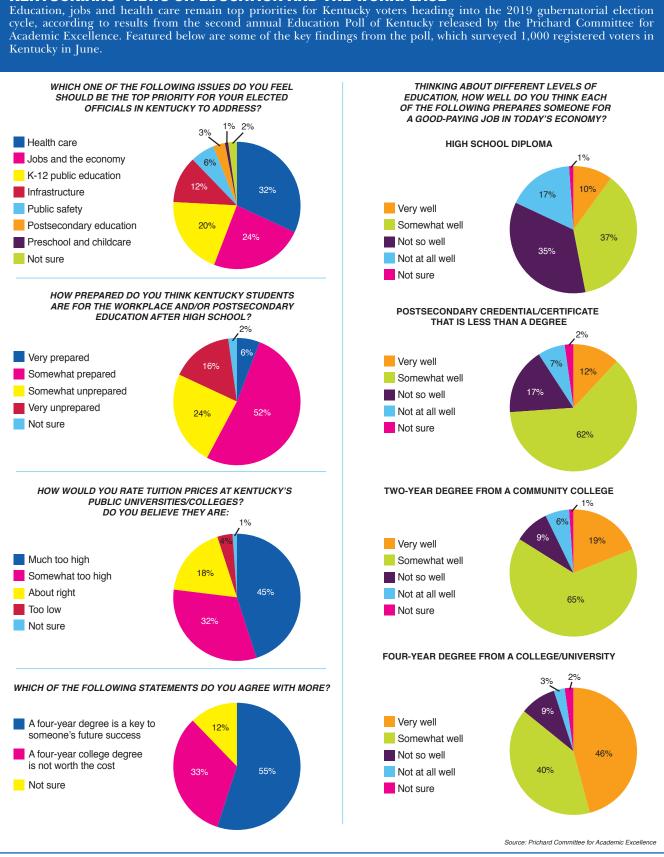
eHealth currently employs approximately 1,100 associates between its West Coast headquarters and customer care centers in Gold River, Calif.; Salt Lake City and Austin, Texas. The company has already hired 125 staff members in Indiana and is currently hiring for positions in software and engineering, human resources and sales.

eHealth CEO Scott Flanders is a native of Indianapolis and a graduate of the Indiana University Maurer School of Law.

KENTUCKY INTELLIGENCER®

A sampling of business and economic data

KENTUCKIANS' VIEWS ON EDUCATION AND THE WORKPLACE Kentucky in June.



CORPORATE MOVES

New leadership for Kentucky businesses

BIG MOVES ■ Lisa Beran has returned to the Kentucky Housing Corp. after retiring in March 2019 to serve as interim executive director and CEO of the

Kentucky Housing Corp.



Lisa Beran

PROMOTED LISTING

ARCHITECTURE/ENGINEERING

■ Thresa Estopinal, Kevin Russell, Ernie

Dreher, John Sprouls and Jared Burt have been n a m e d managing partners for E G Architects.



Thresa

Estopinal



Kevin Russell





John Sprouls



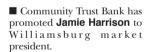
Jared Burt

Ernie Dreher **ARTS**

■ Eric King has been named director of communications and engagement for Fund for the Arts in Louisville.

BANKING/FINANCE

■ Elizabeth Hobbs has ioined Traditional Bank in Lexington as vice president, commercial loan officer.





CONSTRUCTION

■ Michael Patterson has been named executive vice president for construction and business development at Lexington-based Denham-Blythe Co.

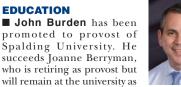


ECONOMIC DEVELOPMENT

■ Kimberly Rossetti has joined Northern Kentucky Tri-County Economic Development Corp. (Tri-ED) as vice president, economic development.



Rossetti





John Burden

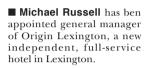
special academic programs and outreach projects.

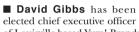
■ Rebecca McQueen-Ruark has been appointed vice president of student affairs for Kentucky Wesleyan College.

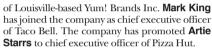
■ Kevin Revnolds has been named vice president for institutional advancement at Thomas More University.



■ Jim Norberg has been appointed chief restaurant operations officer for Louisville-based Papa John's International.







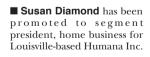
■ Leanne Cunningham has been named senior vice president, shareholder relations for Louisville-based Brown-Forman.

GOVERNMENT

■ Brett Nolan has joined the Kentucky Office of General Counsel as deputy general counsel. Matthew F. Kuhn has been named chief deputy general counsel. S. Chad Meredith has been named to the newly created position of solicitor general within the Office of General Counsel.

HEALTH CARE

■ David Weathersby has been named chief operating officer for Centerstone, a Louisville-based nonprofit health-care organization that provides mental health and substance abuse treatment.



■ Chelsey Keesy has been named executive director of the Kidney Health Alliance of Kentucky.

MANUFACTURING

■ Tracy Walker has joined Louisville-based trailer and truck manufacturer Kentucky Trailer as general counsel.

MEDIA

■ Brian Neal has joined WLEX-TV in Lexington as news director.



Rehecca McQueen-Ruark



Kevin Reynolds



Michael

relations director.



MEETINGS/CONVENTIONS



Amanda Cloyd Ian Cox

Herberg, who retired at the end of July. lan Cox has been named to the newly created position of assistant director of communications.

NONPROFIT

Amanda

Cloyd has

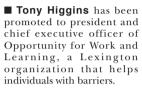
Kentucky

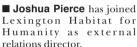
Venues in

Louisville. She

succeeds Paul

■ Timothy Johnson has been named president and CEO of United Way of the Bluegrass.







Timothy Johnson



Joshua Pierce

PHARMACEUTICAL

■ Lucia Celona has been named chief people officer for Crestwood-based Apellis Pharmaceuticals Inc.

TECHNOLOGY

■ Tim Burke has been named CEO of NetGain Technologies, a Lexington-based IT services provider.

TOURISM

■ Cleo Battle has been promoted to the newly created position of chief operating officer of Louisville Tourism.



OTHER

■ Ronan Power has been

named chief scientific officer for Alltech, a Nicholasville-based company that specializes in animal and plant nutrition. He succeeds **Karl Dawson**, who retired at the end of June.

■ Lisa Zangari has been promoted to vice president of Leadership Louisville. Anthony Alongi has joined the organization as director of finance and administration.

DEPARTURES

■ Susan Barry is stepping down as president and CEO of the Community Foundation of Louisville, effective Sept. 3.



Barry

■ Jordan Harris, founder of the Pegasus Institute, has announced that he is stepping down as executive director of the



Weathershy

Chelsey Keesv

Tracy Walker

a consultant and manager of

state-based think tank effective Nov. 1, 2019.

ON THE BOARDS

Kentuckians named to organizational leadership roles

BIG SANDY COMMUNITY AND TECHNICAL COLLEGE

■ Jeffery Michael Shannon, Pamela C. Howard, and Ramona Laney have been appointed to the board of directors of the Big Sandy Community and Technical College. Shannon, of Louisa, is the IT coordinator for Floyd County Area Technical College. Howard, of Pikeville, is a retired physical therapist. Laney, of Pikeville, is assistant vice president, marketing officer for Citizens Bank of Kentucky.

BLUEGRASS COMMUNITY AND TECHNICAL COLLEGE

■ Theodore Vittos, of Lexington, has been appointed to the board of directors at Bluegrass Community and Technical College.

FARMERS NATIONAL BANK

■ Daniel E. McKay, president and CEO for Ephraim McDowell Health, has been appointed to Farmers National Bank's Boyle County Community Board.



Daniel McKay

GATEWAY COMMUNITY AND TECHNICAL COLLEGE

■ Charles Clifford Coleman, Alexandria; John Baines, Fort Thomas; and Charles L. Session Jr., Union, have been appointed to the board of directors at Gateway Community and Technical College.

HENDERSON COMMUNITY COLLEGE

■ Ashley Wurth Brown and Eric Dean Gardner have been appointed as members of the Henderson Community College board of directors. Brown, of Clay, is the business manager for River View Coal. Gardner, of Henderson, is the director of environment, health, safety and security for Gibbs Die Casting Corp.

IOLTA

The board of governors of the Kentucky Bar Association has appointed L. Miller Grumley, Paducah; Rebecca Adams Simpson, Bowling Green; and Elizabeth "Betsy" G. Weber, Crestview Hills to the IOLTA (Interest On Lawyers' Trust Accounts) board



Rebecca Simpson

Lawyers Trust Accounts) board of trustees. The Kentucky IOLTA Fund was established in 1986 by the Kentucky Supreme Court through SCR 3.830, which requires every lawyer maintaining a pooled client trust account to offer such an account. The interest received by the IOLTA Fund is then disbursed in the form of grants for legal aid to the poor, local pro bono programs, and other projects that improve the administration of justice in Kentucky.

KENTUCKY ASSOCIATION OF COLLEGES AND EMPLOYERS

■ Haley Murphy, a career coach with Morehead State University's Office of Career Services, has been named to board of the Kentucky Association of Colleges and Employers. Murphy serves as communication chair.



Haley Murphy

KENTUCKY ASSOCIATION OF HEALTH CARE FACILITIES

■ The following individuals have been elected to the 2019-2020 board of directors for the Kentucky Association of Health Care Facilities: Chairman – Chris Page, Life Care Centers of America; First Vice Chairman – Jason Gumm, Barren County Health and Rehabilitation; Second Vice Chairman – Michelle Jarboe, Management Advisors; Secretary – Jonathan McGuire, Greenwood Nursing & Rehabilitation; and Treasurer – Mark Bowman, Kentucky Department of Veterans Affairs.

KENTUCKY CENTER FOR ASSISTED LIVING

■ The Kentucky Center for Assisted Living has elected the following individuals to its board of directors: Chairman – Michael Bowlden, The Oaks Assisted Living/Providence of Richwood; First Vice Chairman – Joe Jurgensen, Fairview Senior Living; Secretary/Treasurer – Sarah Jurgensen, Crescent Place Assisted Living; At-Large – Anita Hoops, Crescent Place Assisted Living; Chris Just, Grove Point Assisted Living at Masonic Homes Kentucky; and Lisa Riley, Highland Ridge Assisted Living.

KENTUCKY EMERGENCY RESPONSE COMMISSION

■ Andrew Michael Chandler, Chris Skates, Larry Christopher Taylor, McKenzie Benkner and Michael Alan Jones have been appointed as members of the Kentucky Emergency Response Commission. Chandler, of Versailles, is an emergency manager. Skates, of Lawrenceburg, is a communications advisor for Gov. Matt Bevin. Taylor, of Versailles, is an environmental scientist consultant. Benkner, of Somerset, is a business owner. Jones, of Lawrenceburg, is a Kentucky Department of Military Affairs representative.

KENTUCKY INFRASTRUCTURE AUTHORITY

■ Brent Edward O'Neill, of Lexington, has been appointed as a member of the Kentucky Infrastructure Authority.

KENTUCKY LAW ENFORCEMENT COUNCIL

■ Michael D. "Spike" Jones, Charles E. "Chuck" Dills II, William C. "Bill" Dieruf, and Anthony James Lucas have been appointed members of the Kentucky Law Enforcement Council. Jones, of Covington, is a police chief for Kenton County. Dills, of Williamstown, is judge-executive of Grant County. Dieruf is mayor of Jeffersontown. Lucas is police chief of Independence.

KENTUCKY WORKFORCE INNOVATION BOARD

■ Kim King has been appointed as a member of the Kentucky Workforce Innovation Board. King, of Harrodsburg, is a state representative.

PREVENT CHILD ABUSE KENTUCKY

■ Prevent Child Abuse Kentucky has announced its board of directors' leadership for 2019-2020: President – Dr. Jaime Pittenger, UK Children's Hospital; Vice President – Jordan Parker, Traditional Bank; and Secretary-Treasurer – Bill Londrigan, KY State AFL-CIO.

ROTORACT CLUB OF LEXINGTON

■ The Rotoract Club of Lexington has announced its 2019-2020 executive committee: President – Liza van Dissel, Mill Ridge Farm; President-Elect - Hunter Porter, BC Wood Properties; Secretary - Amy Sandlin, Blue & Co. LLC; Treasurer - Rob Caudill, McDaniel Wealth Management; Community Service Chair - Maggie Owens, UK Healthcare; Professional Development Chair - Don Morgan, Sturgill, Turner, Barker & Molonev PLLC; Membership Chair - Kevin Edelman, Fayette County Attorney's Office; and Immediate Past President - Langdon Ryan Worley. Rotoract is a nonprofit organization of young professionals and students ages 21 to 32 who are committed to service, leadership and professional development.

UNIVERSITY OF KENTUCKY ALUMNI ASSOCIATION

■ The University of Kentucky Alumni Association has elected the following individuals as officers of its 2019-2020 board of directors: President – Taunya A. Phillips, Lexington; President-Elect – Hannah Miner Myers, Madisonville; Treasurer – Mary L. Shelman, Belmont, Mass.; and Secretary – Timothy Walsh, Lexington.

WESTERN KENTUCKY UNIVERSITY ALUMNI ASSOCIATION BOARD

■ The Western Kentucky University has named the following Kentuckians to the 2019-2020 Alumni Association Board: Georgena Brackett, Scottsville; Todd Cheever, Bowling Green; Brent Ditto, Elizabethtown; Michael L. Fogle, Glasgow; Sherri Goldsmith, Bowling Green; Jenna Haugen, Louisville; and Mike Tarter, Somerset.

YOUNG PROFESSIONALS ASSOCIATION OF LOUISVILLE

■ The Young Professionals Association of Louisville has announced its 2019-2020 board of directors: President – Nathan Shanks, Logan Lavelle Hunt; President-Elect - Rudy Ellis, Dinsmore & Shohl; Immediate Past President – Aimee Jewell, Leadership Louisville Center;



Nathan Shanks

Treasurer - Patrick Wilson, MCM CPAs & Advisors; Secretary – John Weber, Frost Brown Todd; Vice President of Public Relations - Sally George, Doe-Anderson; Vice President of Community - Hunter T. Ellington, Fifth Third Private Bank; Vice President of Programming -Cassidy Hyde, Make-A-Wish Ohio, Kentucky and Indiana; and Vice President of Engagement - Kasen Meek, Centerstone. Directors include: Communications - Chris Redd, Nordic Consulting Inc.; Social Media - Betsy Oyler Appleton, Confluent Health; Technology - Jay Brown, Smart Data Systems; Community Outreach - Melissa Hernandez, Leadership Louisville Center; Public Issues - Dexter Horne, McNary Group; Professional Development -Brian Schneider, Greater Louisville Inc.; Leadership - Sarah Humphrey, Home of the Innocents; Diversity and Inclusion - Kelci Webb, Department of Juvenile Justice; Recruitment – Kayla Schaeffer, Atria Senior Living; and Membership - Michelle Clay, Humana Inc

LANE ONE-ON-ONE

Kentucky's leaders express their opinions



Aric M. Andrew

Aric M. Andrew, AIA, is president and CEO of Luckett & Farley, the oldest continuously operating architectural firm in the country. Before being named to his current position in 2016, Andrew served as the firm's market director of higher education, vice president and senior vice president. He has also been instrumental in creating Luckett & Farley Development LLC. Prior to joining Luckett & Farley, Andrew was vice president of Bickel Gibson Architects. A native of Trimble County, Andrew graduated from the University of Kentucky College of Architecture (now the College of Design), where he received several design awards, including the Dean's prize, the highest honor for graduating architecture students at UK, and the prestigious Skidmore Owings and Merrill Traveling Fellowship. Andrew has over a quarter century of architectural and project management experience. He currently resides in Louisville.

SUCCEEDING FOR 165 YEARS REQUIRES WILLINGNESS TO SHIFT AND CHANGE

Luckett & Farley CEO Aric Andrew explains why Kentucky's oldest design firm reorganized to focus on design and collaboration

BY MARK GREEN

Mark Green: You became CEO and president in 2017. What are the things that inform how you lead Luckett & Farley today?

Aric Andrew: I always wanted to be an architect. I love painting and drawing, and growing up on a farm I developed an appreciation for how things were made and interacting with nature. Imagine a young person walking into a tobacco barn filled with its dappled light; that is the passionate part of this. It brought a passion about design and architecture to the table.

Luckett & Farley was my second job; I was with another firm nearly 15 years and went from intern to vice president. I was passionate about design and I figured out that using my design talent to get clients excited about projects was important, especially when we were trying win work.

I found myself in higher education, where clients really like design, and helped to grow that market to be the second largest in our company - second only to the industrial market, which then included everything from automotive to distilled spirits to manufacturing. I became the leader of the higher ed group and treated the pursuit of this work in a 'studio' fashion, where I was working with a group in the office. Consistent engagement with those clients was breeding success and efficiency and relationships.

I went from higher ed market director, to vice president, to senior vice president, and when our former CEO was considering succession, those things I was doing positioned me to be invited to consider leading the firm. It was a very unlikely path, but one rooted in passion and my overwhelming desire to practice good design.

MG: Were there key areas or past designers or architects that were strong influences of yours?

AA: I was lucky to have a good education at the University of Kentucky, the only architecture program in the state. UK in the mid-'80s was an outstanding architecture school. I had access to faculty who were world renown: protégés of Le Corbusier, the father of modern architecture, a fantastic Italian futurist; Daniel Libeskind, the architect who designed the Ground Zero master plan after the (World Trade Center) towers came down; and I could go on. And I've kept those relationships. Working for Bickel Gibson Architects (in Louisville) right out of school, Jim Gibson, the principal and later my partner, was quite an influence. When I considered coming to Luckett & Farley, I told myself if you

want to be the top designer, go to a place that's not known for its design reputation and become that.

MG: Luckett & Farley is one of Kentucky's oldest companies. How would you describe L&F's historic recipe for success?

AA: Ît's complex. In 165 years they've had many different recipes for success; I'm learning more about what those drivers were while currently writing a book about the history of Luckett & Farley. It has evolved. When I came here the company was a solid service provider, highly proficient technically with incredible project management. Pushing the envelope of technology and scale were all ingredients in success, but in this global environment where our clients have access to any architect around the world, proficiency and delivery of projects but no thought leadership didn't feel like a formula for success that would take us into the future.

Not to take away any of the success my predecessors had. It just felt like we needed to refocus on design and thought leadership and drive innovation if we were going to be relevant. Our higher ed clients, whether it's UK or UofL, are seeking designers who have done the best example of the building type that they're looking to realize on their campus, and there's no limit to the access to architects they can get. So, to turn our direction towards thought leadership and design excellence is the primary vision today.

MG: What goes into that thought leadership process?

AA: Being multidisciplined and having all disciplines of architecture, engineering and interior design in this office is an amazing approach. It's comprehensive and a drastic change from where we came from. We were stratified and grouped in disciplines: architects were together, engineers were together, structural engineers were together - and there's logic in that with the novice-mentor relationship and developing people. But there was a missing component. So out of the gate we physically changed the organization of our firm.

Later, we physically changed our structure to achieve this thought leadership. Each of our market groups are physically sitting together in a studio of multidisciplined team members. When we renovated this building, we organized our group to achieve thought leadership physically with multidisciplined teams and in terms of management we have a market director who is in charge of each one of those studios. We call them the mini CEO of their market.

We believe that that group of people, sitting together focused on a market and ultimately a client, will provide that kind of sequestered, focused thinking about that market or building type or client as opposed to being a generalist and being spread out over multiple project types.

MG: This reconfiguration, reorganization was done within the past few years?

AA: It has been. The thing I was describing in my own journey and the successes I was experiencing just by intuition, those are the things I tried to bring to the reorganization.

MG: Does Aric Andrew participate in specific projects nowadays?

AA: I still manage to do some design work, still have a drawing table, still like to make models and sketch. I personally designed the new Republic Bank Foundation YMCA at 18th and Broadway.

MG: L&F's website lists its work categories as: Industrial; Higher Education; Government; Corporate Commercial and Hospitality; Health and Wellness; and Distilled Spirits. How does Luckett & Farley approach and set itself apart in these distinct segments?

AA: Each of those markets has unique requirements. What's unique about our approach and common to all projects is that we really want to understand what our client is trying to accomplish with their business or program. We want to support their brand.

What differentiates us is the thought leadership, having a dedicated team for that particular studio. To my knowledge, there are not many firms in our part of the world taking that approach.

Bringing all disciplines to the table is another differentiator. You've got to go 300 miles to find another multidisciplined firm. We have architecture, mechanical, structural, interior design, etc., all under one roof and more importantly we have each discipline in a studio in a project team.

MG: At what point did Luckett & Farley shift to this multidisciplinary approach?

AA: The inception was an architecture firm; Henry Whitestone and Josiah Rogers were the patriarchs of our company. The next era was the Murphys, D.X. Murphy and sons and nephews, and we're seeing evidence of engineering disciplines sprinkled within that architecture firm. It was the third era of Luckett and Farley that brought a significant number of engineers to join the architecture firm. It was probably Jean D. Farley who was the first to bring a significant number of

engineers in the 1960s to what was known as an architecture firm.

MG: Among the firm's categories, which are the most active currently and are there sectors you expect to grow the next few years?

AA: Industrial is still our most active market (in terms of revenue). Distilled spirits has very rapid growth at the moment. It was formerly part of our industrial studio. Now the distilleries have morphed into tourist attractions; it merges what we consider hospitality with manufacturing. So, we put together one studio that embodies the skill sets of both of those.

We expect to see the distilled spirits market to continue to be robust. We're anxious to look at how we can relate our industrial experience in automotive into aerospace manufacturing and logistics. Distribution and logistics is one of the faster growing areas now, and has probably overtaken automotive for us.

Hospitality is another area where we are seeing growth, particularly on the hotel side. Here in Louisville, we still have the mandate to add hotel beds to our deficiency and the hospitality market locally is still strong. We will reach a saturation point, but we're not there yet.

The outlook of P3 (public-private partnership) development will impact what happens in higher ed. The universities are restricted somewhat financially, but we're seeing them be much more creative in terms of financing. The library project at WKU is being financed by Aramark.

MG: As businesses assess projects they are considering, what triggers should make them engage in architect?

AA: Most commercial projects require either a professional architect or engineer to design and ultimately "stamp" them, to follow the requirements of the state for design and permitting and certificate of occupancy, and take responsibility for the safety and public welfare. Few commercial projects wouldn't fall into that category; some churches maybe. Maybe the more important part of that is the value an architect can bring to the process. Always, the earlier we can become involved in the project, the more value we can bring to the outcome.

MG: For clients outside architecture focused on their own business functions, what should they look at as the value proposition for engaging an architect?

AA: If they are focusing on their business, they want a designer who's going to be focused on the same thing. And that's our approach: to understand the expectations

of that owner. If there is true integration with the vision of the client, the higher the likelihood of us reaching an outcome that is supporting what they are trying to accomplish.

Rather than square footage and number of offices, the question is: Does this building that houses your business express your culture, and create a workplace in which employees can work at their peak efficiency? The building must support what the company is trying to accomplish.

MG: What elements or characteristics do clients most ask for today?

AA: People are interested in making sure their employees or parishioners or students 'experience' the building. Sustainability was a force at one time. We're in the next generation and starting to include more holistic approaches to the overall experience and wellness of the facility and occupants.

MG: Sustainability has been a topic in the business world for a long time now. Has that shifted the way buildings are made and designed?

AA: Thank goodness we had a real push and focus on sustainability. LEED (Leadership in Energy and Environmental Design) was an excellent way to quantify and push the sustainability agenda, but we're well beyond LEED. Some of the things we were doing early on are now prerequisites: energy efficiency, renewable materials, alternative approaches to mechanical/electrical systems. But to take a holistic approach to real sustainability and impact, we're seeing more in-depth, real, design solutions. We're meeting requirements of the living building challenge that far exceed any measure of sustainability LEED had, incorporating that in a cultural vision for what building can be and the impact we have on our community.

MG: Lots of architecture work is renewal or revitalization of existing business. Is there a rule of thumb on the lifespan someone should expect from a new building?

AA: We used to talk about 50-year buildings or 100-year buildings. Now we think in terms of their lifespan in their present configuration. Even though you design a building that can last 50 or 100 years, will that building serve its purpose or its current occupant sufficiently in that period of time? And the answer is "No, it won't." The way we occupy changes; issues of sustainability will change. As developers or owners, we think about what kind of changes we are going to want to make to this building. Can we design flexibility and

LANE ONE-ON-ONE

adaptability into a building so that it can change over time? In our own building, the glass walls are demountable so we can reconfigure over time.

MG: Luckett & Farley has created its own development company. How unusual is that for an architecture firm? AA: We see design firms partnering with development companies, but in terms of having their own development component, to my knowledge it is not happening anywhere.

MG: Would that be part of a broader general business trend of collaboration? AA: The collaboration component is the thing that led me to that concept to begin with. While in the higher ed space a few years ago and pursuing privatized student housing, I met a developer with whom we were successful and we decided to start a company.

Our focus is fairly narrow. We are not speculative. We want to help our clients realize projects they otherwise couldn't; they need the expertise to do it. With the trend toward P3 delivery and Kentucky's recent legislative mandate to be able to do that, we might be in the right place at the right time to be able to do exciting things with design-led development.

We're all trying to figure out the new world of development. It's in the spirit of the old master builder that was the genesis of the design-build movement, with one group having control over design and construction; this adds to that operations and management and financing. It is a comprehensive approach. There's a lot to be gained by trusting one entity to deliver that project soup-to-nuts.

Referencing the value proposition of architecture, you open a broader range of concepts and ideas for a development by leading it through architecture rather than construction or development.

MG: What is the geographic footprint of Luckett & Farley's work? How much is in Kentucky?

AA: I don't have the numbers, but my intuition says maybe 50% in the region, 50% out. Our repeat business is over 90%; it's huge. It's been as high as 95%. We are literally coast to coast. We have a project in Alaska and one in Orlando. We typically have something in Manhattan or on the East Coast and almost always something in California and all points in between. We don't market to areas outside of our region; our clients take us everywhere. Over the years those relationships have taken us farther and farther from home by virtue of doing good work. The number of Fortune 500 clients and the caliber of clientele we have is pretty amazing:

Kroger, Ford Motor Co., other automotive companies, Brown-Forman Corp., the federal government and some of our design-build contractor relationships. In the virtual world we operate in today, working outside the region is no different than working within it. Not to say that we don't always want to increase our local presence. Our focused geographic business development activity is here at home. Thornton's, Kroger, Brown-Forman, all those relationships are managed out of here. Even though Kroger is in Cincinnati, the division we work with is here in Louisville.

MG: Your website service areas list includes design, planning, procurement, engineering and development. Architecture firms today do design-build and use building information management systems. How do company leaders and employees stay abreast of current skills?

AA: It's top of mind. Our initial reorganization was the studio configuration and focusing on thought leadership, followed by focusing design excellence at the discipline level. The studio structure enables individual disciplines to focus on their own design excellence. And that involves many things: training, developing our people, staying involved and connected to their individual groups, and focused subject-matter experts. All our professional groups require continuing education. Our people are trying to push the envelope on best practices. We have a company that is focused on creating a design culture where people are encouraged to follow their passion.

MG: Luckett & Farley is an employeeowned company, an ESOP. When and why did that come about?

AA: Two generations of leadership before me, this notion of selling the company to the employees instead of a succession plan or selling to somebody else was the brainchild of Dennis DeWitt and Ron Kendall, president and vice president in 2000. They sold half of their interest in the company to the employees and created an ESOP. They created a management team that was the generation of leadership before me. They took it to the next level and thought about it as a cultural change that would be a great tool to engage employees if they had a stake in the game.

The process started in 2004 with establishment of a partial ESOP. Then in 2012 we became 100% employee owned. I'm the first president in 165 years who is a participant in the ESOP plan, just like every other employee-owner in the company.

It does foster a culture of ownership, a different mindset. People really do care. We have midlevel engineers retiring with \$100,000 that they wouldn't have otherwise had. It's not only fostering a culture of ownership but a way to build wealth for employee-owners that we didn't otherwise have.

MG: Is Luckett & Farley able to find and recruit the employees it needs? Do you have to go outside of Kentucky?

AA: That's a huge challenge now. In this economy, unemployment is 4% or 3.5%; in our industry I'd guess it's 2% or less. People are just not available. We are geared up about recruitment and looking for the best employee-owners. We have good success recruiting within in the state. But in addition we absolutely go outside the state to find quality employees. It's a function of our economy.

MG: How many employees do you have? **AA:** We've been hovering between 110 and 120 the past couple of years.

MG: What is L&F's outlook for the economy?

AA: We're all trying to figure that out. We keep thinking there's a correction right around the corner, but the latest things I'm hearing and seeing do not have that correction anywhere close. We see a lot of optimism from our clients. Some of our markets, like the distilled spirits market, are robust and growing. I can't begin to tell you when we might expect a slowdown.

There's a huge amount of money coming through the Department of Defense that's just starting to be released. We expect that to start taking off.

MG: Any closing statement?

AA: We have had a lack of innovation in our industry, both in construction and design. We're still doing things the way we did 50 years ago. As somebody involved in the design process, I have not seen enough progress and innovation. A mandate for this company is to drive innovation. We want to be leading the way and contributing to our city and our community, both as an employer and as employee-owners who live and work here. We're investing in our neighborhood, and we want to make a difference. Part of our purpose is: How can we make this world better as a result of what we're doing?



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

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HEALTH CARE

The Doctor Dilemma



Complexities of operating a private practice have more physicians joining larger health care systems

BY CLARY ESTES

ONSUMER health care has been at the forefront of national issues for some time now, but the landscape is rapidly changing for physicians as well. Rising costs, changing mandates and the complexities of practice management are forcing doctors to make difficult decisions from a business standpoint. The days of the small family-doctor practices seem to be coming to an end as physicians opt to work as employees in hospitals and larger health-care systems rather than establishing a private practice and being self employed.

According to a 2018 survey conducted by national physician recruiter Merritt Hawkins, "only 31% of physicians identify as independent

practice owners or partners, down from 33% in 2016 and down from 48.5% in 2012." And Kentucky is right in the middle of that trend.

In Kentucky, as of 2017 there were:

- 10,158 active physicians
- 3,467 primary care physicians
- 3,083 female physicians
- 1,737 MD or DO students
- 1,180 residents

Of those active physicians, 2,499 were over age 60 in Kentucky in 2017, making up about 25% of the physician population. Since many physicians in Kentucky and nationally consistently voice an interest in early retirement, incoming classes of doctors ultimately are going to dictate what care in Kentucky looks like in the years to come much faster than many may suppose.

A 2015 Merritt Hawkins national report states:

"If, in fact, 9.4% of physicians retire within three years, as indicated in The Physicians Foundation survey, it would result in a loss of approximately 76,000 physicians from the workforce. If 22% of physicians 60 and over retire in the next one to three years, it would result in the loss of over 49,000 physicians from the workforce.

"About 78,000 physicians will join the workforce in the next three years, barely offsetting the potential number who will leave. Because younger physicians tend to work fewer hours than older physicians and are more likely to take employed positions, one new physician entering practice is unlikely to equal one older physician leaving."

These numbers correspond with the trend of the aging American population, meaning the loss of older physicians and their practices will coincide with an increase in the number of people requiring care as life expectancies increase.

The new health care systems need to be able to support that trend.

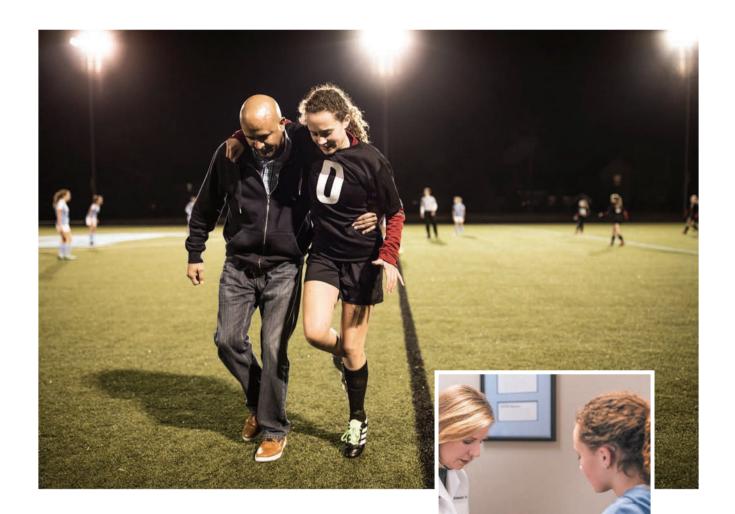
"As we move further into the 21st century, aging population demographics will become a key challenge facing the health care system," according to the Merritt Hawkins report. "A growing older population – with more frequent physician visits, surgical rates and diagnostic testing per capita – will require a larger physician workforce to make access possible. This challenge will correspond with the challenge created by an aging physician workforce, many of whose members are primed for retirement."

Whether the move toward larger systems ultimately helps patients and doctors is yet to be seen.

Practice costs high, earnings delayed

Meanwhile, a variety of factors are impacting physicians' decisions to go to work with a larger health care system or start a private practice. The move from small private practices to working for a larger entity can largely be broken down into four factors:

- the growing cost of medical school
- the effects of the Affordable Care Act on medical systems
- the digitalization of patient care and record keeping
- physicians' desire for a healthier work-life routine for themselves



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In Kentucky and across the nation, the cost of medical school (and all university study) is rising. It is a familiar comparison that previous generations were able to pay for college with parttime jobs while current generations are being saddled with unmanageable student loan debt. For medical students, this trend is exacerbated by added years of study plus internship and residency requirements needed to successfully acquire their medical degrees. Doctors' incomes are higher than in most professions, but so is the cost of the medical school, especially for specialists.

And their earnings start later.

"The average weekly earnings of a bachelor degree holding American is \$1,102," according to bestmedicaldegrees. com. "Extended out over a year, this is \$57,304 that would-be doctors are missing out on (on average) for at least their first four years of medical school. Multiply the average lost earnings by four, and you end up with \$229,216."

Consequently, medical students take a big financial hit before their earnings even begin.

Tuition at the University of Louisville for four years of medical school is \$272,870 for Kentucky residents and \$357,758 for non-residents including living expenses. Tuition at the University of Kentucky College of Medicine hovers around \$262,051 for in-state and \$380,668 for non-residents, including living expenses.

As a recruiting inducement, however, some large health care systems offer alleviation of these costs early in a physician's career.

"The burden of student loans can be heavy," said Dr. Joshua T. Honaker, chief medical administrative officer at Norton Medical Group. "Statistically the national average for a physician completing their residency is around \$295,000. Many health care systems do offer partial or full payback programs."

Loan payoff a good recruiting tool

These college debt payback programs are among the most attractive options for early-career medical professionals and are not an option if a new physician opens up or takes over a private practice.

Additionally, large health care providers, whether they are attached to universities or run independently, are actively working to recruit new physicians.

"New physicians' decisions are influenced by the increasing student loan indebtedness incurred during their training programs," a Baptist Health representative said. "Baptist Health has developed recruitment



incentives to help offset this burden for select newly trained physicians. Physician student loan debt has, however, not been a deterrent to our recent physician recruitment success."

These sentiments are echoed by the Norton Medical Group.

"Norton Healthcare has invested a lot of resources into physician and provider recruitment," Honaker said. "We have a recruitment department that aligns its efforts with the organization's strategic plan. They are focused on areas of need within all our service lines. In some cases the recruiting process begins while a provider is in training; our recruiting



Joshua T. Honaker, M.D., Chief Medical Administrative Officer, Norton Medical Group

team starts networking and connecting with providers."

In addition to the payback programs and recruitment strategies offered by large health care providers, becoming an employee also alleviates physicians of the administrative obligations and burdens that are inherent in operating a private practice. But that is not the only factor.

With six-figure debts incurred by medical students at the inception of their careers, it is understandable how the preference for steady employment over business ownership is becoming an attractive option.

To compound the trend, the very cost of doing business as usual for physicians has increased as a result of two major factors: the Affordable Care Act and mandated incorporation of electronic medical records for patients, which requires consistent IT support. Both have made entering private practice cost prohibitive at a fundamental level. Most small private practices simply can't keep up with technology, insurance management and administrative costs that are required to run a private practice today.

Dr. Joseph M. Flynn, Norton Medical Group chief administrative officer and physician-in-chief at the Norton Cancer Institute, explains it this way:

"The Affordable Care Act (and Centers for Medicare & Medicaid Services) has made it more advantageous to be an employed physician, whether it is for a hospital or a health care system. Basically it is a new expectation to be employed. Providing care is no longer about doing the work and sending a bill. There is so much more that comes along with running a medical practice independently."

Practitioner burnout rates are high

Dr. Elizabeth Ann Griffith is currently a part-time pediatrician in a hospitalowned practice and has witnessed physicians' shift from self-employed private practices to hospital employee first hand.

"I started my own solo private practice in Winchester. I owned my own business. I was my boss. I was the last person getting paid," Griffith said. "For someone who wants to have control over what happens and control over pretty much most of your day-to-day operations, private practice is very appealing. It's just not very practical anymore because it costs so much to have an electronic medical record."

More than a decade ago, the Bush administration ordered that providers have electronic medical record (EMR) systems by 2014, a deadline that many

private practices missed due to costs starting around \$50,000 and the need to get thousands of existing case files digitized.

"When I was in private practice, electronic medical records were kind of a new thing, but all of our billing and



Elizabeth Ann Griffith, M.D., Part-Time Pediatrician

insurance was all still pretty much done on paper," Griffith said. "And then electronic medical records became a little bit more sophisticated; you could directly electronically bill the insurance companies but you still had to go through reconciling every one. But (as the systems) became a lot better, the price tag of those went up. When I went into solo private practice, the only thing

that we had on computer was scheduling our appointments and generating the bills."

Where private practices used to be able to rely on a small staffs of two or three, now there is a need also for IT specialists and committed tech professionals to maintain expensive systems. Many small practices can't keep up.

In addition, small practices can become overwhelmed depending on what insurance they accept. Clinician information provider Medscape reported this year that 44% of physicians feel burned out, 11% said they are colloquially depressed (feeling down, blue or sad), and 4% are clinically depressed (prolonged depression not a result of normal grief-associated events). Burnout affects female physicians more, with 50% reporting burnout compared to 39% of men.

Asked what factor contributed most to this burnout, 59% responded too much bureaucratic paperwork, 34% said spending too much time at work, and 32% reported increased computerization of their practice, factors that all are magnified at small private practices versus larger systems.

'I just decided to stay home'

Griffith said that before she closed her practice, "I was working four days a week and I had two little children and then I had another. I was one of the only people in town who took Medicaid. I had a very busy practice, and I recruited another doctor to come in with me. Before that doctor came in I had just gotten so busy that I couldn't see straight. I felt like I wasn't getting to spend enough time with my family. I was still taking calls every third or fourth night. I got to the point where I said, something's got to give. I could never find someone to come in (and work) part-time with me. I ended up not practicing for a couple of years. I just decided to stay home.'

As employers, large hospitals lessen some of the burnout factor by taking on IT and administrative needs and having staff who can focus on paperwork, documentation and reporting while physicians focus on their practice. Ultimately, moving to a hospital structure allowed Griffith to work part time, allowing her to spend time with her children as well as practice pediatrics without getting overwhelmed or burned out.





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Honaker at Norton Medical Group echoes that experience.

"Some physicians may feel they have no autonomy if they join a health care system, meaning they will have a boss and someone else will set their work hours," he said. "But being part of a larger system allows physicians who choose so to alter their schedule or possibly job-share if that is something they choose."

And these are not the only reasons physicians join large hospitals. In Kentucky especially, the university-based hospital systems at UofL and UK allow physicians to both practice and teach at the same time.

"We have about 200 medical students per year at UK College of Medicine and about 30% to 40% of them stay at UK hospital for residency," said Dr. Charles "Chip

hospital for residency," *Medicine* said Dr. Charles "Chipper" Henry Griffith III, vice dean for education and professor of internal medicine and pediatrics at the University of Kentucky



Charles Henry Griffith III, M.D.,Vice Dean for Education, University of Kentucky College of

College of Medicine. "And then, if they stay here for residency, a lot of them want to stay and be faculty at UK. It's not necessarily that we say, 'Oh yes, we're going to groom them to be faculty and then doctors in our hospital.' It just naturally evolves. There are so many students who want to stay here for their training and they love it, and then during residency they decide they want to do a teaching practice. We get a lot of our faculty from our students and our residents."

Larger systems change the care equation

For patients in Kentucky, the primary concern is that a bigger health care system means less face time between physicians and patients. However, as the U.S. health care system is restructuring, large health care organizations and doctors are looking for ways for physicians to get both the necessary one-on-one time with patients while ensuring cooperation between physicians so patients get a better quality of care.

"Health care systems have the resources available to provide care across the entire spectrum, including subspecialized care," Flynn said. "For example – and I'll use cancer care because that is what I'm most familiar with – if someone is diagnosed with cancer they may see an oncologist, who also can refer them to a radiation oncologist, behavioral oncologist or surgeon, while also gaining input from experts in the onsite resource center for



Joseph M. Flynn, D.O., Chief Administrative Officer, Norton Medical Group

support. The care opportunities just continue and often are made easier to align."

And the larger health care model enhances the increased use of EMRs as more physicians have immediate access to patient records and can double and triple check the work of colleagues.

"A lot of the studies have shown that the outcomes of care for patients are actually better in teaching hospitals than in nonteaching hospitals," said UK's Griffith. "I think the reason is that you've got multiple people taking care of you. If you come to me in my clinic, I'll have a group of students helping me and asking questions, and they have ideas that I maybe I didn't think of, and they help me realize things perhaps I had forgotten. You've got multiple eyes, multiple ears and multiple brains thinking about your problem. The students make me a better doctor. They ask questions all the time. I learn something every day."

The shift from private practice to large health care organization employee is being fed so strongly by economic, technological and medical insurance factors that it appears inevitable the vast majority of doctors will ultimately end up employees at large health care organizations. The goal is to make sure that the new, larger system works and continues to work for patients and physicians through increased care and lower physician burnout and rates of depression.

"It depends on the individual and how they view it," Flynn said. "From my perspective, when you are in private practice you are responsible for everything from making sure the lights come on at the beginning of the day to making sure systems are operational for the next day – whether you are doing it yourself or relying on the people you hire. In some regards you never really have independence; you are relying on others to make sure your private practice is run the way you want it run."

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

HOSPITALITY CONSTRUCTION



Making Room for More Hotels

Tourism, convention center renovations continue to push construction in the hospitality sector

BY SHANNON CLINTON

years-long wave of new hotel projects across Kentucky continues with few signs of slowing. Industry insiders say contributing factors include a burst of post-recession building projects, a robust tourism industry and the impact of convention center renovation projects in the commonwealth's largest

In the second quarter of 2019, Kentucky had a whopping 64 projects encompassing 6,369 rooms in the pipeline - either in the early planning stages, breaking ground in the next 12 months or under construction, according to New Hampshire-based Lodging Econometrics.

The company forecasts another 16 hotels will open across Kentucky this year with a total of 1,479 rooms, and another 20 with 2,063 rooms are set to open in 2020.

With newly renovated and reopened Kentucky International Convention Center in its central business district, Louisville has seen a lot of new hotel beds come online, many of them downtown, said Karen Williams, president/CEO of Louisville Tourism.

Karen Williams, President/ Louisville

Tourism

Louisville has about 20,500 hotel rooms in all, Williams said, but still lags some competing metro areas

Moxy Louisville Downtown and Hotel Distil, shown here in an artist's rendering, are set to open this fall. The hotels share a building and will have a combined 315 rooms, 7,775 s.f. of meeting space, a full-service spa and state-of-the-art fitness centers for each hotel. White Lodging is the developer.

in the region like Indianapolis with its roughly 33,000 hotel rooms, Nashville with an estimated 42,000 rooms and more under construction, and Columbus with nearly 29,000 rooms.

Developers are aware of market needs, though, and new hotel properties have opened or are underway, such as the skyline-changing 612-room Omni Louisville Hotel that opened in spring 2018, Williams said.

Moxy Louisville Downtown and Hotel Destil both are set to open along Whiskey Row this fall, at 110 and 205 rooms respectively, and the 616-room Louisville Marriott underwent a multimillion-dollar renovation in 2018. The 1,310-room twin-tower riverfront landmark Galt House is undergoing an \$80 million renovation.

In Lexington, where the 88-room 21c Museum Hotel opened in 2016 on Main Street, Rupp Arena and the Lexington Convention Center are in the midst of a \$241 million renovation project set for completion in 2021. Origin Lexington, an independent 120-room boutique hotel, opened this year at the Summit at Fritz Farm development near Favette Mall. Sire Hotel on West 2nd Street is newly renovated and rebranded. And a new Marriott Lexington City Center and Residence Inn downtown, with a combined 336 guest rooms, are set to open early in 2020.

Hoteliers pinpoint demand, then build

This trend has been good news for Don Howard, president of Lexingtonbased H&W Management, a hotel development and management firm with a portfolio that includes projects across Kentucky, including a new Holiday Inn Express in Versailles, as well as other hotels in West



Don Howard, President, H $\mathcal{G}W$ Management

Virginia, South Carolina and Tennessee.

Working in the hotel industry since 1981, Howard is treasurer of the Kentucky Travel Industry Association, which merged with the Kentucky Hotel & Lodging Association in August 2018.

Hotel industry members aren't ones to build then wait for demand to follow, Howard said. Instead, they carefully pinpoint growth that's spurring demand and build nearby. A spate of new hotels cropping up in downtown Louisville and

HOSPITALITY CONSTRUCTION

Developers and city leaders broke ground in June on a new 120-room hotel in downtown Owensboro, a Home2 Suites by Hilton as part of the Riverfront Brio project. The Brio project, shown here in an artist's rendering, also includes 200 apartment units and a 400-space parking garage. It is expected to open in late 2021.

Lexington as a result of renovations to convention centers is testament to that mindset, he said.

Bourbon tourism continues to build as well, especially in Louisville.

During the economic downturn that hit in 2008, financing for new hotel projects dried up and construction virtually stopped, Howard said. Skittish investors and lenders held on to their funds and only a few projects already in progress were completed.

The economy slowly rebounded, consumers began traveling again and demand for new beds re-emerged, but projects typically take two to three years to complete. Howard said existing hotels experienced historically high occupancy levels across the board and developers began seeking new opportunities. Financial institutions again became more open to lending.

After hitting bottom in 2010, Lodging Econometrics reports hotel construction has grown globally ever since with 2018, reaching an all-time high number of active projects.

Louisville needs more rooms

This new hotel construction cycle has been longer than some in the past, Howard said. However, he foresees the industry continuing to expand if the national GDP keeps growing and favorable interest rates, construction and labor costs, and property tax rates continue.

Williams expects new hotels to keep coming, adding that Louisville metro could still use another 500 to 600 hotel rooms to accommodate the ever-expanding number of music festivals and conventions that are planned as well as a growing number of bourboncentric experiences.

Visitors primarily hail from a 400- to 500-mile radius, she said.

"They're coming here for great food, great music and great bourbon," Williams said. "We're really hitting here on all cylinders."

Smaller urban areas also are reaping the benefits of a hotel boom.

Elizabethtown's hotel options have grown with the addition of a new Holiday Inn Express & Suites that opened in late 2017, a Hilton Garden Inn that opened in late 2018 and more recently a SpringHill Suites that opened this spring.

Nearby Bardstown also has new hotels. According to Bardstown-Nelson County



Tourist & Convention Commission Executive Director Mike Mangeot, who formerly served as deputy commissioner and commissioner of the state Department of Travel and Tourism, proximity to major interstates and larger cities and attractions like the Bourbon Trail make Bardstown appealing for new hotel growth.

Distilleries bringing Bardstown projects

Distilleries – there are seven in or near Bardstown – tourism, economic development and local government officials work together to provide key demographic and occupancy rate information to hoteliers prospecting for new places to build, he said.

With two newly built hotels contributing to just under 400 total hotel rooms, plus 100 to 150

bed-and-breakfast inns and Airbnb sites, Bardstown has plans for one to two more in the next couple of years, perhaps more, Mangeot said.

Mike Mangeot,

Executive

Director,

Bardstown-

Tourist &

Convention

Commission

Nelson County

The goal, he said, is for Bardstown to grow from a day-trip into a multiday destination. To that end, investments that bourbon manufacturers have made in recent years to their visitor experiences give hotel officials confidence that travelers will come and fill rooms.

Stoli Group will boost those aspirations with its \$150 million Kentucky Owl Park distillery and visitor center on a 420-acre former rock quarry site. Preliminary designs from famed Shigeru Ban Architects of Japan center on three large pyramids built of large timbers.

Mangeot said he'd love for Bardstown to build a 300- to 500-seat convention facility to draw in new visitors. Until then, he says smart growth will be the key to avoid market oversaturation.

If Bardstown had even 1,000 new hotel rooms that would be the case, he said, but about 200 to 300 more rooms would be ideal.

Western and Northern Kentucky growing

Looking westward, Hopkinsville has a new 110-room Holiday Inn Express under construction on the Bruce Convention Center property, said Mark Lindsey, executive director of the Southwestern KY Economic Development Council, based in Hopkinsville. The convention center has been undergoing a west wing expansion, Lindsey said, and connecting to that is a brand new 52,000-s.f. Sportsplex.

In Owensboro, two new hotels – Best Western Plus and TownePlace Suites – recently opened their doors with 63 and 102 rooms, respectively, according to an article in the *Owensboro Messenger-Inquirer*, which also noted that the city had just under 1,300 hotel rooms at the end of 2018

Ground was broken in early June of this year on another 120-room hotel across from the Owensboro Convention Center, a Home2 Suites by Hilton.

Mark Calitri, president/CEO of Visit Owensboro, credits a few factors for the new hotel construction in town. Brand USA, which is the marketing agency for the U.S., named Owensboro a top 10 music destination for 2019, he said. In addition, there are



Mark Calitri, President/ CEO, Visit Owensboro

increased youth sporting events, the O.Z. Tyler Bourbon distillery officially joined the Kentucky Bourbon Trail last year and the new Bluegrass Music Hall of Fame and Museum opened late last year.

Calitri says the new hotels will only add to the visitor traffic momentum.

"These new hotel developments will allow Visit Owensboro to pursue larger conventions, since we will now have more hotel rooms in walking distance to our convention center. Since September 2018 up through August 2019, Owensboro has set several records in hotel occupancy and revenue."

In Bowling Green hotels have been cropping up all over, including the 108-room Hyatt Place that opened on Center Street in mid-2015, about the same time as a new Fairfield Inn & Suites opened its doors. Those hotels were followed by the Kentucky Grand Hotel & Spa in 2016, a Home2 Suites in summer 2017 and Tru by Hilton in 2018.

And in Paducah, a new 123-room Holiday Inn Paducah Riverfront debuted in July 2017, shortly after the opening of a 97-suite Homewood Suites by Hilton location.

Northern Kentucky has also seen its share of new hotel growth, says meetNKY Vice President, Sales and Marketing Julie Kirkpatrick. Four new hotels have opened in Florence alone, including a Tru by Hilton and a Fairfield Inn and Suites, with another three on the horizon.

Outsiders create community hotel revenue

Northern Kentucky hotel occupancy rates significantly bested the national average of 66.2 percent last year, rising 7.5 percent over 2017 levels to reach 72.78 percent, according to 2018 data presented at Northern Kentucky CVB's meeting in late March. Last year was the second consecutive year with a 70-plus percent hotel occupancy level.

"Hotel development is always a very carefully researched endeavor," Kirkpatrick said. "Investors are looking for markets where investments will reap a long-term return. Northern Kentucky and the Florence, Ky., market is being very carefully researched by more and more investors due to the strong demand from I-75 traffic, the continuing growth of airport flights into CVG, including the new Amazon Prime Hub, and the amazing demand of the Ark Encounter and Creation Museum, particularly from escorted group tour groups."

The tourism/hospitality industry in Northern Kentucky employs about 12,000.

Beyond the jobs, should residents of a community get excited about new hotels if they likely will never stay in them?

Very much so, Howard said. Hotels generate tax revenue and additional customers for restaurants, attractions and local businesses, which creates jobs. And it doesn't cost the community anything.

"Hotels are really an 'export industry,' meaning that all of our money comes from outside the community, when you look at it," he said. "When you have travelers come visit your community and visit your hotels, they have a positive economic impact for your community."

And as baby boomers gradually age out of the traveler market, the design and décor of new hotels increasingly reflects a new generation of travelers whose wants, needs and expectations are being analyzed, Howard said. The trend shows a clear departure from traditional residential-style hotels to a more modern, urban feel, he said.

Williams said younger travelers often prefer smaller boutique hotels like Aloft properties, with minimalist rooms. Technological capabilities like reliable Wi-Fi and fitness centers may also be on their wish lists, as well as easy grab and go food options in addition to room service or onsite restaurants.

"They don't need all the bells and whistles that sometimes drive the rates up," she said.

Williams added that locals can enjoy the same new restaurants, attractions and other community amenities that lure in the travelers who stay in hotels.

"That's everything that the visitor wants, too," she said. ■

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





Convention Centers with Personality

Louisville and Lexington are making generational investments to energize and upgrade their downtown business engines

BY MARK GREEN

ITIES across the country are investing dollars by the hundreds of millions for extroverted" facilities exuding local flavor to attract growing convention business. Louisville now has a modern, approachable and airy facility, Lexington's largest-ever capital project is under construction and Northern Kentucky officials are planning for a convention center upgrade.

These big once-in-a-generation projects are impactful. They give a gleaming boost to city and regional pride. They invigorate central business districts. They push revenue and jobs into area construction, finance, architecture, engineering, skilled trades, equipment and material supply sectors during their years-long planning and construction phase. Then they feed hospitality and related support operations, even local retail, for the next two or three decades.



Kentucky International Convention Center in downtown Louisville reopened in August 2018 after a \$208 million makeover expanded its main hall to more than 200,000 s.f. and added transparency to outer walls so that attendees better engage with the city. The canopied Jefferson and 4th Street corner is KICC's welcoming Kentucky front porch.

vital event site-selection box and lets it compete with Cincinnati, Charlotte, Indianapolis, Nashville and others. That's up from 146,000 s.f. previously. Its main ballroom went from 30,000 to 40,000 s.f. and has a twinkling ceiling. There are 52 meeting rooms and a 175-seat tiered conference theater that is just adding state-of-the-art audio-visual gear, guided by feedback from users in its first year.

Dramatic change in Lexington

Seventy miles east of Louisville, construction is now underway to replace Lexington Convention Center's 66,000s.f. main exhibition hall with an open, glass-faced facility of 100,000 s.f. The west wall eventually will overlook a 9-acre park being designed to bring the famed Bluegrass countryside into Central Kentucky's commercial capital.

Steel for the new convention spaces is rising just west of iconic Rupp Arena, a national sports cathedral that ironically is nearly invisible now to visitors and locals alike from a half block away at Main and Broadway. Rupp's neutral-toned corrugated metal outer box will disappear in favor of dramatic exterior angles full of glass in patterns designed to call to mind a basketball net.

The \$300 million undertaking is the largest capital project in Lexington history, said Bill Owen, president/ CEO of Lexington Center, whose operations include Rupp, the convention center, The Shops at Lexington Center, Triangle Park



Rill Owen President/CEO, Lexington Center Corb.

(bounded by Broadway, Main and Vine streets) and the Lexington Opera House a block north at Broadway and

Hard construction costs for the project, whose active planning and negotiation phases began in 2013, are \$241 million, Owen said. Rupp/LCC construction is scheduled to be

complete in 2022. Efforts begun in 2013 to renovate now-43-year-old Rupp Arena and upgrade the main convention facility to at least 100,000 s.f. were slowed by the complicated process of figuring out how to pay for it as well as convincing University of Kentucky

Shows, conventions and conferences are big business. Expanded attendance and spend figures are "a new normal" for the industry, said Issa Jouraneh, senior vice president of American Express Meetings & Events, in his company's "2019 Global Meetings and Events Forecast." Also new, Jouraneh said, is that "the focus on attendee experience is intensifying."

Message received. In early August, the Kentucky International Convention Center celebrated the first anniversary of its reopening after a \$208 million renovation and expansion that encased its concourses in glass walls so visitors see and connect with central downtown Louisville. EOP Architects, a Lexington-based firm that redesigned KICC along with HOK's Chicago Practice and Don Griberg, FAIA, gave the building a main entrance and imbued it with symbolic inspiration taken from Louisville's river city origins as well as its leafy system of 14 parks designed by Frederick Law Olmstead, the father of U.S. landscape design.

Prior to its remake, KICC was like many such facilities built a generation or more ago: essentially a closed box. Lacking "transparency," attendees inside couldn't see where they were and Louisvillians outside had little clue an event was happening.

"It needed a true front door," said Rick Ekhoff. EOP co-founder and design principal. None of the multiple former entrances were "celebrated," and a basic lack of exterior identity made the place hard to find. The renovated structure now physically



Rick Ekhoff, Design Principal, **EOP** Architects

peaks and projects at Market and 4th Street, flanked by trees along pedestrianonly 4th.

"This canopy represents the parks of the city but also the city's front porch, which is a common Kentucky feature," Ekhoff said.

Crucially, KICC now tops 200,000 s.f. in its main exhibit space, which checks off a



Athletics to extend its lease for key Rupp tenant UK basketball.

In the meantime, excitement about the plans being drafted inspired Lexington-Fayette officials to launch two other major related projects, Town Branch Commons and Town Branch Park.

A linear park, Town Branch Commons will roughly follow the path of and "daylight" Lexington's original water source, which is now in culverts under Midland Avenue and Vine Street. Continuous bike and walking paths in the green Commons ribbon through downtown will connect city parks, improve water quality, and link existing Town

Branch Trail and the Legacy Trail into a 22-mile system that connects downtown to the Kentucky Horse Park and the region's

renowned Bluegrass landscape.

It's part of a dramatic change coming to downtown Lexington, whose present convention space "is a bunker ... with uninviting, hard edges," said Richard Polk, principal at EOP Architects, which also designed the LCC/



Richard Polk, Principal, EOP Architects

Rupp project. "It didn't contribute to the pedestrian experience." Along with EOP,

An artist's rendering of the \$300 million Rupp Arena/Lexington Convention Center reimaging project now under construction that will much more actively connect those structures with the rest of downtown Lexington by giving them open "extroverted" characteristics.

Seattle-based architecture firm NBBJ is the project's top-billed design entity; as with KICC, Grinberg consults also on the convention center portion of the design.

There will be no doubt: There's Rupp!

From nearby vantage points, Rupp's huge 23,500-seat arena structure can virtually disappear since it was wedged into a hillside when built in the mid-1970s, Owen said. There is a 38-foot grade from High Street on its southwest side to the arena floor. Owen knows some visitors at Main and Broadway, "the 110% corner" of the city in front of Lexington Center, don't know they are right next to the region's best-known landmark because he has been asked, "Where is it?"

"You could be in Triangle Park and not know Rupp Arena was there," Ekhoff said. Thus, the early theme of the Rupp-LCC remake project was "Free Rupp." "Rupp will be very prominently displayed. There will be no doubt that 'there's Rupp Arena!'"

He describes it as "a transformational project" for downtown Lexington.

More open and airy concourses, restaurant/lounge space, and a catwalk over the plaza between the convention center and the arena will all give Lexington multi-functional civic spaces.

book of the state of the state



A three-dimensional infographic depicts the planned interior and exterior details of Rupp Arena. Construction began in 2018 on a new 100,000-s.f. Lexington Convention Center and is expected to be complete in 2022.



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COVER STORY



"It extends the energy of the arena and convention center into the downtown area...," Ekhoff states in a Q&A on the EOP website. "We also implemented transparency into the overall design to amplify that even further."

The exteriors of Rupp/LCC will be taller, wider, glassy and angular, with a main entry prow projecting brightly into Triangle Park's "110% corner" and the rest of downtown Lexington.

"The look of Rupp is going to change dramatically," Polk said. The finished structure incorporates natural materials "that represent the context of Kentucky" and will provide texture and warmth to the design.

"The new architecture gives a much more dominant and contemporary and iconic appearance," Owen said.

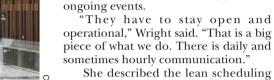
'Monumental win' for contractor

The job as project general contractor was "a monumental win" for Messer Construction, said Mary Beth Wright, business development executive with the company's 30-year-old Lexington office.

Messer has 50 to 60 of its own skilled crafts employees on the project, Wright said, and these workers along with the managers have permanent jobs since Messer is employee owned.

"We don't get work then hire people to do it," she said. "We will add people, and then they will stay with us." The multiyear Lexington project "allows our management and craft workers to grow their skill set and advance their careers right here in their own backyard."

Headquartered in Cincinnati, Messer has 10 locations in four states. The Lexington office works on projects within approximately a 60-mile radius.



father of U.S. landscape design.

She described the lean scheduling for the project as "a pull method versus a push method. We bring all the subs in on a weekly basis. We plan the work with all the contractors in the room" so subcontractors can find opportunities to perform tasks around each other.

The main lobby area of Kentucky International Convention Center in downtown Louisville is brighter and more visually open to the city. It incorporates natural materials to reference the Ohio River and the city's system of 14 parks, which were designed by Frederick Law Olmstead, the

The general contractor is responsible for coordinating all subcontractor activities and for ensuring that work does not interfere with Rupp/LCC's

The Rupp/LCC job will allow Messer to grow its people, its capacity and the company, Wright said.

"If Lexington and Louisville did not do this," Polk said, "conventions would go to other cities." And the impact of that would ripple across the city and region.

"It's incredible what KICC has done in bringing extra conventions to Louisville," Ekhoff said. "It's off the charts."

Ekhoff and Polk expect similar results in Lexington.

Warm, welcoming and financially rewarding "What that project is going to do to downtown Lexington is going to be incredible," Ekhoff said. "What it is going to do as an economic generator is

A study first done in 2011 and updated in 2016 for VisitLex, which handles the marketing for the

incredible."



Wright,
Business
Development
Executive,
Messer



A renovation of Kentucky International Convention Center managed to expand its main ballroom by a third to 40,000 s.f. total with no column to disrupt the space. It has a twinkling light ceiling and walls whose LED lighting can change color. convention center, reported that the economic impact of Lexington's 66,000-s.f. main space facility was \$42 million, Owen said. Expanding the main convention space to at least 100,000 s.f. would grow that impact to \$58 million annually, but staying at 66,000 would mean a major decline to \$28 million annually as competitors upgraded.

That \$30 million difference in business for hotels, restaurants, catering, retail and various support services spurred city leaders to work out the details. And it was key ammunition in seeking and securing financing.

At the convention center's current size, Lexington could pursue about 60% of the business event market, said Mary Quinn Ramer, president of VisitLEX, but it will be eligible for 90% of business events when it crosses the 100,000-s.f. threshold.



Mary Quinn Ramer, President, VisitLEX

"The pond we can fish from gets much bigger," she said.

Meeting planners book several years in advance, and VisitLEX is now marketing for events in 2022, '23, '24 and '25.

"We have some very promising leads that are in process," Ramer said. "We've made it past all the (selection) hurdles except the very last one. We have a very high level of confidence" in landing new events.

"In travel right now there is such a premium to anything that is hyperlocal," she said, adding that what VisitLEX officials are most excited about regarding the Rupp-LCC project is "the amount of effort that went into the overall design of the space. There was absolutely an intentionality to make Main Street have a warm and welcoming space."

The convention center will incorporate the region's natural beauty with plenty of the small details that event planners like, Ramer said.

EOP did similar work on KICC's design detail.

"One request Louisville had was, 'We want them (visitors) to know that they are in Louisville,' "Ekhoff said.

Northern Kentucky next in line

Northern Kentucky community and convention/visitor officials are working through similar issues and have been closely watching their counterparts in the other two corners of the state's Golden Triangle. The Northern Kentucky Convention Center is 21 years old and has a 46,200-s.f. main space.

This summer a Minneapolis-based company, Conventions, Sports & Leisure International, was chosen to do



a feasibility study for the marketability, funding and design for a potential expansion. CSL is the same firm Lexington officials hired to study their project.

The Northern Kentucky Convention Center has a prime riverfront location just across the Ohio River from downtown Cincinnati, with its event-attracting professional baseball and football stadiums and Duke Energy Center, a facility whose main space can open to 195,000 s.f. and includes a 42,000-s.f. ballroom. The Duke Center is 20 years old and at an age where it, too, could opt to upgrade.

Consultants already have advised that Northern Kentucky's facility "needs to look more contemporary," said Eric Summe, president/CEO of meetNKY. "In the market we're in, adaptability is key."



Eric Summe,
President/
CEO, meetNKY

He expects the final result to be a larger convention center with flexible space that can transition efficiently for multiple events and make better use of technology.

Meanwhile, nearly next door in

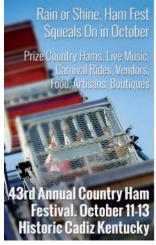
Steel is being erected for a new 100,000-s.f.
Lexington Convention Center on the northwest side
of Rupp Arena. The roughly \$300 million project to
reimagine Rupp Arena and replace LCC's existing
66,000-s.f. main exhibition hall is scheduled for
completion in 2022.

Covington is a 23-acre property the Internal Revenue Service is about to vacate this month, then convey to the city. Covington is still weighing its options for how to redevelop the property, which happens to include a parking area that is conveniently just south of the convention center.

At least partially in anticipation of the need to contribute capital toward upgrading the state-owned convention center, the multicounty area increased its lodging tax by 1% in fall 2017. Revenues are accumulating in a development fund Northern Kentucky hopes to use as seed matching money to attract financial support from Frankfort.

CSL will advise as to "the correct sweet spot we need to be at for our business," Summe said. "I would hope by the end of 2019 that we should have a discernable path."

 $\label{lem:mark-green} \textit{Mark Green is executive editor of The Lane Report.} \\ \textit{He can be reached at mark@lanereport.com.}$









EMERGING LANE

Kentucky's young professionals and creatives



Bringing Broadway to the Bluegrass

Lexington Theatre Co. brings established stars together with aspiring local talent

HEN one thinks of Kentucky, visions of ... theater are not top of mind. However, one production company is working hard to change that. Founded in 2014, Lexington Theatre Co. (The Lex) has been producing shows on a Broadway level with a combination of seasoned and star-studded talent along with college-aged hopefuls, aspiring youth and amateurs of all ages.

The Lex is the vision of Jeromy Smith, producing director, and wife Lyndy Franklin Smith, artistic director and Bourbon County native. The two met attending Oklahoma City University, where Jeromy studied art management while Lyndy focused on performance. During their time in school the two gained valuable experience working for theaters such as the Oklahoma Lyric in Oklahoma City; Casa Manana in Fort Worth, Texas; and Music Theatre Wichita (MTWichita).

Following school, the Smiths each performed in touring productions before relocating to New York City, where Lyndy landed roles in "A Chorus Line," the "Radio City Christmas Spectacular," Disney's "The Little Mermaid" and "White Christmas," among others. Meanwhile, Jeromy struggled to find regular performing gigs upon returning from tour, leading him to apply for and land an internship at the revered Jujamcyn Theater. In a few months it grew

into a full-time position that led to him to opt for a nonperformance career focusing on production and behind the scenes work.

Upon moving back to Kentucky in 2010, the Smiths quickly noticed a lack of summer events at the Lexington Opera House, which laid mostly dormant from June through September. This, along with an itch to bring a taste of Broadway to the Bluegrass, led the couple to launch The Lex in 2014.

The Lex "allows us to connect our two worlds," said Jeromy Smith. "After working on Broadway for eight years, we decided to move back to where Lyndy is from to start a family. Now we're able to bring the world of Broadway that we love so much to another place we love in Lexington, which has been an unbelievable experience."

Setting The Lex apart from most other theater companies is its merging of Broadway talent with aspiring college actors and local talent. The Smiths got the idea from their experience with the format at MTWichita, as members of its resident collegiate ensemble.

The shuffling casts typically include a handful of Broadway stars mixed in with a large pool of auditioned talent chosen in annual five-week auditioning tours that stop in New York City, Cincinnati, Oklahoma City and Lexington. The Smiths typically Lexington Theatre Co. actors rehearse for the musical "Newsies," which was presented Aug. 1-4 at the Lexington Opera House.

observe over 1,500 prospective actors and actresses.

"We're not quite a local company and not quite a national company, but more like a bridge between the two," Lyndy Franklin Smith said.

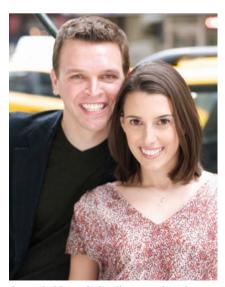
The Lex has already seen some of its local talent rise through the ranks to the highest level of theater. Patrick Garr, who performed in The Lex's 2016 production of "Mary Poppins," is now part of the touring Broadway cast for "Hamilton."

Colton Ryan, a graduate of the School for the Creative and Performing Arts (SCAPA) at Lafayette High School in Lexington, performed as one of tomorrow's hopefuls at The Lex's 2016 "Concert with the Stars" – a January event that serves as the announcement for the upcoming The Lex season. Ryan returned again this summer to perform as Tony, the male lead, in The Lex's production of "West Side Story."

The Lex receives funding through a combination of ticket sales, sponsors such as CHI St. Joseph Health, Central Bank and WKYT; and individual donors like UK alumni and successful businessman Bruce Lunsford, who recently made a \$500,000 gift over 10 years to the organization. As funding grows, The Lex hopes to add more productions to its summer slate, along with exploring off-season events.

For more information visit LexingtonTheatreCompany.org.

—Matt Wickstrom



Jeromy Smith, producing director, and Lyndy Franklin Smith, artistic director of Lexington Theatre Co.

The Dream Catcher

Josh Nadzam is making art accessible via a mobile studio

RT is more than a creative outlet; it has the power to provide a center of gravity and grounding in a chaotic world. For children in low-income neighborhoods throughout Central Kentucky, a mobile art studio meets them where they are, thanks to Josh Nadzam and his nonprofit organization Art, Work, Empowerment Inc., which does business as On The Move Art Studio.

Nadzam co-founded OTMAS with Central Kentucky artist Kathy Werking, who serves as lead art instructor for the organization. She also owns Kentucky Green Studio in Paris, where she sells her handcrafted candles.

One of the founding principles of the organization is, "We help children thrive through the power of creative arts classes and a consistent presence." OTMAS is a mobile art room that operates from a renovated 1969 Streamline trailer. Hitched to a truck, the trailer travels to neighborhoods, community centers, churches, parks



On the Move Art Studio has brought the joy of creating to thousands of Central Kentucky children.

and elementary and middle schools, where art classes are facilitated by local artists and other volunteers.

The organization is in the process of renovating a second trailer, a 1976 Airstream, and hopes to have a second truck donated so both can be out and about at the same time.

OTMAS offers weekly programming on a seasonal basis at certain venues, particularly schools, and has made special trips outside Central Kentucky to Henry, Laurel, McCreary, Nelson, Owen and Rockcastle counties. Location bookings are scheduled through the nonprofit's

partnerships with more than 100 neighborhoods and organizations, from faith-based groups and locally owned businesses to public libraries and schools.

Since its ribbon cutting in September 2015, OTMAS has served over 27,000 children. In spring 2019 alone, an average of 400 kids per week experienced hands-on art activities.

"None of this would be possible without the community and culture here in Kentucky," Nadzam said. "In Lexington specifically, there is this unspoken mentality of 'a rising tide lifts all boats.' Everyone here wants to work together so we can make this a really special place for everyone."

He appreciates the fact that so many community-minded people dive right in with their own solutions instead of waiting around for someone else to address issues and fix problems.

The staff and volunteers have expanded offerings to include in-school arts programming at Title 1 schools that do not have an arts program, such as Paris Independent Elementary. Nadzam is also taking the mobile art studio to juvenile detention centers in Fayette and Campbell counties.

"It sounds cliché, but in the most literal sense this is a dream come true," he said. "This is exactly what I wanted to do with my life: start a nonprofit that helps children who grew up like me and be able to do what I love for a living."

Nadzam himself was an at-risk kid, growing up near Pittsburgh, Pa.

"My family struggled with many different issues like alcoholism, poverty, drug abuse and addiction," he said. "My childhood was pretty rough, to say the least."

He found a way out through sports. In 2007 Nadzam was a walk-on with the track and field team at the University of Kentucky and eventually earned a full scholarship to complete his bachelor's degree in 2011 and master's two years later, both in social work. Today, he teaches at UK in the College of Social Work and works full-time as the director of On The Move Art Studio.

"As we have hired more employees, my role has taken on a component of overseeing our employees and managing our various programs," he said.

Learn more about On The Move Art Studio at onthemoveartstudio.org.—Kathie Stamps



Lexington, Louisville Among Top U.S. Big Cities to Live in

HILE most people say they'd prefer to live in a rural area, over 80% of the world's population lives in metro areas, which constitute only 3% of the Earth's landmass.

Reasons given for living in clustered environments rather than where people ideally desire hinge on factors including progressing professionally and socially, and convenience by proximity. There are tradeoffs, notably the higher cost of living with city life, cramped quarters and road congestion. It is how each city tackles its liabilities that sets them apart.

To assess which cities do this best, WalletHub conducted a study to find the top 40 big U.S. cities to live in, examining the 62 largest U.S. cities based on 56 key indicators of attractiveness with data sets ranging from the quality of public schools and life expectancy to job opportunities and property taxes. Based on that data, Lexington rated No. 26 and Louisville held down the 40th spot. Pushing both Lexington and Louisville up the rankings were stellar positioning in affordability, with Louisville slotting in at No. 5 and Lexington at No. 8.

Both cities ranked in the bottom half of the study's economy and quality of life categories. Lexington outscored the Derby City by rating 21st for education and health compared to Louisville's 47th.

The top five big cities according to WalletHub are Virginia Beach, Austin, Seattle, San Diego and Las Vegas. For more on the study visit WalletHub.com.

-Matt Wickstrom

THE LANE LIST

KENTUCKY'S LARGEST HOSPITALS

Ranked by number of staffed beds

HOSPITAL NAME	CITY	BEDS	DISCHARGES	PATIENT DAYS	GROSS PATIENT REVENUE
Norton Hospital	Louisville	1,430	73,695	372,766	\$8.06 billion
UK Chandler Hospital	Lexington	914	40,909	270,659	\$5.26 billion
Jewish Hospital	Louisville	820	32,256	116,627	\$2.86 billion
Baptist Health Louisville	Louisville	519	25,672	119,410	\$2.88 billion
Sts. Mary & Elizabeth	Louisville	495	14,575	124,501	\$463 million
King's Daughter Medical Center	Ashland	486	14,621	62,650	\$1.52 billion
Owensboro Health	Owensboro	477	14,617	64,161	\$1.52 billion
St. Elizabeth Edgewood	Edgewood	459	31,447	125,429	\$2.17 billion
Baptist Health Lexington	Lexington	391	20,203	101,743	\$2.85 billion
Hazard ARH Regional Medical Center	Hazard	349	9,311	49,075	\$899 million
UofL Hospital	Louisville	331	15,709	98,523	\$2.55 billion
The Medical Center	Bowling Green	316	16,098	87,522	\$956 million
Mercy Health-Lourdes	Paducah	306	11,044	43,554	\$971 million
Hardin Memorial	Elizabethtown	300	14,066	55,088	\$965 million
Pikeville Medical Center	Pikeville	294	14,474	85,395	\$2.57 billion

Source: American Hospital Director and.com

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SPOTLIGHT ON THE ARTS



A View into the Creative Process

Galt House artist-in-residence program 'helps make a community whole'

BY CHRIS CATHERS

OUISVILLE'S Galt House Hotel has been a fixture of downtown Louisville for decades, woven into the tapestry of the River City's culture. In May, the hotel announced a new venture that corporate leaders hope will further cement the hotel's stature among the community: They hired an artist in residence.

The Kentucky Arts Council recently spoke to the artist in residence, geometric abstract painter Gibbs Rounsavall of Louisville and Scott Shoenberger, president and CEO of the Al J. Schneider Co., which owns the Galt House, for an episode of the arts council podcast KyArtsCast. Quotes for this column are taken from that interview. (To hear the full podcast episode, visit kyartscast.ky.gov.)

The residency is believed to be the first ever in a Kentucky-owned hotel and Rounsavall has latched onto the distinction with fervor. He has been given a space alongside retail merchants in the Galt House Rivue Tower. The artist-in-residence studio is completely visible from the hallway, with floor to ceiling windows allowing passersby to see Rounsavall at work. They are free to enter the space and have conversations with him about his work or just watch him create. Rounsavall said it's a job that a prior career in teaching helped prepare him for.

"When you do demos for 30 high schoolers, you have to have a thick skin and be impervious to any kind of comments, so that helped me hone my own ability and be comfortable working in public," Rounsavall said. "I stopped teaching a little more than year ago, and I didn't recognize how much I missed that interaction with other people. When I was awarded this residency, it kind of reignited that passion I have for working with the public."

One element of the residency is that it pulls back the curtain on the creative process, allowing hotel guests, and even staff members, a literal window into the life of an artist.

"I'm working in space with glass windows and it's very open to the public. It's to demystify the art-making process, which a lot of people, I think, are intimidated by. Some people don't know what goes into that process," Rounsavall said. "I've tried to create an inviting atmosphere where people can come in and ask questions. And there's a lot of engagement and insightful conversations, which has been really nice."

Shoenberger, who has been in the hospitality business for nearly 40 years, came to Louisville having successfully implemented similar art programs at hotels in Santa Fe, Oklahoma City, Kansas City and Milwaukee over the last 19 years. He credits his executive

Louisville geometric abstract painter Gibbs Rounsavall is the inaugural artist in residence at the Galt House Hotel. His residency began in May and will run through February 2020.

assistant, Michelle McCarragher, who is a Louisville artist herself, with getting the ball rolling for the residency in Louisville.

"If you want to do this, you need to find the right person who understands how it works and will do it," Shoenberger said. "Michelle has the passion and love for it."

As for the return on investment, Shoenberger said the deed itself is the hotel's reward.

"I wish I could tell you there was a dollars and cents motivation behind it, but there wasn't," he said. "There was no business filter used in this whatsoever. Art helps make a community whole. I think it's our responsibility in terms of being good corporate citizens to really showcase that. The people who were really excited about it were shareholders of the company, family members who live here (in Louisville). We're a Louisville family-owned hotel. It's important for us to showcase what makes Louisville so special."

An artist-in-residence program can potentially work for businesses that host members of the public – hotels, restaurants, banks or most retail spaces. Shoenberger advises these first steps toward creating a similar program.

"Make sure you're truly committed to make it happen. It's different for any other city. Understand what is truly unique about your city," he said. "Also get to know key players in your artist community."

He added that a business owner should also acknowledge that they need to get out of the way of the process.

"My own success in contributing to this was recognizing my shortcomings and not inserting myself into it."

Business owners interested in starting an artist-in-residence program can contact the Kentucky Arts Council for advice. We are happy to connect you with companies like the Galt House, which have successfully done residency programs before. Visit us online at artscouncil.ky.gov to learn how to contact us.



Chris Cathers is executive director of the Kentucky Arts Council.

EXPLORING KENTUCKY





wide outdoor patio with vast estate views, a library with walk-in wet bar, and six bedrooms, each with king beds and private baths. Advertised capacity is 14 people. (However, Kim Buckler Hydes, executive director of Oldham Kentucky Tourism and Conventions, tied the knot

3rd Turn Brewing features an 80-foot

communal table

here last year and says, "It's massive. I had 19 family members there.") Lowerlevel lodge space sports poker tables, a pool table, two fireplaces and a full bar.

Bluegrass horse country. Rife with Southern elegance and grace, the house's features include a sunroom and

Also ideal for a corporate retreat, the Neal House provides eating options such as BYO guilty pleasures and cook – or not – in a roomy kitchen, have your fridge pre-stocked, or request a personal chef who will prepare and deliver farmfresh food for you and your guests on-site. Should eating good-for-you foods be your goal, nearby farms offer organic, sustainable produce, grass-fed bison, pastured pork and eggs.

The non-overnight meeting attendee max is 50.

When you're ready to explore, you won't have to go far. The following three attractions are all on the same short street in Crestwood.

The first, Kentucky Artisan Distillery, is the brainchild of Trey Zoeller, creator of Jefferson's bourbons, whose eighth-generation grandmother was arrested in 1799 for "moonshining and bootlegging." You get a peek into the production of and taste samples of Jefferson's "ridiculously small batch" bourbons; Jefferson's Oceans, which is aged in barrels on ships that cross the equator four times; and Whiskey Row, a pre-Prohibition whiskey. Not your ordinary distillery, this small craft facility is the only grain-to-bottle distiller in the state. Its corn, rye and barley grow one-and-a-half miles away at historic

The Great Escape

Oldham County diversions make it an ideal getaway destination

BY KATHERINE TANDY BROWN

IRLFRIEND getaways have been all the rage for a number of years now, but how are guys supposed to bond? Over chips and tall, cool ones watching "the game" from cushy La-Z-Boys? Over footlongs and king-sized cups of cool, foamy suds at the stadium or the ball field? Maybe at the cabin or the lake for a fishing or hunting trip? Those all work. But if you're looking for something a little different, Oldham County has the perfect solution.

Easy to reach, it's only 20 miles northeast of Louisville and you have lots of choices as to how to spend your guy time. Depending upon your interests, options include a distillery, breweries, a garden, golf, farm tours, a shooting range, the Underground Railroad and freight trains.

Unpack your bags for the whole getaway at the Neal House Estate, a stunning 8,000-s.f., colonial-style rental home on eight spacious acres in Crestwood, right in the middle of





Yew Dell Botanical Gardens is listed on the National Register of Historic Places.

Waldeck Farm (which also has a rentable circa 1888 mansion) and are trucked freshly harvested to the distillery.

The second attraction on Old LaGrange Road is the 8.6-acre 3rd Turn Oldham Gardens Brewery, which consists of 3rd Turn Brewing, Hive & Barrel Meadery, and the Backside Grill. 3rd Turn Brewing features a greenhouse with a springtime wisteria canopy over an 80-foot-long communal table, and an indoor taproom and outdoor bar. Thirty-two taps pour the brewery's beer along with local and regional selections. Bourbon and fruit slushies are also on the menu, as is live entertainment. The Meadery serves locally made honey wine that's gluten free and great for non-beer drinkers who want to hang out in the Beer Garden. You can tour the production area with six meads for tasting and bottles to purchase and take home. And the Backside Grill's specialties include smoked pork sandwiches or brisket and pimento cheese burgers.

For nature buffs, the third attraction. Yew Dell Botanical Gardens, is an internationally recognized center of gardening, plants, and education. Listed on the National Register of Historic Places, the gardens range from



The Nevel Meade Golf Club features rolling terrain and expansive areas of heather grass.



formal to informal, in beautifully rendered displays. You can be sure something is blooming at Yew Dell all year. Guides offer tours for groups of at least 10.

If you and the guys want to hit the links, Oldham has a driving range and four courses. The Nevel Meade Golf Club is designed after Scotland's lovely links, with rolling terrain, a fresh-water spring, deep bunkering and expansive areas of heather grass. Sleepy Hollow is a well-laid-out nine-hole, while Oldham County Country Club and Eagle Creek Golf Course feature 18.

Also in Crestwood, Openrange Sports houses five-star gun ranges, a paintball reball (think paintball minus the mess) arena, and gun rentals, such as a Kentucky Longrifle flintlock for a taste of Daniel Boone's era.

As the Farm Tour Capital of Kentucky, the county offers 15 different hands-on farm tours. Hermitage Farm, which for 100 years was a noted Thoroughbred farm, is now owned by philanthropists Steve Wilson and Laura Lee Brown (owners of 21C Museum Hotels and the Kentucky Bison Co.) and is currently in the midst of an extraordinary makeover. The 700-acre property still serves as a Thoroughbred nursery with mares, foals and yearlings, but now its historic 1835 home is filled with contemporary art and is a rentable

overnight and event space. The property's new focus is on food, bourbon and horses as an educational, all-things-Kentucky, sustainable agritourism attraction.

An existing dairy barn is slated to open as a restaurant on October 1, with much of its produce supplied by a 10-acre, on-site garden. Its hayloft will be an event space for 225 guests. At a bourbon experience, you can learn all about and taste Kentucky's native spirit from seed to sip, while equine experiences offer a glimpse of Hermitage's historic carriage collection that includes one used in "Gone with the Wind," films of its championship carriage-driving sport horses, and the opportunity to touch retired racehorses and ponies.

Of nine Underground Railroad sites in the state, two are in Oldham County. As for freight trains, up to 30 a day rumble straight down the middle of Main Street in LaGrange. There's even a train observation tower in front of Main Street Bourbon and Ale House.

Oldham County can keep you as busy as you choose. To plan a getaway, visit touroldhamcounty or call (800) 813-9953.

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



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PASSING LANE

Commentary on Kentucky

Early Times, Kentucky Humane Society Team up To Train Service Dog



■ ARLY Times Kentucky Whiskey announced a new addition to its ✓ family this summer: Earl, a rescue puppy adopted from the Kentucky Humane Society.

Together with KHS, Early Times will raise and train Earl to become a service canine as part of its longtime partnership with K9s For Warriors, a nonprofit organization committed to training service canines for military veterans suffering from PTSD, traumatic brain injury, and other trauma resulting from post-9/11 military service.

Earl has been in training in Louisville since his adoption in June, but will continue his formal service training with K9s For Warriors and ultimately be matched with a veteran at the completion of the fall 2019 program.

"Early Times has been a longtime partner of K9s For Warriors, and as a truly American brand with a heartfelt military connection, we wanted to go beyond a

Earl was adopted from the Kentucky Humane Society and is being trained to become a service dog through the K9s for Warriors program.

donation to show our support," said Early Times Senior Brand Manager Dallas Cheatham, who is fostering Earl. "The K9s For Warriors program saves lives, and by rescuing Earl as a candidate for the program, we know that more than one life was changed today. It's humbling to personally have a hand in Earl's journey, which we believe will lead him to become an amazing companion for a veteran who needs him.

Like Earl, the primary source of dogs for the K9s For Warriors training program is rescue animals. Training the dogs is not inexpensive: It costs approximately \$25,000 to send one dog through training and even then, only about half make it through the program.

Early Times partnered with KHS to help identify potential canine companions, and upon finding Earl, the KHS team immediately knew he was special.

"Earl is the total package - confident, intelligent, resilient and eager to engage with 'his' people. He's going to thrive in his new career!" said KHS Kentucky Initiatives Director Kat Rooks.

Maker's Mark Hosts Exhibit of Artist Stephen Rolfe Powell

NE of Kentucky's most celebrated and influential artists, Stephen Rolfe Powell, is being remembered in an exhibition of his work at the Maker's Mark distillery in Loretto that will run through Nov. 30.

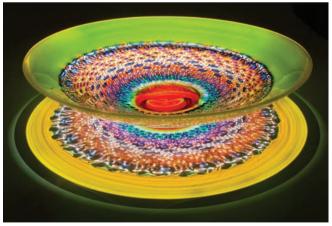
While Powell's work is featured in museums and private collections all over the world, he worked and taught at Centre College, just a short drive from Maker's Mark. Before his untimely passing earlier this year, Powell had been planning a

Stephen Rolfe

large exhibition at the distillery. During each distinctive phase of his life's work, Powell retained a few pieces for himself, and many of these from his private collection are being displayed throughout the Maker's Mark campus.

Powell's close relationship with Maker's Mark began several years ago when he created a rare commissioned work that has been on display at the distillery ever since.

In addition to Powell's own distinctive work, dozens of other glass artists from around the world, some of whom are very well-known, have agreed to donate pieces that will be also be on display - uniquely designed and hand-crafted bourbon decanters/bottles created specifically to honor Powell. These pieces will be auctioned off to collectors at the close of the exhibition, with proceeds going to the Stephen Rolfe Powell Memorial Fund at Centre to help art students continue their education.



Stephen Rolfe Powell is known worldwide for his unique glasswork.

The Stephen Rolfe Powell exhibition at the Maker's Mark distillery is included with the regular tour, which is \$14 for adults 21 and over (which includes a bourbon tasting), \$5 for those under 21 and \$10 for retired military and veterans. Active military members (with ID) are free. Tours are offered at the distillery Monday through Thursday from 9:30-3:30, Friday and Saturday from 9:30-5:30, and Sundays from 11:30-3:30.

Bourbon Trail Craft Tour Expands with More Distilleries, New Prizes

The 20 participating distilleries on the Kentucky Bourbon Trail Craft Tour include:

Northern Region

- · New Riff, Newport
- · Second Sight, Ludlow
- Old Pogue, Maysville
- Boone County, Independence
- · Neeley Family, Sparta

Central Region

- · Kentucky Artisan, Crestwood
- Kentucky Peerless, Louisville
- · Jeptha Creed, Shelbyville
- Willett, Bardstown
- · Preservation, Bardstown

Western Region

- Boundary Oak, Radcliffe
- Casey Jones, HopkinsvilleMB Roland, Pembroke
- Dueling Grounds, Franklin

Bluegrass Region

- Limestone Branch, Lebanon
- Wilderness Trail, Danville
- Barrel House, Lexington
- James E. Pepper, Lexington
- Bluegrass Distillers, Lexington
- Hartfield & Co., Paris

EVEN years ago, the Kentucky Distillers' Association created the nation's first and only tourism attraction to showcase its flourishing artisan distilling movement: the Kentucky Bourbon Trail Craft Tour. Now the tour has expanded to include more spirits producers, regional itineraries and a new finishing prize.

"The tremendous growth of Kentucky's craft industry has spurred local tourism with visitors looking for homegrown, intimate experiences around all kinds of boutique spirits," KDA President Eric Gregory said. "The KBT Craft Tour now

welcomes innovative micro distillers who are making everything from flavored moonshine using locally grown ingredients to barrelaged rums and vodka, brandy, gin, and, of course, our state's signature Kentucky bourbon."



Passports can be purchased at participating distilleries for \$3.

The expanded Kentucky Bourbon Trail Craft Tour will break

down into four regions -- Northern, Central, Western and Bluegrass -- to better help guests map out their distillery excursions. Each region

will have streamlined itineraries and suggested stops, with visitors earning a collectible challenge coin after completing each territory. Those who tour all 20 KBTCT stops will earn a free, custom-designed barrel stave to display their coins. The stave also comes with an official KBT tasting glass engineered by Kentucky's legendary master distillers specifically to savor the complexities of Bourbon whiskey.

The Craft Tour Passport has been redesigned as a souvenir guidebook, with nearly 70 pages of distillery information, cocktail recipes, suggested travel routes, maps, events and graphics to show which distilleries serve food, cocktails and their variety of spirits. Passports can be purchased at participating distilleries for \$3.

Upcoming Maker Faire Festival Will Showcase Innovation, Creativity

HOUSANDS of inventors, makers, students, engineers and artists from across the region are expected in Louisville in late September as FirstBuild and the University of Louisville join to host the Louisville Maker Faire.

The event will take place Sept. 28-29 on UofL's Belknap Campus and will include exhibitions, competitions, hands-on workshops, speakers, musical performances and more.

"Hosting our city's first full-feature Maker Faire is an example of how businesses and organizations are working together to drive innovation, and a reflection of the budding tech sector and thriving art scene that have gained momentum in Louisville and across the region," said Larry Portaro, president of FirstBuild.

GE Appliances, which is one of the event's flagship sponsors, backs FirstBuild and is a Louisville-based maker that has been inventing and manufacturing home appliances for more than 100 years.

"This Maker Faire will be the largest gathering of inventors, creators and makers that this city has ever seen," said Kevin Nolan, president and chief executive officer of GE Appliances. "Hosting this event in the hometown of GE Appliances showcases the brain power and creativity of our community, and I am proud that our sponsorship ensures it will be free and open for everyone to enjoy, create and make."

More information can be found at louisville.makerfaire.com.



The new elephant calf at The Louisville Zoo is only the second elephant born there in 50 years.

Louisville Zoo Welcomes Baby Elephant

HE Louisville Zoo's 33-year-old African elephant, Mikki, has given birth to a male calf, only the second elephant born at the zoo in its 50-year history.

Born on Aug. 2, 2019, the calf measured 38.5 inches tall, 30 inches long and 78 inches from the tip of his trunk to the tip of his tail. When the calf was weighed on Aug. 4, he was 275 pounds.

Mikki gave birth after nearly a 22-month gestation (651 days). She became pregnant through artificial insemination in October 2017 with the help of Dr. Dennis Schmitt, the leading North American expert in elephant reproductive physiology and veterinary management. (Dr. Schmitt was also present during the delivery process.) Zoo staff carefully monitored Mikki throughout her pregnancy, regulating her diet and exercising her daily in order to minimize weight gain and get her fit for the delivery. Ultrasound exams and blood hormone monitoring were performed regularly to track the pregnancy.

"Elephant breeding at accredited zoos provides critical support for elephant conservation," said Louisville Zoo Director John Walczak. "Every day, more and more habitats for wild animals are lost due to a growing human population, habitat destruction and poaching. The African elephant population has declined and we want to do our part to help with conservation efforts both locally and worldwide."

Mikki and her calf – along with herd mate, Asian elephant Punch – will be off exhibit while the herd bonds. An announcement of a public debut will be made at a later date. According to the zoo website, a naming contest for the new calf will likely be announced in the coming weeks.

KENTUCKY PEOPLE

NICHOLASVILLE

LAROSA'S AND SKYLINE CELEBRATE EXPANSION BY GIVING BACK TO THEIR NEW COMMUNITY



Popular Cincinnati-based restaurant chains LaRosa's Family Pizzeria and Skyline Chili are expanding in the Central Kentucky area, with the most recent projects going up in Nicholasville. At the recent groundbreaking ceremony, the companies and franchisee One Holland celebrated the event by presenting a \$1,000 contribution to the Hope Center, which helps those who are homeless and at risk. Pictured here at the check presentation are (left to right) Michael LaRosa, CEO of LaRosa's Inc.; Kevin McDonnell, president and CEO of Skyline Chili Inc.; Gary Holland, CEO of One Holland and LaRosa's/Skyline franchise owner; Carrier Thayer, director of development at the Hope Center; and Timmy Crofford, district manager, One Holland.

SHEPHERDSVILLE

KENTUCKY VETERAN HONORED BY EVAN WILLIAMS BOURBON



Former U.S. Army Sergeant Chris Cruise, of Shepherdsville, is one of six veterans chosen from more than 5,500 nominations to be recognized as a 2019 Evans Williams American-Made Hero. Evan Williams Bourbon celebrates American heroes each year by making a \$10,000 donation to the charity of the veteran's choice to help further their mission of service in their respective communities. Cruise chose Fairdale Christian Church as the beneficiary of his honor. After leaving the military, Cruise founded Cruise Customs, where he works with fellow veterans to build wooden American flag displays out of barrel staves.

ERLANGER

FLAGSHIP COMMUNITIES WINS KENTUCKY MANUFACTURED HOUSING AWARD FOR '19



Flagship Communities, an Erlanger-based company that owns manufactured housing communities throughout Kentucky, Ohio and southern Indiana, was recently presented with the 2019 Community of the Year award from the Kentucky Manufacturing Housing Institute (KMHI) for its Riverbend Pointe development in Owensboro. Pictured here at the award presentation are (left to right) KMHI President Amie Hacker, Flagship Homes Sales Manager Erik Pederson, Flagship Homes Chief Investment Officer Nathan Smith and KMHI Executive Director Betty Whittaker.

MOREHEAD

MOREHEAD STATE'S EARLE LOUDER RECEIVES PRESTIGIOUS MUSIC AWARD



Morehead State Professor Emeritus Earle Louder has been named as the recipient of the American Bandmaster Association's Edmond Franko Goldman Memorial Citation, a prestigious national award that recognizes the contributions individuals have made to promote bands and band music in America. Louder was a professor of tuba and euphonium at MSU for 27 years and recently performed sessions with the New Columbia Brass Band, Keith Byron's New Sousa Band and the Cleveland Orange Blossom Festival Band. Pictured here with Louder (center) are Myron Welch (left), director of bands emeritus from the University of Iowa, and John Thomson, chair of the Edwin Franko Goldman Citation committee.

BIGH

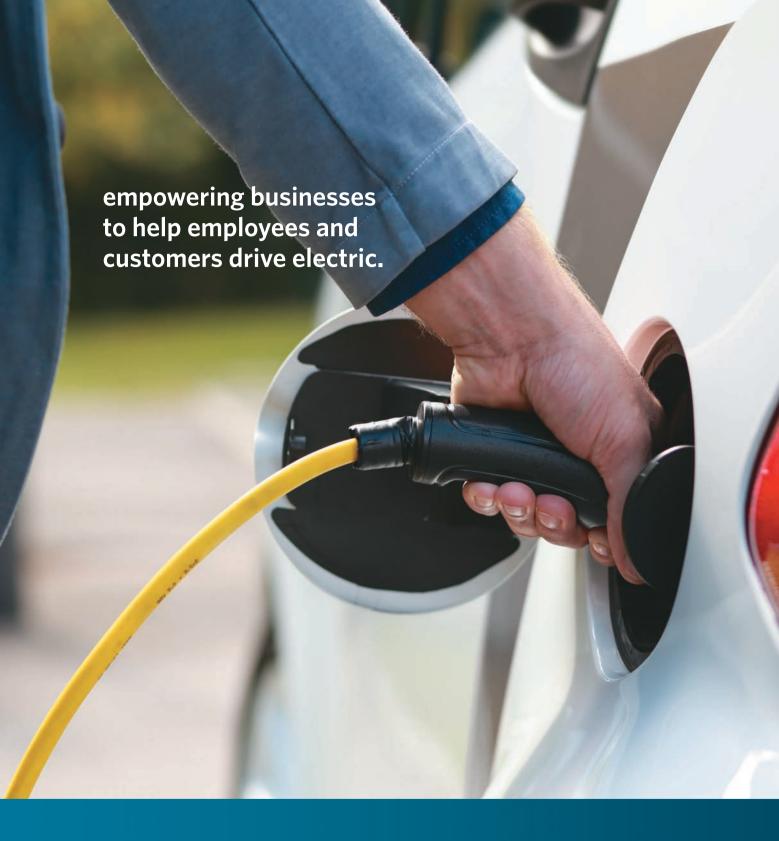
THE STORY OF BLUEGRASS MUSIC

Featuring footage from around the world, interviews with legends and newcomers alike, and incredible music, *Big Family* — the most comprehensive film ever made about bluegrass music — will make your toes tap and your heart swell with pride for Kentucky's native music.

Narrated by actor and bluegrass enthusiast Ed Helms, *Big Family* — which airs nationally on PBS — takes a comprehensive look at this beloved musical genre. More than 50 musicians appear in the film, including Alison Brown, Dale Ann Bradley, Sam Bush, J.D. Crowe, Béla Fleck, Laurie Lewis, Del McCoury, Bobby Osborne, Ricky Skaggs, and Chris Thile.

KET Friday, August 30 • 9/8 pm **KET2** Sunday, September 1 • 8/7 pm





More and more people are driving electric these days. That's why we offer businesses the option of hosting charging stations for their employees and customers. In fact, we've already partnered with communities and businesses to install more than 20 electric vehicle charging stations across the state. If your business is interested in hosting a charging station, visit **lge-ku.com/ev** to get started. Empowering businesses to be more sustainable is just another way our energies go to serving you.