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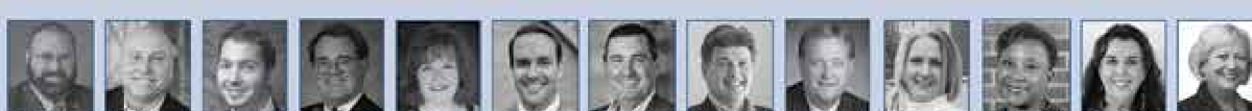

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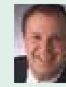

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GLENDALE

FORD LAYS OFF 1,600, WILL INVEST $2B TO MAKE STORAGE BATTERIES

About 1,600 workers at the massive **BlueOval SK** campus in Glendale are being terminated as **Ford Motor Co.** restructures its electric-vehicle strategy and repurposes its Kentucky battery operations toward energy storage systems.

Ford plans to convert underused EV battery capacity at the Hardin County site to produce lithium-ion cells and large-scale battery energy storage systems for data centers, utilities and industrial customers. The move follows Ford and South Korea–based **SK On**'s decision to dissolve their BlueOval SK joint venture, announced in December, amid slowing EV demand and the expiration of federal tax credits. The company has reportedly lost $13 billion on its electric-vehicle business since 2023 and has discontinued production of its all-electric F-150 Lightning pickup truck.

BlueOval SK photo

Ford will take sole ownership of the Kentucky facilities in early 2026, while SK On assumes control of a Tennessee plant. The automaker said affected Kentucky workers may apply for jobs with a Ford subsidiary that will operate the retooled facility. Of the two planned Kentucky facilities, only one has been operational to date, opening last August with around 1,450 employees. The second Kentucky facility was scheduled to open in 2026 but has not yet been completed.

Ford expects the new energy storage business to employ about 2,100 people initially — about 400 fewer than previously planned — and plans to invest about $2 billion over the next two years to scale production. The joint venture was originally announced in 2021 with a total planned investment of $11.4 billion and the promise of nearly 11,000 jobs across the two locations.

HEBRON

STORD TO ADD 500 LOGISTICS JOBS AS PART OF $40M EXPANSION


Stord Inc. photo

Stord Inc., an Atlanta-based e-commerce fulfillment and logistics company, will invest more than $40 million to expand its Hebron facility, creating over 500 jobs over the next several years. The new positions will range from entry-level positions through senior leadership roles responsible for managing day-to-day demands.

Founded in 2015 by Sean Henry and Jacob Boudreau, Stord operates a global network of fulfillment centers that employ more than 1,300. The Hebron site, acquired from **Pitney Bowes** in 2024, currently employs over 600 people and is Stord's largest U.S. facility, handling millions of orders annually. The expansion will add a 525,000-square-foot Class A warehouse and incorporate automation and Stord's proprietary AI-enabled warehouse and transportation management systems to improve efficiency and speed of fulfillment.

Stord, which recently raised $200 million in funding and acquired **Ware2Go** from **UPS**, said the Hebron expansion positions the company to better serve fast-growing e-commerce brands and meet rising demand for one-to-two-day delivery.

LOUISVILLE

LOUISVILLE LANDS $42 MILLION ANTHRO ENERGY PLANT, 110 JOBS


Anthro Energy photo

Anthro Energy Inc., an advanced materials and battery technology company, plans to open a new manufacturing facility in Louisville, investing more than $42 million and creating 110 full-time jobs. The new jobs will include highly skilled positions such as manufacturing technicians, engineers, facility managers and logistics staff.

The facility will be the California-based company's first operation in Kentucky and will focus on producing advanced electrolytes for next-generation batteries. Anthro Energy's proprietary injectable phase-change electrolyte, branded **Anthro Proteus**, is designed for use across multiple markets, including consumer electronics, micromobility, defense and automotive applications. The company expects the Louisville operation to produce more than 12,000 metric tons of electrolyte annually.

"This facility will stand as the first major U.S.-owned and U.S.-operated advanced electrolyte production site, marking a significant milestone in our effort to build a resilient domestic supply chain for critical battery materials and to deliver the next generation of energy technologies," said Anthro Energy Chief Technology Officer Joe Papp, a Kentucky native. "Bringing this work back to Kentucky means a great deal to me."

PADUCAH

$1.5B INVESTMENT FUELS 140 NEW JOBS IN PADUCAH

The **U.S. Department of Energy** has awarded **General Matter** a $900 million, 10-plus-year contract to build and operate domestic High-Assay Low-Enriched Uranium (HALEU) enrichment capacity, a critical fuel for advanced nuclear reactors.

The project will be based at the former **Paducah Gaseous Diffusion Plant**, restoring uranium enrichment operations on U.S. soil and reducing reliance on foreign suppliers, primarily Russia and China.

General Matter plans to invest nearly $1.5 billion in Western Kentucky, creating about 140 jobs, while supplying a significant share of the nation's advanced nuclear fuel needs.

The investment marks a major step toward strengthening national energy security, rebuilding the nuclear industrial base, and lowering long-term energy costs.

BOWLING GREEN

AKFA ALUMINUM TO OPEN FIRST U.S. PLANT, CREATING 331 JOBS


Vecteezy photo

AKFA Aluminum Solutions, a division of Uzbekistan-based **AKFA Group**, plans to open its first U.S. manufacturing operation in Bowling Green, marking the first time an Uzbekistani company has established a production facility in the United States. The project is expected to create 331 new jobs.

The new facility will operate as a full-cycle aluminum production hub, featuring advanced extrusion, anodizing and finishing capabilities that meet U.S. energy and environmental standards. The operation will incorporate recycled aluminum billets and energy-efficient systems to support a low-carbon supply chain, strengthening the region's position in sustainable advanced manufacturing.

AKFA Aluminum Solutions U.S. LLC is part of AKFA Group, one of Central Asia's largest industrial companies, which employs more than 8,000 people and supplies aluminum products to global construction, transportation and renewable energy markets.

UK rendering

LEXINGTON

$150M GIFT POSITIONS UK ARTS DISTRICT AS ECONOMIC DRIVER

The **University of Kentucky** is moving forward with plans for a new arts district after its board of trustees accepted a $150 million gift from **The Bill Gatton Foundation**—the largest donation in the university's history. The investment will fund construction of a new College of Fine Arts building, a several-hundred-seat performance theater, and a public pavilion and park along South Broadway, strengthening connections between campus and downtown Lexington.

University leaders say the district will anchor cultural development while supporting workforce and economic growth tied to Kentucky's creative industries, including film, design, and the performing arts. The project will require legislative authorization to issue bonds, and discussions with state leaders are already underway.

State officials called the investment a catalyst for broader economic impact, noting the role of arts and education in attracting talent and visitors. The gift builds on more than $200 million in prior contributions from Bill Gatton and his foundation, which have supported agriculture, business education, student services, and scholarships across the university.

SIMPSON COUNTY

$391 MILLION KROGER FACILITY WILL CREATE 430 NEW JOBS

Kroger photo

Kroger, the largest traditional grocer in the U.S., plans a $391 million distribution center in Simpson County that will create approximately 430 full-time jobs. The facility will feature scalable, automated operations to support regional supply, expanding Kroger's long-standing footprint in the state.

The new center will complement Kroger's $204 million Bowling Green expansion for its **Country Oven** bakery.

Founded in 1883 and headquartered in Cincinnati, Kroger operates more than 2,700 stores across 35 states, employs over 400,000 associates, and generates annual sales exceeding $147 billion. In Kentucky alone, Kroger runs nearly 110 stores, four manufacturing and distribution facilities, and a regional headquarters in Louisville. The company is also known for its long-running partnership with the **Kentucky Derby** and **University of Kentucky** athletics.

STATE

SBA LAUNCHES FIRST LOAN PROGRAM FOR SMALL MANUFACTURERS

The **U.S. Small Business Administration** has launched its first-ever loan program for America's small manufacturers, which make up 98% of all U.S. manufacturers.

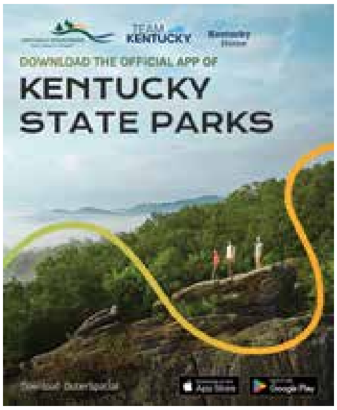
The **7(a) Manufacturer's Access to Revolving Credit** (MARC) Loan Program offers working capital and is specifically designed to provide maximum flexibility and minimal red tape.

MARC lines may be structured as either a revolving line of credit or a term loan and may be used for any short-term working capital need of the manufacturer, supporting everything from inventory purchases to new projects. MARC lines of credit can help manufacturers expand their working capital by leveraging the available equity of their existing facility or equipment.

Complete details about the program can be found at sba.gov.

STATE

NEW STATE PARK APP DESIGNED TO BOOST VISITOR ENGAGEMENT



Kentucky State Parks photo

Kentucky State Parks has launched a new mobile app aimed at enhancing visitor experiences across its 44 parks.

Developed with **OuterSpatial**, the free app offers offline-accessible digital maps, real-time trail and facility updates, curated outings and over 1,000 points of interest, including scenic overlooks, historical sites and recreational amenities.

The app also introduces the **KY Passport Challenge**, encouraging visitors to explore all state parks. Participants earn digital badges for each park visited, with the goal of collecting all 44 badges.

The app is available on iOS and Android. Users can join the Kentucky community within OuterSpatial to plan trips, access real-time updates, and participate in the Passport Challenge.

More information is available at parks.ky.gov


GE photo

LOUISVILLE

KENTUCKY SUPPLIERS GAIN $40M IN GE APPLIANCE CONTRACTS

GE Appliances is deepening its economic impact in Kentucky, awarding more than $40 million in new contracts to four in-state plastics suppliers as part of a broader effort to strengthen U.S. manufacturing and expand its domestic supply chain. The suppliers include **EPC** in Lebanon; **Jones Plastic**, a Louisville-headquartered injection molder with operations in Williamsburg; **Plastic Products Co. Inc.**, with facilities in Lebanon and Greenville; and a Frankfort-area operation.

The contracts represent early ripple effects from GE Appliances' multibillion-dollar commitment to U.S. manufacturing. In August, the company announced plans to invest more than $3 billion nationally over five years, bringing its total U.S. investment since 2016 to $6.5 billion. Kentucky is a central beneficiary of that strategy. Earlier this year, GE Appliances unveiled a $490 million expansion at its Louisville headquarters that will add a combination washer-dryer plant and create 800 jobs.

GE Appliances already spends $318 million annually with more than 480 Kentucky suppliers, reinforcing the state's role in the company's domestic manufacturing network. Its Louisville Appliance Park — spanning 750 acres and more than 6 million square feet — serves as the company's global headquarters and largest manufacturing operation, employing more than 8,000 people.

LOUISVILLE

UofL AWARDED $11.5M TO ADVANCE CANCER IMMUNOTHERAPY

The **University of Louisville** and **UofL Health — Brown Cancer Center** have received a new $11.5 million grant from the **National Institutes of Health** to expand groundbreaking research in cancer immunotherapy. The funding will support the next five years of work at UofL's Center for Cancer Immunology and Immunotherapy (CCII), advancing immune-based cancer treatments and training future scientists.

Since its founding in 2020, the CCII has doubled UofL's immuno-oncology faculty and helped secure $33 million in additional research grants. Its discoveries have translated directly into patient care at Brown Cancer Center, where clinical trials of tumor-infiltrating lymphocytes helped lead to FDA approval of the therapy in 2024 for metastatic melanoma.

The renewed grant will also fund mentorship and research opportunities for junior investigators and support advanced technologies such as a new tumor organoid fragment culture platform.

UofL President Gerry Bradley praised the effort as "life-changing research that provides hope for people facing a cancer diagnosis." Brown Cancer Center CEO Jason Smith added that the collaboration underscores the strength of academic medicine in turning research breakthroughs into life-saving treatments for Kentucky patients and beyond.

Vecteezy photo

Corbin Tourism photo

STATE

RURAL KENTUCKY REBOUNDS WITH POPULATION GROWTH

A new report from **Blueprint Kentucky**, a research and outreach unit within the **University of Kentucky Martin-Gatton College of Agriculture, Food and Environment**, highlights population growth as a key finding in Kentucky's rural economy.

After nearly a decade of decline, rural Kentucky saw population gains from 2020 to 2024. Though not all rural communities experienced population growth, the increased numbers are partly credited to remote and hybrid work trends.

"This population shift marks an important moment for rural Kentucky," said Simona Balazs, research director for Blueprint Kentucky. "It underscores the need for continued investment in job creation, housing and essential services to sustain growth and ensure these communities remain attractive places to live and work."

The report covers 85 rural counties, home to 1.85 million people or 41% of Kentuckians.


UPike photo

PIKEVILLE

UPIKE LAUNCHES $50M CAMPAIGN TO TRANSFORM APPALACHIA

The **University of Pikeville** (UPike) has officially launched the public phase of its "Reaching New Heights" capital campaign, a record-breaking $50 million initiative aimed at transforming education, health care, athletics and student success in Central Appalachia.

The campaign builds on momentum from a successful quiet phase and focuses on three key pillars: the creation of the Tanner College of Dental Medicine, development of the Bear Mountain athletic complex and a significant expansion of endowed scholarships.

The dental college, the first in Central Appalachia, will train local professionals to address oral health disparities, featuring 93 state-of-the-art clinics and labs.

The Bear Mountain complex will provide premier training and competition facilities for UPike's student-athletes, including a new football and soccer stadium, baseball and softball fields, an archery range, trails and other facilities while also serving as a regional hub for events and disaster relief.

Increasing endowed scholarships will ensure broader access to education, empowering students to pursue degrees without excessive debt. UPIKE leaders emphasize that the campaign is about more than facilities—it's about investing in the future of students and the region.

STATE

TALENT PIPELINE IMPROVES BUT EARLY LEARNING GAPS PERSIST

Kentucky's latest **School Report Card** shows continued gains in high school outcomes but is still facing ongoing challenges in early education that could affect its long-term workforce pipeline.

The four-year graduation rate climbed to 93.5% and 83% of seniors met college or career readiness benchmarks, signaling progress in preparing students for postsecondary success. However, earlier grades present a more mixed picture. Eighth-grade proficiency improved modestly in math and reading, while fourth-grade results remained flat. Kindergarten readiness declined to 46%, raising concerns about foundational skills that underpin later academic and workforce success. Achievement gaps — often 20 points or more — for English learners, students with disabilities, African American students, and economically disadvantaged students continue to persist.

Despite the mixed early-grade results, **The Prichard Committee**, a Kentucky-based, nonpartisan, citizen-led nonprofit focused on improving public education, says Kentucky's new literacy and numeracy initiatives are beginning to work and is urging continued investment to accelerate the progress statewide. In a new report, the organization calls for strengthening the value of Kentucky diplomas through rigorous academics, durable skills and real-world learning. Business and community leaders, the group maintains, play a critical role in sustaining education as an economic development strategy.


Vecteezy photo

Louisville Tourism photo

LOUISVILLE

HOW LOUISVILLE'S ECONOMY COMPARES TO PEER CITIES

Greater Louisville Inc. has released its 2025 Regional Economic Dashboard, comparing the metro area's performance across 28 metrics to 16 peer cities, including St. Louis, Cincinnati, Indianapolis, Nashville, Charlotte, and Kansas City. The report highlights strong job growth and rising household earnings relative to cost of living. Gross regional product, imports and exports also climbed in the rankings, signaling economic momentum.

However, the dashboard notes slower population growth, lower educational attainment, and higher property crime rates compared to peers, while violent crime decreased. Year-over-year trends show Louisville steadily improving key economic indicators.

GLI leaders say the dashboard is a critical tool for site consultants and businesses considering relocation or expansion. By benchmarking against peer markets, Louisville can strategically attract investment, develop talent and maintain its competitive edge as a growth-oriented hub for business and innovation.

LOUISVILLE

GLVUS TO MAKE FIRST U.S. STERILE SURGICAL GLOVES IN LOUISVILLE

GLVUS, a new advanced healthcare manufacturer, will establish its North American headquarters and production facility in Louisville's LOUMED District, producing the nation's first domestically made premium sterile surgical gloves.


GLVUS photo

With an initial $5 million investment, the company plans to create dozens of high-wage positions in manufacturing, quality control, maintenance and logistics, and expects to employ 100 Kentuckians within four years, doubling that by year 10.

The location leverages Louisville's logistics network, including proximity to **UPS Worldport**, enabling faster delivery to hospitals nationwide. Partnering with **Jefferson Community & Technical College**, GLVUS will tap into a local talent pipeline for operators, technicians and engineers. Domestic production aims to reduce reliance on overseas suppliers, improving quality control, lot traceability and supply chain resilience.

FAST LANE BUSINESS BRIEFS

BRIEF NEWS FROM ACROSS KENTUCKY

Sprocket photo

CHRISTIAN COUNTY

● **Murray State University's Hopkinsville Regional Campus** has partnered with **Sprocket**, a Paducah-based network of Western Kentucky innovators and entrepreneurs, to expand entrepreneurial support in Christian County and surrounding areas. The collaboration offers coaching, cohort-based programs, and networking events to help local founders turn ideas into successful businesses.

EASTERN KENTUCKY

● A new program has launched to introduce high school students to careers in mental/behavioral health, addressing workforce shortages while creating early pathways into a growing health-care sector. The **CLIMB 2.0** initiative (Career Ladders in Mental and Behavioral Health) expands on an earlier adult-focused model and targets students at Floyd County, Prestonsburg, Betsy Lane, Harlan County, Harlan, Hazard, Perry County Central and Buckhorn high schools. Students can earn dual credit and certifications aligned with postsecondary credentials, preparing them for immediate employment or continued education after graduation. **Hazard**, **Southeast Kentucky**, and **Big Sandy Community and Technical Colleges** will pilot the program, with support from the **University of Kentucky Center of Excellence in Rural Health**.

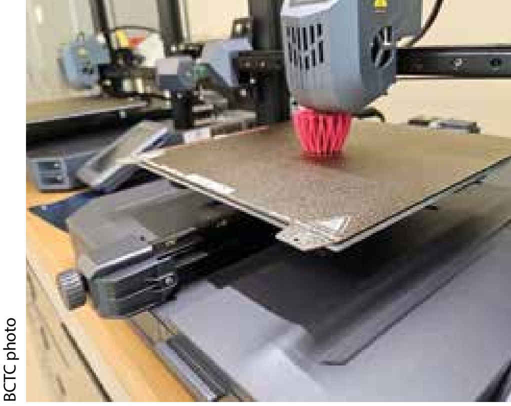
Vecteezy photo

FLORENCE

● **Rotek Inc.** a subsidiary of German conglomerate **Thyssenkrupp**, is closing its facility in Florence as part of the company's decision to consolidate some of its North American operations. Rotek's Florence operations, which produce slewing bearings used in cranes and wind turbines among other machines, will be moved to the company's Aurora, Ohio, location. The closure will result in the elimination of 77 jobs.

FRANKFORT

● The **Kentucky Capital Development Corp.** has rebranded as **Develop Frankfort**, a move aimed at modernizing its identity and clarifying its role as the economic development agency for Frankfort and Franklin County. Leaders say the new name better reflects the organization's mission to attract investment, support business growth, and advance long-term economic opportunity across the region.



BCTC photo

GEORGETOWN

● **Bluegrass Community and Technical College** has launched a new additive technology program at its Georgetown-Scott County campus, offering a two-year degree that equips students with the skills and industry insight needed to work in the rapidly expanding field of additive engineering. The curriculum emphasizes real-world projects and provides students the opportunity to work with a diverse range of additive technologies, including extrusion-based 3D printing, UV curing, and G Code structure, while also exploring the role of AI tools in additive manufacturing.

HEBRON

● **RelaDyne**, a leading lubricant and industrial services distributor, will invest $2.1 million to expand its Hebron operations, creating 80 new jobs in accounting, finance, HR, IT and customer support. Houston-based RelaDyne operates 193 locations across more than 45 states and internationally, with over 4,000 employees and a fleet of 2,300 vehicles.

HIGHLAND HEIGHTS

● **Northern Kentucky University** is partnering with **Risepoint**, an education technology company, to expand its online Master of Business Administration program with two new concentrations in artificial intelligence and supply chain analytics. The artificial intelligence concentration blends strategy, analytics and ethics to help students understand how AI is reshaping business operations across key areas including operations, finance, human resources and marketing. The supply chain analytics concentration equips students with practical training in logistics optimization, predictive modeling and real-time decision-making.


Toyota photo

HOPKINSVILLE

- **Toyota Boshoku America** has opened a $225 million "smart plant" in Hopkinsville, creating 157 full-time jobs. The new facility produces seat frame mechanisms including tracks, recliners and motors with gears, using advanced technologies for efficiency and environmental responsibility. TBA, a subsidiary of Japan-based Toyota Boshoku Corp., manufactures automotive interior systems and filters for brands like **Toyota**, **BMW** and **Subaru**. With this new plant, TBA now operates five Kentucky locations and employs over 1,100 workers statewide.


UofL photo

LOUISVILLE

- The national **Defense Innovation Unit** has selected the **University of Louisville** to operate a Defense Innovation **OnRamp Hub** for Kentucky. The hub will connect innovators with defense opportunities, leveraging UofL's engineering, manufacturing, and commercialization strengths to accelerate technology development, support Kentucky businesses, and strengthen the national defense innovation ecosystem. William Fortune, a Kentucky native, has been named director of Kentucky's Defense Innovation OnRamp Hub, bringing more than two decades of military and civilian leadership experience and a strong background in deploying new technologies.

- Kentucky will gain 180 new advanced manufacturing jobs as **Foxconn Technology USA Corp.** invests $173 million to open its first U.S. manufacturing facility in Louisville. Headquartered in Taiwan, Foxconn is a leading manufacturer of precision parts and electronic assemblies, serving consumer electronics and industrial sectors worldwide. The new Louisville plant, which is slated to begin operations by the third quarter of 2026, will integrate artificial intelligence, Internet of Things (IoT), and advanced computing technologies to drive digitally enabled production.

- Louisville Mayor Craig Greenberg has created the **Office of Behavioral Health** to coordinate behavioral health efforts across public health, housing, corrections and public safety. A central focus will be permanent supportive housing, which combines affordable housing with individualized services to support people experiencing chronic homelessness, serious mental illness, substance-use disorders and other complex challenges.

- The **University of Louisville** has received a $2.5 million grant from the **Kentucky Pediatric Cancer Research Trust Fund** to hire three new research faculty affiliated with **Norton Children's Cancer Institute** by early 2026. The researchers will be helping develop new pediatric cancer treatments and lead clinical trials at UofL's Department of Pediatrics, building on prior breakthroughs such as CAR T-cell immunotherapy and studies improving chemotherapy safety.


Vecteezy photo

NKU photo

NORTHERN KENTUCKY

● **Northern Kentucky University** and **Gateway Community & Technical College** are reinstituting the **River City Promise** program, which offers free tuition and benefits for Pell-eligible high school students from participating districts in Northern Kentucky. Initially launched in 2020, the River City Promise program allows qualifying students to complete an associate degree at Gateway Community & Technical College with free tuition before transferring to NKU. Currently, six Northern Kentucky school districts are participating in the program, including Bellevue, Dayton, Holmes, Lloyd, Ludlow and Newport.

PADUCAH

● **Hines Furlong Line** (HFL) will invest nearly $11 million to expand its Paducah Operations Center, adding 50 new jobs. The project, which is expected to be complete by fall 2026, includes a 15,000-square-foot building, a renovated 7,000-square-foot training center and gym, and will triple operational space, enhancing workforce development and safety. The family-owned inland river transportation company also plans to acquire **Campbell Transportation's River Division**, extending its capabilities along the Ohio River.

PERRY COUNTY

● The **Appalachian Horse Project**, **Foundation for Appalachian Kentucky**, and **KEEP Foundation** have opened the **Appalachian Horse Center** on 80 acres of the former **Miniard Farm** in Perry County. The facility will serve as a home and evaluation center for Eastern Kentucky's free-roaming horses while offering guided tours, educational programs and community events. Scheduled to open to the public in May 2026, the center aims to preserve local heritage and provide year-round programs, including equine-assisted learning, therapy, youth camps and workforce development initiatives.

PIKEVILLE

● **Pikeville Medical Center**'s **Mettu Children's Hospital** is now affiliated with **Golisano Children's at UK** (formerly Kentucky Children's Hospital). As part of the affiliate network, Mettu Children's Hospital gains access to a wide range of pediatric resources, including continuing education, clinical support and consultation opportunities with pediatric specialists in Lexington. The affiliation empowers providers to deliver top-tier care while reducing the need for families to travel long distances.

Appalachian Horse Project photo

RICHMOND

Eastern Kentucky University has announced it will offer every in-state, on-campus, full-time freshman a $1,000–$9,000 scholarship, beginning in the fall 2026 semester. The new program reinforces EKU's commitment to affordability and access, removing financial barriers and creating new pathways to opportunity. About 85% of students at EKU are Kentucky residents and first-generation college students make up more than 50% of its freshman class.

A new retail and processing facility aimed at expanding Kentucky's farm-to-table beef market is coming to Richmond, marking the latest growth step for **Harrison Harvesting** and its **Bourbon Barrel Beef** brand. Construction on the 3,666-square-foot facility is currently underway in Richmond's Highland Park development. Once complete, the new location will sell premium cuts and specialty beef products sourced from Kentucky farms and processed at Harrison Harvesting's state-of-the-art facility in Carlisle. It will be the company's third retail storefront and reflects rising demand for locally sourced protein outside national supply chains. Beyond retail, the project strengthens market access for regional cattle producers and keeps more agricultural dollars circulating locally.

Harrison Harvesting photo

University of Cumberlands photo

WILLIAMSBURG

University of the Cumberlands has launched a new Online Graduate Certificate in Marketing Analytics and Digital Strategy, designed for marketing professionals, business leaders and digital strategists who want to gain advanced skills in data analytics, customer insights and AI-driven marketing tactics. Offered fully online, the 12-credit-hour program can be completed in less than a year and is ideal for those seeking to enter or advance in careers such as digital marketing, marketing analytics, customer experience management and more.

WILMORE

Asbury University has received over $500,000 from donors to pilot the Student No Debt Fund in its **Dayton School of Business**. This semester, selected students will graduate debt-free, with eligibility based on academic, co-curricular, mentorship and philanthropic criteria emphasizing biblical financial stewardship. The program aims to expand to all undergraduate students in the future. The initiative is part of Asbury's focus on affordability, student support and financial literacy, supported by a growing endowment that now totals $84.3 million, two-thirds of which fund scholarships.

Vecteezy photo

STATE

Kentucky's enrollment in health-related majors has surged 22.8% since 2022, adding 6,953 students, according to the **Council on Postsecondary Education** (CPE). Gains have been notable among Appalachian students (+32.1%), adults 25 and older (+17.3%), low-income undergraduates (+30.5%) and first-generation students (+31%) and are helping address workforce shortages across hospitals, clinics and long-term care.

TENNESSEE

KENTUCKY-BASED T.RAD TO HIRE 928 FOR NEW CLARKSVILLE PLANT

T.RAD North America, an auto parts manufacturer headquartered in Hopkinsville, Kentucky, plans to invest $90 million to build a new manufacturing plant in Clarksville, Tennessee, that will create 928 jobs over the next five years.

The company will construct a 400,000-square-foot facility at the Clarksville-Montgomery County Corporate Business Park South, with the site designed to expand to 500,000 square feet. The project marks T.RAD's first manufacturing location in Tennessee, while its North American headquarters and existing operations will remain in Hopkinsville. The company is a subsidiary of Japanese manufacturer T.RAD, which was founded in 1936 as a radiator manufacturer.

State and local officials approved an incentive package that includes a state grant to support the land purchase and a 10-year payment-in-lieu-of-taxes agreement providing a 44% property tax abatement. The agreement includes a clawback provision requiring the creation of at least 900 jobs. T.RAD is purchasing a 70-acre site valued at $9.7 million, largely funded through state assistance.

OHIO

HIMS & HERS HEALTH TO INVEST $200M, ADD 400 JOBS IN OHIO

Hims & Hers Health photo

Hims & Hers Health Inc., a leading digital health and wellness platform, will invest more than $200 million to expand operations in New Albany, Ohio. The project includes a new state-of-the-art facility for fulfillment, lab testing and pharmacy operations, doubling the company's physical footprint in the Columbus region and creating up to 400 jobs.

Hims & Hers launched in the Columbus area in 2019 and offers personalized care through its digital platform, connecting customers with treatments and services for a range of health and wellness needs, including men's and women's health, mental wellbeing, sexual health, dermatology and preventive care. The company integrates telehealth, pharmacy and lab services to simplify and enhance the customer experience.

Construction is expected to begin in early 2026.

Republic Airways Holdings Inc. photo

INDIANA

Republic Airways Holdings Inc., headquartered in Indianapolis, Indiana, has completed its merger with Phoenix, Arizona–based **Mesa Air Group Inc.**, creating one of the largest regional airline operators in the nation. Republic shareholders own about 88% of the combined company, which will trade as RJET on Nasdaq. The new entity will operate 310 Embraer jets, support more than 1,300 daily departures, and maintain partnerships with **American**, **Delta** and **United Airlines**.

AAR Aircraft Services will permanently close its Indianapolis maintenance facility at the **Indianapolis International Airport** by February 2027, laying off about 329 employees. The 367,000-square-foot site is AAR's largest U.S. airframe facility and has operated since 2004.

OHIO

SencorpWhite, a provider of automated storage and packaging solutions, will relocate its headquarters and manufacturing operations from Massachusetts to Hamilton, Ohio, committing a $16 million capital investment and creating 230 jobs. In announcing the move, company leaders cited Ohio's central location, lower logistics costs, skilled workforce and business-friendly climate. Operations and product shipments are expected to begin in March.

LEWCO and **LogistiQ**, manufacturers of industrial ovens and conveyor systems, plan to expand operations in Sandusky and Port Clinton, Ohio, to meet surging demand, investing more than $24 million and creating 208 new jobs. About 170 positions will be added at LogistiQ's Port Clinton facility, which focuses on material handling solutions for e-commerce and parcel logistics customers. The remaining jobs will be created at LEWCO's headquarters and industrial oven manufacturing facility in Sandusky.

TENNESSEE

Nidec Power, a company that designs and manufactures advanced alternators for critical power applications in sectors such as data centers, hospitals and defense, is investing $52.4 million to expand its facility in Lexington, Tennessee, to meet rising global electricity demand. The expansion will create 200 new jobs, bringing the company's Tennessee workforce to more than 600. Founded in 1973, Japan-based Nidec has grown from a four-person operation to a global enterprise with facilities on five continents.

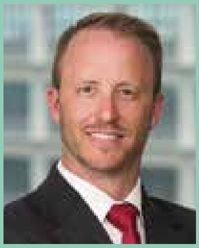
Hyosung HICO Ltd. photo

Hyosung HICO Ltd. will invest $157 million to expand its U.S. manufacturing headquarters in Memphis, creating 240 new jobs. The project includes construction of a new facility that will boost manufacturing capacity by 50%, making the site one of the nation's largest power transformer plants and the only U.S. facility dedicated to producing 765kV transformers. The expansion follows a $51 million project announced in May and brings Hyosung HICO's total Memphis investment to more than $300 million since 2019.

South Korea-based **ALUKO Group** plans to invest about $110 million to establish an integrated aluminum manufacturing facility in Halls, Tennessee, creating 285 jobs in the western Tennessee community. The operation will locate in a former Tupperware building and serve customers in the electric vehicle, solar energy, construction and building sectors. South Korea ranks as one of Tennessee's top foreign investors, contributing over $13 billion to the state's economy since 2019.

BIG MOVES

Stites & Harbison has promoted Neil E. Barton, Gentry C. Collins, Jennifer Henry Jackson and Gary N. "Nick" Stewart to members (partners) of the law firm.



Neil E. Barton

Barton is a member of the Torts & Insurance Practice Service Group in the Louisville office. His practice focuses on product liability defense, with an emphasis on residential and commercial fire and explosion cases. He also advises insurers on coverage issues, investigates complex legal and factual matters, defends first- and third-party bad faith claims, prosecutes declaratory judgment actions for carriers and clients, and defends against medical negligence claims. He is certified by the National Association of Fire Investigators as a fire and explosion investigator. Barton earned his law degree from the University of Louisville and a Master of Music degree from the University of Cincinnati.

Gentry C. Collins

Collins is a member of the Trusts & Estates Service Group in the Lexington office. She advises individuals, families and business owners on developing and implementing estate plans aligned with long-term goals. Her practice spans estate planning and estate and trust administration, including tax planning, long-term care planning and fiduciary litigation. Collins also counsels clients on business succession, entity selection and nonprofit formation, and advises on elder law matters. She earned her law degree from the University of Kentucky and her bachelor's degree in accountancy from the University of Kentucky.

Jennifer Henry Jackson

Jackson is a member of the Torts & Insurance Practice Service Group in the Louisville office. Her practice includes product liability, toxic and mass torts, medical malpractice, professional and premises liability, and cases involving serious personal injury or death. She also routinely defends clients in state and federal criminal matters. Jackson represents health-care providers in complex fraud investigations and advises on regulatory and compliance issues, including reimbursement, data privacy and security, licensure, and fraud and abuse laws. She earned her law degree from the University of Kentucky and her bachelor's degree from the University of Louisville. Jackson was also the recipient of the 2025 UK Law Young Professional Award.

Gary N. "Nick" Stewart

Stewart is a member of the Intellectual Property & Technology Service Group in the Louisville office and is a registered patent attorney. His practice focuses on patent preparation and prosecution, drawing on a technical background in biotechnology, physics and computer science. He advises clients across a wide range of technologies and also assists with patentability and freedom-to-operate analyses, licensing agreements, and trademark and copyright procurement. Stewart earned his law degree from West Virginia University College of Law and earned his bachelor's in biotechnology, with a minor in physics, from Marshall University.

ADVERTISING

Mark Holt has been named chief marketing officer for Louisville-based PriceWeber.

BANKING

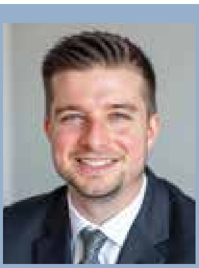
Emily Miller has been promoted to managing director of retail banking at Republic Bank & Trust Co. **Vance Marshall** has joined the bank's Central Kentucky team as vice president, senior commercial banking officer.

Christina Ott has joined Central Bank in Louisville as retail banking officer.

BUSINESS DEVELOPMENT

The Greater Owensboro Chamber of Commerce has announced the following new appointments: **Julia Kimbrell Brooks** — director of talent programs; **Katie Blan** — director of

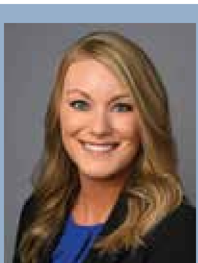
BIG MOVE



Skyler Hunt

Community Trust Bank Inc. has promoted Skyler Hunt to Mount Vernon/Somerset market president. In his new role, Hunt will oversee consumer, residential and commercial lending and provide a range of financial services to individuals and businesses across the region. Hunt holds both a bachelor's degree in business administration and an MBA from Campbellsville University and is a graduate of Leadership Kentucky Elevate. Hunt is also an active member of the community, serving as a Somerset Pulaski County Chamber of Commerce Ambassador and on the board of directors for the Young Professionals of Lake Cumberland and Habitat for Humanity of Pulaski County.

BIG MOVE



Nicole Newsome

Nicole Newsome has been named Winchester market president for Community Trust Bank. Newsome, a 17-year bank veteran and most recently a commercial loan officer, oversees consumer, residential and commercial lending, deposits, cash management and other financial services at the bank's downtown Winchester office. Newsome earned both her bachelor's and master's degrees in business administration from Morehead State University and has completed multiple Kentucky Bankers Association programs and regional leadership initiatives. She is also a 2022 graduate of Winchester Leadership and a 2025 graduate of Central Kentucky Leadership.

communications and events; and **Kitty Jones** — vice president. Jones will also retain the responsibilities of director of membership.

CONSTRUCTION

- **John Lynch** has been promoted to president of Louisville Paving and Construction.

EDUCATION

- Murray State University has announced the following appointments: **Rose Marie Ward** — provost and vice president of academic affairs; **R. Heath Keller** — dean of the College of Business; **Nicole Hand** — dean of the College of Humanities and Fine Arts.

- **Kathryn (Katie) Cardarelli** has been named executive vice president and university provost at the University of Louisville.

FINANCE

- **Hannah Walker** has joined the wealth management team at Glenview Trust Co. as trust principal.

FOOD/SPIRITS/ HOSPITALITY

- **Mike Lenihan** has been appointed chief financial officer for Louisville-based Texas Roadhouse Inc.

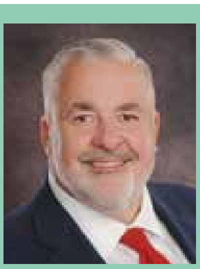
GOVERNMENT

- **Wesley Sydnor** has been named executive director of Louisville Metro Public Works.

- **Meg Fister** has been named executive director of the Kentucky Film Office.

- **Hunter Jones** has been appointed director of the Kentucky Department of Agriculture's Division of Agricultural Economic Development.

BIG MOVE



Mark Sulski

Citizens Bank of Kentucky has appointed Mark Sulski as vice president and Bluegrass market president for Clark County and Central Kentucky. Sulski is a graduate of LSU's Graduate School of Banking and brings more than 38 years of banking and financial services experience to his new position, including serving as market president for Kentucky Bank's Scott County market from 2010 to 2021. He has also built relationships as a realtor with Keller Williams Bluegrass Realty and been involved as a board member and chair of numerous community organizations through the region.

EXECUTIVE PROFILE

Paid partner content is provided by client.

Keeana Sajadi Boarman

Member, Stoll Keenon PLLC

Keeana Sajadi Boarman has joined Stoll Keenon PLLC as a member in the firm's Lexington office, adding experience in corporate transactions to the firm's Business Services and Mergers and Acquisitions practices.

Boarman is well known in the Lexington business community, having served as general counsel for Commerce Lexington in 2024 and 2025. She also previously served on the chamber's board of directors, advising on legal and governance matters.

Her practice focuses on advising businesses on complex transactional work, including mergers and acquisitions, corporate governance, financing transactions and strategic planning. She has represented buyers, sellers, borrowers and lenders in acquisitions, divestitures and financings, and works with closely held and growth-stage companies on formation, operations and succession planning.

Boarman earned her law degree from the University of Kentucky J. David Rosenberg College of Law in 2008 and holds a bachelor's degree in economics from Duke University.

She has been recognized by Best Lawyers in America for international mergers and acquisitions, business organizations and corporate law, and has been named a Kentucky Super Lawyer in mergers and acquisitions since 2023.

Rebecca A. Simpson has been appointed to serve as family court judge for the 8th Judicial Circuit, Family Division 3. Simpson succeeds **David A. Lanphear**, who has retired.

HEALTH CARE

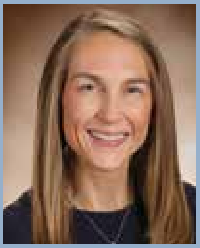
Dr. **Wayne Lipson** has joined Saint Joseph Health in Lexington as chief medical officer.

Theresa Fite has been appointed chief financial officer of Lake Cumberland Regional Hospital in Somerset.

Carrie Wimsatt has been named chief executive officer of the Western Kentucky Regional Blood Center. Wimsatt succeeds **Janet Howard**, who has retired after serving the blood center for 45 years.

Miranda Garvin has been appointed president of UofL Health — Frazier Rehabilitation Institute.

BIG MOVE



Emily Miller

Republic Bank & Trust Co. has promoted Emily Miller to managing director of retail banking. Miller brings more than 24 years of financial services experience and has been with Republic since 2008, serving in roles that include mortgage loan officer, private banker and Central Kentucky market manager. In her new role, she will oversee the Louisville and Central Kentucky banking center network, virtual banking and retail operations support. Miller is also active in the community, serving as board chair of the Children's Advocacy Center and actively supporting the Leukemia & Lymphoma Society.

Hannah Watercutter has been named director of non-invasive cardiology for Baptist Health Lexington.

INSURANCE

Aaron Martin has joined Louisville-based Humana as president of Medicare Advantage.

LEGAL

McBrayer PLLC has announced that **James H. Frazier III** will transition from his longstanding role as managing member to become chief executive officer of the firm. **Jaron Blandford** will assume the role of managing member.

J.A. Sowell has been named partner in the Bowling Green firm of English, Lucas, Priest & Owsley.

NONPROFIT

Jennifer Stolo has been named president and chief executive officer of the Christian Appalachian Project. Stolo succeeds **Guy Adams**, who has led the organization since 2010.

The Kentucky Nonprofit Network has hired **Ryan Salzman** as its new director of regional advocacy and engagement for Northern Kentucky.

UTILITIES

Don Mosier has been named president and chief executive officer of East Kentucky Power Cooperative.

DEPARTURES

Jeff Reed has announced plans to retire as music director Orchestra Kentucky and the Ramsey Theatre Co. during the 2026-2027 season. Reed, who co-founded the Bowling Green orchestra in 2000, will continue as president and chief executive officer of the Southern Kentucky Performing Arts Center.

Jeffrey White has announced plans to retire at the end of June 2026 from his position as executive director of The Nest — Center for Women, Children, and Families, a Lexington organization that provides support to individuals and families in crisis.

Kentucky Court of Appeals Judge **James H. Lambert** has retired after 18 years of serving in the position. The vacancy will be covered by other Court of Appeals judges until a judge is elected to the judicial seat in November and takes office in January.

BIG MOVE

Rick Seadler

Stock Yards Bank & Trust has named Rick Seadler as Bowling Green market president. Seadler brings more than 35 years of banking experience, most recently serving as regional president at Pinnacle Financial Partners in Bowling Green. He previously held leadership roles with Commerce Bank and National City Bank (PNC) in Louisville and Nashville. Seadler holds a business administration degree from Bellarmine University and has been an active member of the Bowling Green community, holding leadership positions with the Bowling Green Area Chamber of Commerce, the WKU Foundation, the Hilltopper Athletic Foundation, Leadership Bowling Green 2000 class and the Capital Arts Alliance.

Turnkey Distillery | Danville, Kentucky

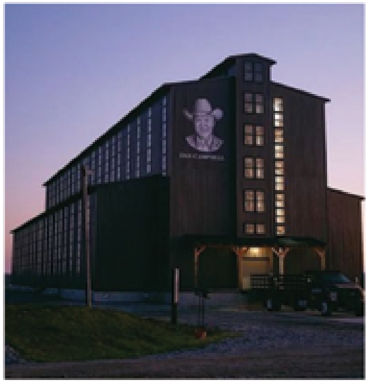
A Rare Bourbon Estate in the Heart of Kentucky

Opportunity to acquire a stunning, state-of-the-art Whiskey Campus nestled on a 529-acre Estate in Danville, Kentucky, the birthplace of Kentucky (1792). The Whiskey Campus features a traditional 17,500-barrel American Whiskey distillery and an 11,000-barrel rickhouse currently housing over 6,600 barrels of premium whiskey. The Estate Farm can produce ~72,000 bushels of corn and wheat annually, which can yield ~6,500 barrels of Estate Whiskey annually offering seamless vertical integration.

Sale Timeline:

- **Bid Deadline:** February 26, 2026
- **Auction:** March 2, 2026
- **Sale Hearing:** March 10, 2026

Facility Specifics



- **17,500-Barrel Distillery** Equipped with Best-in-Class, All New Equipment (completed July 2024) including:
  - Vendome 18" diameter column still
  - Seven 7,500-gallon open top fermenters
  - Two 30,000-gallon thick stillage tanks and one 3,500-gallon thin stillage tank
  - Four 2,500 – 3,000-gallon receiving/proofing tanks and one 7,500-gallon exterior spirits holding tank
  - Three CRC, Inc Grain Bins (2,685 Cubic Feet Each)
  - 1,000 Gallon Culligan water softening system and RO system
  - MAC Manufacturing Barrel Filler
  - Abundant water is provided by (a) *the largest recorded well of pure Kentucky limestone water in the state*; and (b) the largest direct piping of municipal water in Danville (12-inch waterline)
- **11,000-Barrel Rickhouse** (completed May 2022)
  - "Steeple Style" Rickhouse was inspired by Maker's Mark's and Heaven Hill's iconic Deatsville rickhouses
  - Currently housing 6,600+ barrels out of 11,394-barrel maximum capacity
- **Estate Farm**
  - 350+ Acres of farm land for corn, wheat and cattle

If you are interested in learning more about this opportunity, please contact:

David M. Baker	Matthew R. Dossey	Travis M. Grody
828-638-5744	404-202-9538	423-314-0461
dbaker@auroramp.com	mdossey@auroramp.com	tgrody@auroramp.com

AURORA Management Partners

ON THE BOARDS
KENTUCKIANS NAMED TO ORGANIZATIONAL LEADERSHIP ROLES

AMERICAN BAR ASSOCIATION

The American Bar Association has appointed **Vickie Yates Glisson** as an ABA representative to the United Nations Economic and Social Council and as a member of the of the Council of the Europe and Eurasia Division of the Rule of Law Initiative. Glisson is the president and founder of Louisville-based VYBG Consulting PLLC.

CARNEGIE CENTER FOR LITERACY AND LEARNING

Elizabeth "Betsy" Johnson has been named to the board of directors at the Carnegie Center for Literacy and Learning in Lexington. Johnson is a partner with the law firm of Stites & Harbison.

COMMERCE LEXINGTON

Commerce Lexington has announced its executive board for 2026 along with eight new board members: Chair — **Nick Nicholson**, Stoll Keenon Ogden PLLC; Immediate Past Chair — **Carla Blanton**, Carla Blanton Consulting; Chair-Elect — **Mary-Alicha Weldon**, Fifth Third Bank; Secretary — **Bob Quick**, Commerce Lexington; Treasurer — **Debbie Smith**, Cherry Bekaert LLP; General Counsel — **W. Craig Robertson III**, Wyatt, Tarrant & Combs LLP; City Representative — **Kevin Atkins**, Lexington chief development officer; Vice Chair, talent and workforce development — **Tucker Ballinger**, Forcht Bank; Vice Chair, communications — **Jonathan Caldwell**, Valvoline; Vice Chair, economic development — **Luther Deaton**, Central Bank & Trust Co.; Vice Chair, leadership development — **Billie Dollins**, Community Trust Bank; Vice Chair, community and minority business development — **Larry Forester**, Forcht Bank; Vice Chair, public policy and regional engagement — **Branden Gross**, Dentons; Vice Chair, membership & engagement — **Danny Murphy**, Central Bank & Trust Co.; At-Large members — **Stephanie Bell**, Kinetic; **Bishop Carter**, Elaine Allen LLC; and **Kimra Cole**, Columbia Gas of Kentucky; and Regional Representative — **John Mahan**, Mahan Farms/Sodworks. Newly elected board members include: **John Cioci**, PNC; **Mike Inman**, Coldwell Banker McMahan; **Patrick Keal**, LG&E and KU Energy; **Allen McDaniel**, Downtown Lexington Partnership; **Jordan Parker**, Traditional Bank; **Michael Patterson**, Denham-Blythe; **Tate Russell**, Kentucky Eagle Inc. and **Simon Scholte**, Kindeva.

KENTON COUNTY AIRPORT BOARD

David Wallace has been named to the Kenton County Airport Board as a representative of Boone County. Wallace is chairman and CEO of Heritage Bank.

KENTUCKY COUNCIL ON POSTSECONDARY EDUCATION

Jai Bokey, **Dennis Repenning** and **Michael Wheeler** have been appointed to serve on the Kentucky Council on Postsecondary Education. Bokey, of Prospect, currently serves as vice president of operations at V-Soft Consulting Group, an IT staffing and digital transformation company headquartered in Louisville. Repenning, from Boone County, brings more than 45 years

of legal experience to the council. Wheeler, a University of Kentucky student triple majoring in economics, finance and management, will serve as student representative.

KENTUCKY EQUINE EDUCATION PROJECT

Adam Bowden, **Adam Koenig** and **Katie Taylor** have been elected to join the Kentucky Equine Education Project board of directors. Bowden is the owner/president of Diamond Creek Farm in Georgetown. Koenig is the owner of Koenig Public Policy and Political Consulting and serves as the executive director of the Kentucky Quarter Horse Racing Association. Taylor is a Thoroughbred advisor for Taylor Made Sales and is the co-founder of Bloodstock Investments. In addition, **Fred Sarver** has been named chair of the board of directors, with **Rob Tribbett** serving as vice chair. Sarver is owner of Cornerstone Farm in Carlisle. Tribbett serves as the president of the Consignors and Commercial Breeders Association and as general manager of Watercress Farm in Paris, Kentucky.

KENTUCKY FARM BUREAU

Kentucky Farm Bureau has announced its leadership appointments for the coming year: President — **Eddie Melton**, Webster County; First Vice President — **Shane Wiseman**, Clark County; Second Vice President — **Larry Clark**, Green County. **Katie Cecil Pedigo**, Daviess County, and **Adam Benham**, Meade County, have been elected to serve on the board of directors. Returning board members include: **Sharon Furches**, Calloway County; **David McGlone**, Carter County; **Tim Goodlett**, Casey County; **Laura Stephenson**, Fayette County; **Glenn Howell**, Fulton County; **Scott Barnes**, Garrard County; **Mark Kinsey**, Grant County; **Ray Allan Mackey**, Hardin County; **Larry Thomas**, Hardin County; **Alex Barnett**, Harrison County; **Mitchel Logsdon**, Hart County; **James Runion**, Henderson County; **Tyler Ferguson**, Johnson County; **Cloyce Hinkle**, Knox County; **Todd Brock**, Laurel County; **Joe Paul Mattingly**, Marion County; **Brandon Sears**, Madison County; **Bettie Bean**, McCracken County; **Zack Ison**, Mercer County; **Scott Davis**, Monroe County; **Mary Kate Kordes**, Muhlenberg County; **PJ Milburn**, Nelson County; **Mark Haney**, Pulaski County; **David Taylor**, Pulaski County; **Stewart Hughes**, Scott County; **Matt Chaliff**, Rockcastle County; **Terry Lawson**, Rockcastle County; **Victor Rexroat**, Russell County; and **Tammy White**, Union County.

KENTUCKY HISTORICAL SOCIETY

Mary Berry, **Mason Dyer**, **John Paul Mazurak** and **Tina Wei Smith** have joined the board of directors of the Kentucky Historical Society. Berry is the founder and executive director of The Berry Center in New Castle. Dyer, of Lexington, is president of the Association of Independent Kentucky Colleges and Universities. Mazurak, of Frankfort, is director for government and regulatory affairs for the Kentucky Distillers' Association. Smith, of London, is associate vice president for policy and mobilization at Partners for Rural Impact and co-founder of Rural Up. The following board members have been installed as officers for 2026: President — **Sheila Mason**, Frankfort; First Vice President — **Alistyne Turley**, Clay City; Second Vice President — **Lora Suttles Hutchison**, Staffordsville; and Third Vice President — **Curtis Dame**, Rumsey.

LEXINGTON FOR EVERYONE

Preston Worley has joined the board of directors of Lexington for Everyone, a nonprofit advocacy group focused on promoting balanced, common-sense land use policies that help make the city more affordable and equitable for residents. Worley is a member of the McBrayer PLLC law firm, where he focuses on real estate and housing, nonprofits and the horse-racing industry.

MIDWAY UNIVERSITY

Tate Russell has been appointed to the board of trustees at Midway University. Russell is president of Kentucky Eagle Inc.

NATIONAL ASSOCIATION FOR MUSIC EDUCATION

Michele Paynter Paise, music education coordinator and associate professor at Morehead State University, has been selected as the southern representative to the National Association for Music Education's Council for General Music Education.

SOUTHERN STATES ENERGY BOARD

Jim Gooch has been appointed treasurer of the executive committee for the Southern States Energy Board, an interstate organization that aims to foster collaboration and innovation in energy and environmental policies, programs, and technologies across the South. Gooch chairs the Kentucky House's Committee on Natural Resources and Energy and represents Kentucky's 12th House District, which includes Crittenden, McLean, Union and Webster counties.

Kentucky Department of Tourism photo

WHAT WILL HAPPEN TO THE BOURBON INDUSTRY IN 2026?

By Kevin O. Stinnett

As we move forward into 2026, the bourbon world finds itself at a crossroads. After more than a decade of explosive growth and near-constant scarcity on shelves, the industry is entering a period of recalibration, creativity and consumer-driven change. Here's what bourbon enthusiasts, from casual sippers to serious collectors, should expect this year.

Market shift

After years of rapid expansion, the bourbon boom has moderated. Massive inventories — particularly here in Kentucky, which now has over 16 million barrels aging in rickhouses — have shifted the narrative from shortage to oversupply. Major producers are responding accordingly:

Jim Beam is pausing production at its flagship Clermont distillery for all of 2026 to better align output with demand and invest in facility upgrades.

The industry as a whole is embracing more disciplined production, aiming to harmonize supply with actual consumption trends.

This trend should bring fewer panic-buy shortages and more stability on shelves, with some previously allocated bottles potentially becoming more accessible.

Pricing and value

High inflation and sky-high collector prices marked much of the past decade, but 2026 is beginning to feel more value-oriented:

Core bottles in the $30–$70 range are gaining renewed attention as consumers drink more thoughtfully rather than chasing hype.

Premiumization isn't dead, but it must now be justified. Consumers want real reasons for price jumps such as age statements, provenance and meaningful craft credentials, not merely prestige.

Expect limited editions to survive, but with a sharper consumer focus on quality over scarcity theater.

What's coming to shelves in 2026

Collectors and enthusiasts have some exciting releases to look forward to, especially in the ultra-aged and rare category:

Four Roses' potential 21-year **"Anthology Origin"** bourbon, possibly the oldest Four Roses ever bottled.

Blade & Bow's 30-Year bourbon, an extraordinary age statement that's almost unheard of in the category.

Special expressions from **Heaven Hill** and others hint at collaborative or blended masterpieces, pushing creative boundaries.

While some releases remain speculative until official announcements, 2026 promises rare bottles that will make collectors' hearts flutter.

Barrel trends

Barrels continue to shape bourbon's evolution, both literally and economically.

Used bourbon barrels are in demand not just for spirits but across brewing, craft distilling and even food and beverage sectors, driven by sustainability and heritage appeal.

Finishing techniques aren't disappearing, they're getting more thoughtful. Novel cask types (e.g., rum, wine) will still be used, but with greater intention and transparency.

As warehouses juggle huge inventories, suppliers and cooperages are adapting to meet global barrel demand with tighter quality controls.

In essence, barrels are evolving from marketing tools to taste design instruments and the secondary barrel market itself is a story worth watching.

Kentucky Department of Tourism photo

Whiskey styles

2026 isn't just about bourbon, it's about diversification within American whiskey.

American Single Malt continues gaining traction as a distinct category with increasing recognition and quality.

Rye whiskey's renaissance broadens with innovative mash bills and hybrid styles, expanding beyond the classic spicy profile.

Blending, once seen as utilitarian, is now a craft discipline, with brands turning sophisticated blends into their signature offerings.

This variety gives drinkers more ways to explore and appreciate American whiskey outside traditional bourbon formats.


Vecteezy photo

Consumer habits and cultural shifts

The way people drink bourbon is changing:

Slowing overall alcohol consumption (notably among younger adults) is affecting demand.

Sessionable, lower-proof products are growing alongside high-proof enthusiast releases.

Mindful drinking culture and wellness trends mean consumers are choosing quality over quantity.

Expect bourbon brands to respond with clearer purpose-built offerings, whether for cocktails, contemplative sipping, or special occasions.

A smarter bourbon world

2026 isn't a year of collapse, it's a year of maturation. The industry is shedding the narrative of endless boom and instead embracing balance, creativity and responsiveness to what modern drinkers truly want. From stable pricing and intelligent production to unique releases and evolving barrel science, bourbon's future looks thoughtful, flavorful and full of stories worth sipping.

Kevin O. Stinnett is the owner of The Lane Report *and* The Bourbon Flight.

JIM BEAM TO PAUSE CLERMONT DISTILLERY PRODUCTION FOR 2026

Jim Beam, one of Kentucky's largest bourbon producers, is pausing distillation at its flagship Clermont facility for all of 2026 as the U.S. whiskey industry grapples with oversupply and weakening demand.

The **Suntory Global Spirits**-owned company ceased distillation at the main James B. Beam campus in Clermont effective Jan. 1, while production shifts to its **Booker Noe** distillery in Boston, Kentucky, and a smaller craft distillery in Clermont. Bottling and warehousing operations will continue at the site, and the visitor center and The Kitchen Table restaurant will remain open.

In a statement, Jim Beam said it is "assessing production levels to best meet consumer demand" and plans to use the pause to invest in site enhancements. The company has not filed a layoff notice with the state, and no job cuts have been announced.

The move comes amid a slowdown in Kentucky's $9 billion bourbon industry. The spirits industry has seen sales drop by around 5% over the past year and distillers have reduced production sharply as inventories swell, with a record 16.1 million barrels aging statewide. Kentucky distillers are taxed on aging barrels and for 2025, taxes on aging barrels will be around $75 million — a 163% increase over the past five years.

Jim Beam employs nearly 1,500 workers in Kentucky and produces brands including Knob Creek, Basil Hayden and Booker's at the Clermont site.

Jim Beam photo

KENTUCKY DISTILLERS' ASSOCIATION 2026 LEADERSHIP ACADEMY CLASS

The **Kentucky Distillers' Association** has announced the incoming class of its 2026 Leadership Academy, an immersive program designed to provide a comprehensive view of the global distilling landscape:

- **Corbin Arrasmith**, Pensive Distilling Co., Newport
- **Nolan Boswell**, Green River Distilling Co., Owensboro
- **Jasmine Clark**, Lux Row Distillers, Bardstown
- **Grant Cobb**, Stedman Machine Company, Aurora, Indiana
- **Emma Cochran**, Blue & Co., Louisville
- **Ally Edgington**, Heaven Hill Brands, Louisville
- **Nicky Edwards**, Angel's Envy, Louisville
- **Katherine Foley**, James E. Pepper Distilling Co., Lexington
- **Dave Bob Gaspar**, Town Branch Distillery, Lexington
- **Michelle Harrison,** Castle & Key Distillery, Frankfort
- **Shawn Hughes**, Bardstown Bourbon Co., Bardstown
- **Cole Irvin**, Brown-Forman Corp., Louisville
- **Dustin Letourneau**, Campari America, Lawrenceburg
- **Sophia Markley**, Dark Arts Whiskey House, Lexington
- **Jessie Martin**, Larrikin Bourbon Co., Lawrenceburg
- **Hannah Melillo**, Whiskey Thief Distilling Co., Frankfort
- **Haley Moloney**, Augusta Distillery, Augusta
- **Marshall Rogers**, Kentucky Artisan Distillery, Crestwood
- **Brent White**, Jeptha Creed Distillery, Shelbyville
- **Maggie Young**, Bluegrass Distillers, Midway

Launched in 2022, KDA's Leadership Academy spans 10 sessions held January through November, giving participants from distilling and industry-affiliated member companies hands-on exposure to every facet of the bourbon industry. Session topics include bourbon tourism, the KDA's legislative priorities, technical safety standards and more.

Meat Church photo

MEAT CHURCH BBQ BUYS MINORITY STAKE IN PURSUIT SPIRITS

Meat Church BBQ, a popular barbecue lifestyle brand known for its seasonings, apparel and live-fire cooking instruction, has acquired a minority stake in Louisville-based **Pursuit Spirits**, marking a unique crossover investment between barbecue and bourbon influencers.

The strategic investment from Meat Church founder and pitmaster Matt Pittman is expected to accelerate **Pursuit Spirits**' growth by supporting operating enhancements, product innovation and expanded distribution. The deal also helped fund the build-out of Pursuit Spirits' Whiskey Row tasting room in downtown Louisville.

Pursuit Spirits was founded in 2018 by Bourbon Pursuit podcast hosts Kenny Coleman and Ryan Cecil and has gained industry attention for its modern approach to blending and its award-winning Pursuit United bourbon and rye portfolio. The brand has earned multiple Double Gold medals at the San Francisco World Spirits Competition, including the 2022 John Barleycorn Bourbon of the Year award.

Meat Church, established in 2014, has cultivated a community of more than 1 million followers, which both companies plan to leverage through collaborative products and integrated marketing.

WhistlePig photo

WHISTLEPIG OPENS LOUISVILLE WHISKEY EXPERIENCE

WhistlePig Whiskey, a Vermont-based producer known for its innovative rye and aged whiskeys, has opened **The WhistlePig Vault** in downtown Louisville, marking its first Kentucky brand home.

The Vault, housed in a restored 1911 bank at 403 East Market Street, offers visitors an immersive experience featuring rare whiskey tastings, hands-on bottle customization and cocktails served with playful, interactive touches like pneumatic ATM tubes. The original bank vault now displays WhistlePig's most collectible offerings, including its flagship Boss Hog series.

WHISTLEPIG -WHISKEY-

"WhistlePig was founded 880 miles from the bourbon heartland, but the early seeds were planted here in Kentucky," said WhistlePig CEO Charles Gibb. "The Vault pays homage to our founding distiller, Dave Pickerell, who got his start in the Bluegrass State before going off the grid to start the 'rye revolution' in Vermont. Returning to Kentucky with The Vault is a full-circle moment for us."

LOFTED SPIRITS EXPANDS BARDSTOWN BOTTLING CAPACITY

Vecteezy photo

Lofted Spirits, the producer behind **Bardstown Bourbon Co.** and **Green River Distilling Co.**, has broken ground on a 4,000-square-foot expansion of its Bardstown bottling facility, nearly doubling its footprint.

The move positions the company — the state's largest independent contract whiskey distiller — for expanded high-speed, small-format production, boosting capacity from 10 million to over 35 million bottles annually across whiskey, vodka, rum, cream liqueur and ready-to-drink (RTD) categories.

The expansion, expected to be fully operational by the second quarter of 2026, will support a broad range of bottle sizes and customizable finishes. CEO Mark Erwin said the investment underscores Lofted Spirits' commitment to customers, offering both large-scale precision and small-batch flexibility. The company currently employs 80 and plans to add additional roles as production scales.

BENSON VALLEY BOURBON

Benson Valley Bourbon photo

Benson Valley Bourbon has become the newest member of the **Kentucky Distillers' Association**, the state's bourbon and distilled spirits trade group. Located on historic grounds along Benson Creek, the distillery has revived the former **Old Kennebec Distillery** site, using its limestone spring water for natural filtration. Since restarting operations in 2025, Benson Valley has produced over 400 barrels, with capacity for 14,000.

HEAVEN HILL

Heaven Hill photo

Heaven Hill Distillery has released the Fall 2025 edition of its **Old Fitzgerald Bottled-in-Bond Decanter Series**, an 11-year-old Kentucky Straight Bourbon Whiskey. Produced from 2014 barrels and bottled in 2025, the 16th national release is presented in a black-labeled decanter and sold in 750ml bottles at $159.99. The bourbon features aromas of leather, oak and baking spices; honey, butterscotch and dark fruit on the palate; and a warm chocolate-tinged finish.

Elijah Craig Barrel Proof Rye has been named *Whisky Advocate*'s 2025 Whisky of the Year, marking the first time a rye whiskey has earned the publication's top honor. Released in September 2025, the inaugural Barrel Proof Rye is aged 12 years and 3 months and bottled at 108 proof. Crafted to showcase rye whiskey in its purest form, Elijah Craig Barrel Proof Rye features aromas of baking spices, gingerbread and molasses, followed by a complex palate of stewed fruits and cinnamon. The finish lingers with nutmeg and a burst of rye spice.

Heaven Hill photo

NEW RIFF DISTILLING

New Riff Distilling has expanded its single barrel experience with the debut of its first-ever Single Barrel Malted Rye, now available at the Newport distillery. Aged six years and made from a 100% malted rye mashbill, the new release joins New Riff's bespoke barrel program, which allows trade partners and private customers to select individual barrels at barrel proof. Master Distiller Brian Sprance said each barrel highlights distinct fruit-forward character balanced by soft caramel notes.

New Riff photo

RABBIT HOLE DISTILLERY

Rabbit Hole photo

Rabbit Hole Distillery has announced the release of **Amrûlé**, the newest limited-edition expression in its Distillery Series, available exclusively at the Louisville distillery. The release finishes Rabbit Hole's Boxergrail Sour Mash Rye in custom Maple Brûlé barrels crafted in Quebec, creating a darker, sweeter profile. Bottled at 104.4 proof, Amrûlé offers aromas of caramel, toffee and florals, followed by notes of dark fruit, spice and oak.

WATCH HILL WHISKEY CO.

Watch Hill Whiskey Co. has released two ultra-limited new expressions: Exceptional Series Batch 03 and Chef Series Batch 01. Exceptional Series Batch 03 blends three 18-year-old Kentucky straight bourbon barrels, bottled at 128 proof, with just 102 bottles produced.


Watch Hill photo

Chef Series Batch 01 launches a new annual rye series in collaboration with Executive Chef Michael Crouch, featuring a 12-year-old single-barrel rye bottled at 130.4 proof. Both releases are offered in extremely limited quantities, with prices starting at $249, and will be sold exclusively through Watch Hill Whiskey Co.

ECONOMIC OUTLOOK

Vecteezy photo

Steady Growth Ahead

Kentucky businesses are pushing ahead in 2026, turning uncertainty into opportunity

By Mark Green

BUSINESS dislikes uncertainty and 2026 promises nothing if not continued uncertainty. Yet the economy began the year with impressive momentum and that boosts confidence, which will carry forward well into this year, when solid economic growth will continue.

Forecasters expect vigorous activity by way of consumer spending and business investment in tech evolutions, offering improved efficiency and productivity. This leaves decision-makers feeling they simply have to find a way to move forward with projects that will keep them competitive and improve profits — fear of missing out is an economic driver this year.

Additionally, with the final quarter of 2026 including an election that already has the political class engaged, public policy choices will pull hard on all the business-stimulation levers.

The consensus is that gross domestic product (GDP) growth has a floor of about 2.5%, matching last year's pace.

The collective U.S. economy delivered impressive numbers in 2025, especially in the middle two quarters, when GDP — and the nation's wealth — expanded at robust 3.8% and 4.3% rates. Activity and results vary by sector in what the experts describe as "a K-shaped economy," with trend lines aimed upward for the already well off but flat or downward for lower-income citizens.

Stock market numbers began the year at record levels. This gives the business community a general sense of well-being and will tip many decision-makers toward claiming their share of what remains a growing economic pie. Kentucky represents a more conservative slice of the national economy but remains a central participant that generally moves in sync with broader trends.

Looking ahead

The commonwealth came into 2026 with mixed results by sector, but momentum overall.

The 20-year bourbon boom entered 2026 in a pause, as a long surge in supply finally caught up with demand, which is now downshifting. Some of the industry's newest and least established players are not surviving. But large, well-resourced multinationals and innovative local producers that entered the business and gained traction 10 to 15 years ago are continuing to invest. Over the long term, bourbon's prospects remain strong, with large portions of the global scotch market still in play.

Kentucky's manufacturing sector should continue to benefit from reshoring as companies gradually move supply chains from cheaper foreign operations to middle America, where sites are safer, less prone to disruption and tariff-free. Kentucky's geographic advantages and low cost of doing business remain long-term certainties for companies producing and distributing physical goods to the eastern United States, one of the world's primary economic engines.

U.S. vehicle producers are adjusting to shifting consumer demand and that is slowing the state's main manufacturing sector. After investing four years and billions of dollars to build electric-vehicle battery manufacturing capacity on the I-65 corridor in Hardin County, Ford laid off 1,500 workers late in 2025 and said it now will spend another $2 billion in Kentucky to shift its nearly 2,000-acre campus to production of large storage batteries for computing data centers.

Economic development officials across Kentucky report fielding inquiries from 15 to 20 groups scouring the state — and the nation — for sites to host data centers. Communities with available land and water, access to a gigawatt or more of electric power, and residents willing to accommodate impacts on noise, traffic and aesthetics stand to gain a significant tax-base boost from an industry expected to drive the U.S. economy for decades.

Growth in traditional bank lending — the engine of monetary growth and wealth creation — is slowing as more business borrowers seek easier money from nonbank sources such as private equity groups that want to put their cash to use.

Private-equity dealmakers will continue seeking Kentucky businesses to buy and upgrade with more efficient, modern processes. This pumps cash into the accounts of state-resident owners but then tends to send the resulting higher cash flows back out of state.

This will continue to generate more clients for Kentucky wealth managers, whose ranks are growing to serve a population with rising assets due to longer lifespans and appreciation in real estate and market investments since the Great Recession.

The previously mentioned K-shaped economy applies to the overall business world as well as individuals. Small businesses remain wary of ongoing federal uncertainty, as they have less financial flexibility to adapt.

However, since 2026 is a significant midterm election year, economic forecasters do expect policy change will lean into as much stimulus as possible, which should maintain overall GDP growth at 2025 levels or higher.

Labor issues remain a top concern. Business managers are cautiously beginning to adopt artificial intelligence tools that can boost productivity and enhance customer service, while simultaneously working to attract and retain the talent needed to manage these changes and maintain a human touch.

Vecteezy photo

STOCK YARDS BANK

2026 Investment Outlook

First half of 2026 should see solid growth, but inflation fears could resurface later in the year

By John Fidler
Chief Investment Officer,
Stock Yards Bank

2025 was a great year for most investors. While the full-year market returns (positive across almost every asset class) do not reflect it, the U.S. economy saw major demand shocks from slower government spending growth, a sharp decline in immigration, and a $400 billion tariff run-rate (remember, tariffs act like a tax increase). This slowed the economy markedly in the second and third quarters but growth rebounded in the second half of 2025. We do not anticipate these headwinds repeating in 2026.

Rather, the U.S. economy enters 2026 "running hot." While 2-3% growth is fairly pedestrian by long-term historical standards, it's not bad considering the headwinds of a tepid labor market and deglobalization. U.S. economic growth should be strong enough to keep unemployment from rising, especially given a stated Federal Reserve bias to lower interest rates further.

Both the consumer and the corporate sector look set to contribute to solid growth in 2026.

Household spending has grown since COVID with extreme consistency, aided by the strong stock market, which has created a self-reinforcing wealth effect. Consumers are also set to benefit from larger-than-normal tax refunds in the first half of 2026.

Artificial intelligence (AI) has been a major driver of stock returns since the launch of ChatGPT in 2022, but 2025 was the year that this technology platform shift moved into the "real" economy. AI capital expenditures grew markedly as a share of the economy in 2025 and should represent close to 2% of all gross domestic product (GDP) in 2026. Companies outside of AI will be incentivized to invest in 2026 due to tax code changes.

In all, the fiscal impulse is set to flip from a meaningful drag as late as the fourth quarter of 2025 to a meaningful tailwind in early 2026.

Taken together, these factors make it difficult to envision a significant economic downturn in the first half of '26. Our focus is on the second half, when we expect a very dovish Fed combined with some form of consumer-targeted fiscal stimulus intended to help mid-term election performance. These factors, on top of already healthy growth, threaten an overheating economy and a resurgence of inflation in the second half of 2026.

As a result, while we don't see the U.S. stock market in bubble territory, we expect only moderate gains in U.S. equity markets in 2026, with the second half of the year seeing more volatility than we saw in the last half of 2025, and international markets generally faring better than domestic ones.

Given inflation and dollar debasement risks, we like commodities as a preferred portfolio diversifier, with inflation remaining sticky and perhaps reaccelerating in the second half of this year.

What about risks? Much was made of the Treasury yield curve "inverting" (10-year yields below 2-year yields) in 2022, triggering recession concerns. If one looks at history, it isn't actually the yield inversion that signals a coming economic problem. Every recession since 1976 (other than COVID in 2020) has been preceded by a yield curve that inverted and subsequently steepened to 1% (i.e. 10-year yields 1 percentage point above 2-year yields). With the yield curve at 0.7% as of this writing (up from 0.35% a year ago), this recession warning sign is not yet flashing, but it will bear close watching in 2026.

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BAIRD

Continued Growth, But Wary of Inflation

Conditions especially favor Kentucky's advanced manufacturing, health care, hospitality sectors

By Ross Mayfield
Investment Strategist
and Vice President,
Private Wealth Management

ENTERING 2026, the national economy continues to grow, albeit unevenly. Broad investment in artificial intelligence infrastructure, a resilient consumer backdrop, and policy stimulus are driving strong headline gross domestic product (GDP) numbers, though tariff uncertainty, lingering geopolitical issues and some nascent labor market weakness could weigh on overall growth in 2026.

At a high level, we anticipate that business investment and consumer spending will continue at a solid clip in 2026, boosted in no small part by fiscal and monetary policy. On the former, our partners at Strategas, a Baird company, estimate that the tax bill passed last year will provide consumers with an incremental $150 billion of stimulus in the form of tax refunds this spring (over $500 billion in total), with approximately $230 billion more hitting the corporate sector from the business investment provisions included in the bill (e.g., 100% expensing for capital goods, domestic research and development, and building of production facilities). This should be a boon to Kentucky's ongoing efforts to build momentum in advanced manufacturing, aerospace and defense, and other high-priority technology-adjacent sectors.

Monetary policy also is likely to stimulate the economy in 2026. The Federal Reserve has slashed its benchmark interest rate by 175 basis points in the last 18 months and is expected to add more rate cuts by the end of the year. The bank's efforts are a response to the increasingly choppy labor market, with the unemployment rate hitting its highest level since 2021 in November.

Locally, the picture is slightly different — and rosier. Though the November Kentucky unemployment rate was 4.7% (vs. 4.5% nationally), the Kentucky rate was actually 5.3% to start the year (vs. 4.1% nationally). Kentucky's resilience is likely due in part to strength from the region's biggest nongovernment employer: the health-care sector.

At the national level, over 80% of payrolls created in the last year were in health care and social assistance, which is perhaps unsurprising given the aging population and difficulty outsourcing such hands-on work. The other bright spot in the national labor market has been leisure and hospitality, a sector Kentucky knows quite well given its strength in bourbon and horse-racing tourism — and one that should continue to grow in 2026.

The risks to a rosier outlook are that adding significant fiscal and monetary policy stimulus at a time of already-solid growth reignites inflation and/or pushes long-term bond yields higher as global investors question the nation's budget deficit and debt picture. Tariff policy, immigration reform and geopolitical tensions also add a layer of uncertainty to the outlook, both for investors and for corporate decision-makers.

At the end of the day, we see 2026 as a year with strong growth potential, buoyed by stimulus but with no shortage of possible pitfalls. Locally, a growing advanced manufacturing base, strong health-care ecosystem, and resilient consumer tourism industry should help keep employment steady and consumers spending, but as seen with the recent BlueOval SK layoffs, nothing is guaranteed in such a rapidly evolving economic landscape.

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UK CENTER FOR BUSINESS AND ECONOMIC RESEARCH

U.S. GDP Will Grow 2.2% in 2026

Construction is a Kentucky bright spot, but business investment is slowing

By Michael W. Clark
Associate Professor of Economics, CBER Director

AS 2026 begins, both the national and state economies appear to be slowing. Inflationary pressures have returned and firms have reduced hiring. While I do not currently anticipate a recession, the risk has increased.

After easing early in the year, inflation has picked up again. By April 2025, inflation had slowed to 2.3% compared to April 2024, which was close to the Federal Reserve's 2% target. Since April, however, inflation has increased and as of November 2025, was back up to 2.7%.

Price increases have been particularly high in several areas. A shortage of housing inventory and high costs for construction materials have contributed to a 3% increase in the price of shelter from November 2024 to November 2025. While the price of gasoline rose by less than 1%, prices for other forms of energy have seen significant increases. Electricity prices were up 6.9% compared to a year ago and utility gas prices were up 9.1%. This appears to be driven by strong demand for electricity from various sources, including the development of AI data centers. Prices for food were up 2.6% overall. Beef prices themselves increased 15.8% due to a reduction in the supply of cattle and appears to be a major contributor to this overall increase in the price of food.

Employment growth has slowed considerably and looking forward, I expect employment in the U.S. and Kentucky to grow at a very modest pace. Nationally, monthly changes in total nonfarm employment have become increasingly volatile and while overall employment is still increasing, it is growing at a much slower pace. Most of the national job growth for the year came from the education and health services; leisure and hospitality; and trade, transportation and utilities sectors. The U.S. saw employment decline in government, manufacturing and professional and business services.

As of November, employment in Kentucky was still above the level reported a year ago. However, employment estimates over the past few months suggest Kentucky employers are tightening their payrolls. In recent months employment across Kentucky has mirrored the national trend, declining in manufacturing, government, and professional and business sectors.

Construction has been a bright spot for Kentucky over the past year. Kentucky's construction employment jumped in early 2025 and as of November, was up 8% compared to a year earlier. By comparison, U.S.

construction employment was up less than 1% over this period. This high level of construction activity in the commonwealth appears related to industrial investments. However, it might not be sustainable as firms appear to be slowing investments. As projects are completed, Kentucky may see construction employment decline, but it is unclear when this might happen.

While the U.S. unemployment rate has been increasing over the past year, Kentucky's rate fell. But the reasons for Kentucky's falling unemployment rate have changed throughout the year, leading to differing interpretations of the labor market.

In early 2025, the number of people in the state labor force and the number employed increased. People were finding jobs at a faster rate than people were entering the labor force. This resulted in fewer people unemployed, meaning the state's unemployment rate fell. Later in the year, the situation changed. Workers started leaving the labor force, but disproportionately those leaving were unemployed. With unemployed workers leaving the labor market, the state's unemployment rate fell further. While it is not clear why unemployed workers have left Kentucky's labor force, it might partially be due to stricter enforcement of immigration, which has affected the national labor market. Workers might also leave the labor force as they approach retirement, if they have struggled to find work, and for many other reasons.

Despite slowing employment, the nation's gross domestic product (GDP) has posted strong gains. During the third quarter of 2025, the value of the goods and services produced in the economy grew at an annual rate of 4.3%. This was driven by strong growth in consumer expenditures, particularly for services. Business investments such as factories, equipment, and research and development slowed in the third quarter and residential investment declined.

GDP and employment are providing two different signals on the economy. Employment data suggest a slowing economy. GDP suggests the economy is doing well and the nation is producing more. This discrepancy in economic indicators is likely due to an increase in productivity. Essentially, firms are producing more with fewer workers.

Growth in employment for the national and Kentucky economies is likely to slow further in 2026. In recent months, firms have reduced the rate at which they hire new workers, consumer confidence has fallen, and price increases have accelerated.

I expect the U.S. real GDP to grow by 2.2% in 2026. Firms will be slow to add new workers but many will attempt to maintain current employment levels, given there is limited expected growth in the supply of labor. I project that employment growth will slow to 0.3% nationally and 0.2% in Kentucky. Manufacturing employment has trended downward since the post-pandemic recovery. Given this trend and the slowing economy, I expect manufacturing employment will continue to decline nationally.

Fortunately, Kentucky has been able to retain most of its manufacturing jobs. Many firms are likely to look beyond current economic conditions. If they expect economic conditions to improve and expect to face a smaller labor pool, they might be reluctant to let go of their current workers. While I expect some volatility in this sector, I expect little change in Kentucky's manufacturing employment in 2026. As labor demand eases, I expect the annual unemployment rate will increase to 4.7% nationally and 5.4% for Kentucky. Additionally, I predict that the annual inflation rate will remain above the Fed's 2% target in 2026, with prices increasing by 3.1% for the year.

At its December meeting, the Federal Reserve lowered its Federal Funds rate target by one quarter point, citing a concern over slowing employment growth. I expect that the Fed will reduce rates further during 2026 to help stimulate job growth. However, the Fed's job has become much more challenging given that we face both slower employment growth and heightened inflation.

Kentucky Tourism photo

PNC BANK

Business Likes Kentucky, But Consumers Cautious

First half of 2026 should see solid growth, but inflation fears could resurface later in the year

By Ershang Liang
Economist,
PNC Financial Services Group

KENTUCKY is positioned to grow on par with the nation in 2026, though near-term labor market weakness remains a downside risk.

Kentucky's economy has trailed the U.S. over the past two and a half years, due largely to the state's heavy concentration in automobile manufacturing, which has softened as a result of high interest rates.

Real gross domestic product (GDP) grew just 0.9% year over year in the second quarter of 2025 (latest data available), compared with a solid 2% nationally. Job growth in Kentucky slowed in line with the nation's in 2025 and remains slightly below the national average. The Kentucky unemployment rate fell in 2025, although at 4.7% in November it remained somewhat above the national rate of 4.5%.

Kentucky economic growth is expected to cool this year under continued high interest rates, significant layoffs in the government sector, and slower consumer spending growth nationally.

Even so, several bright spots helped sustain growth in the state. Construction employment expanded by 7% in 2025, far above the 0.5% national increase. Office using employment — including professional/business services, finance and information — accounts for more than 15% of total employment and strengthened at the end of 2025 after two years of declines that had weighed on the broader service-providing sector. Total employment in Kentucky continued to edge up, rising around 0.5% in November 2025 from a year earlier.

In the housing market, price appreciation has slowed as high mortgage rates remain a drag on homebuying. But with continued job gains and house prices that are more affordable than those nationally, there has been modest improvement in existing homes sales in Kentucky. Sale prices for existing homes in Kentucky were up about 4% in the third quarter of 2025 from a year earlier, compared to 2% nationally. Positive migration flows and slightly lower mortgage rates should sustain housing demand in Kentucky in 2026.

Economic growth in Kentucky and the state's labor market will continue to cool this year. The state's two largest metro areas, Louisville and Lexington-Fayette, still face headwinds from a softening U.S. labor market, slower growth in consumer spending, and fiscal changes that could weigh on auto manufacturing, retail sales and housing.

PNC expects both U.S. and Kentucky economic growth to slow in 2026. The manufacturing sector — particularly autos — will likely remain subdued as cautious consumers pull back on big-ticket purchases amid weak sentiment, slower wage growth, and a softer labor market. However, the state should avoid recession with easing credit conditions and additional monetary policy easing from the Federal Reserve. Lower interest rates this year and less trade uncertainty should lead major Kentucky employers to move forward with consumer-driven investments.

Near-term labor market softness remains a risk for Kentucky in 2026, but trade uncertainty has diminished and small-business optimism has strengthened. Kentucky's relatively strong population growth, affordable business environment, and competitive costs should continue to bolster housing demand and attract small and midsize firms as well as major corporate investment over the longer term.

FIFTH THIRD BANK

Excellent Economy Will Grow in 2026

Workforce growth and traditional productivity gains still outweighs AI sector action

By Jeff Korzenik
Chief Economist,
Fifth Third Commercial Bank

WE believe the data point to a year of continued but modest economic growth in the U.S. in 2026. Our view is not without downside risks and specific cautions regarding labor market conditions. Supportive news ahead is concentrated in government stimulus, the result of the reconciliation bill (aka "One Big Beautiful Bill"), as well as a constructive outlook for capital investment.

Key to our overall positive outlook is what we have termed "tariff fatigue," the willingness of the American business community to look past policy uncertainty and move forward. Tariff negotiations, in particular, negatively impacted activity in 2025 and while the trade policy outlook remains far from certain, it is no longer inducing business paralysis; Washington policy uncertainty is now simply an accepted part of the economic landscape. The contours of this new acceptance are likely to include a pickup in deal activity, a broadening of capital investment beyond the AI sector and perhaps a pickup in hiring.

Even if the unemployment rate stabilizes or improves modestly, we would characterize household consumption growth as "resilient but constrained." Workforce growth, a key component of consumption and economic growth, has shifted into a lower gear as demographic limitations are no longer supplemented by large inflows of migrant labor. This, in of itself, does not guarantee slower economic growth, but puts the burden of growth more on productivity gains.

While we are constructive on such continued gains, we need to see a broader interpretation of productivity tools beyond AI, to include more traditional forms of task automation and investment in workforce. Relying on AI alone is insufficient. As a disruptive technology, on a macroeconomic level we expect that negative effects associated with dislocated workers will offset much of the productivity gained in AI adoption, much as the period of internet adoption did not produce exceptional productivity improvements at the level of GDP.

For Kentucky, we expect conditions to be similar — some pickup in economic activity but constrained by labor force growth. The commonwealth does benefit from a relatively low cost of living, now augmented by a cut in the state income tax. There has been some recent evidence that workers are open to relocating to regions with greater affordability, a potential opportunity. Businesses increasingly see benefits of locating in Kentucky, resulting in favorable regional rankings among site selectors and in rankings of the cost of doing business.

Labor force participation in Kentucky is relatively low. Community and government initiatives offer the opportunity for gains in participation and skills attainment, both important long-term structural foundations for faster growth. The growth in median household income in the commonwealth suggests these efforts are already paying dividends. For the present, Kentucky must work through a year that may be challenged both by labor factors and exposure to industries that rely on national consumer health (e.g., tourism, automobile manufacturing).

Vecteezy photo

CONSENSUS FORECASTING GROUP

State Receipts Forecast to Drop in 2026

Revenue estimates will shape lawmakers' budget choices

By Bruce K. Johnson
James Graham Brown Professor
of Economics Emeritus, Centre College
Chair, Kentucky Consensus Forecasting Group

THE Kentucky General Assembly is in session and it's an even-numbered year. That means the top priority is to adopt state budgets for the next two fiscal years and the state constitution requires those budgets to be balanced. But nobody knows what state revenues will be in Fiscal Years 2027 and 2028, which begin July 1 this year and next. So how do you build a balanced budget without knowing what you can afford?

Until 1994, the governor's staff forecast state revenues and built a proposed budget based on that before sending it to the General Assembly for consideration. The legislature usually had different ideas on priorities and revenue estimates. At each step along the way to adopting pre-1994 budgets, politics influenced revenue forecasts. It was the same story in most other states, all but one of which is required by constitution and/or statute to balance their budgets.

The 1990-91 recession changed all that. The slow recovery in state revenues in the early and mid-90s resulted in fiscal crises for states, with persistent unemployment and sluggish tax receipts. State revenue forecasting was terrible, and state bonds for funding hospitals, state office buildings and other state projects faced downgrades from the major credit rating agencies. To reduce the threat of downgrades, most states decided to take the politics out of revenue forecasting.

In 1994, Kentucky passed a law establishing the Consensus Forecasting Group (CFG), whose sole task is to produce apolitical official forecasts of state revenues for the General Fund and the Road Fund. By design, it is nonpartisan and beholden to neither the executive nor legislative branches. All appointees are vetted by the Office of the State Budget Director (OSBD), for the executive branch, and the Legislative Research Commission (LRC), for the General Assembly. CFG members are private citizens who donate their time and expertise.

Pexels photo

I was appointed 20 years ago in 2006 and since 2023 I have been CFG chair.

The CFG currently has nine members, all of them Kentucky economists with advanced degrees. Eight members are affiliated with Kentucky colleges and universities. The ninth has had a long career in Kentucky private industry.

State law requires two open CFG meetings in Frankfort, held in September and December of odd-numbered years, to develop official forecasts for the next two fiscal years. September meetings focus on developing preliminary forecasts, since it is then only a couple of months into the new fiscal year. At December meetings, the CFG considers the additional information available since September and produces the official binding forecasts for the next two fiscal years.

To prepare for every CFG meeting, the OSBD develops three detailed estimates of state government revenues: pessimistic, control and optimistic. It starts using the extensive downloadable data and detailed analysis of the national economy provided in monthly reports by S&P (Standard and Poor's) Global Market Intelligence. The OSBD also sends CFG members the monthly S&P reports all year long so members can stay abreast of important changes in the economy.

Because the Kentucky economy differs significantly from the national economy — for instance, we are the second-largest producer of motor vehicles in the U.S. — the OSBD staff has developed and refined econometric models for both U.S. and Kentucky data. Their models estimate the impacts of national trends and changes on the Kentucky economy, including impacts on employment and output in key industries. Those, in turn, affect state tax receipts from corporate and personal income taxes, sales taxes and many other government levies.

A week or two before a CFG meeting, the LRC sends each CFG member extensive data files:

• The slide decks that will be used in the presentation by the OSBD staff at our meeting.

• The very latest S&P monthly report, which will have arrived too late to be incorporated in OSBD's three forecasts.

• An Excel file that allows us to attach different probabilities to each of the three scenarios.

All of this is useful and essential for the CFG to be prepared for our meeting, so we can ask informed questions of the OSBD staff, test the sensitivity of the model to different assumptions and come to a consensus.

The September meeting is devoted to a detailed overview of the national and state economies, with deep dives into the data and forecasting models. We test the sensitivity of the forecasts to different assumptions. The forecasting models developed by the OSBD staff allow us to easily compare the sensitivity of estimated revenues under different assumptions. The meeting ends with the adoption of preliminary, unofficial forecasts for the next two fiscal years.

In September 2025, the state budget director asked the CFG to enact revised official forecasts for both funds because General Fund and Road Fund receipts for the current fiscal year were trailing our official CFG forecasts enacted in December 2023 by 1.0% and 1.3%, respectively. We also, as described above, produced the preliminary forecasts for the next two fiscal years.

In December 2025, with additional data, we produced an updated official forecast for the current fiscal year (2026) as well as official forecasts for the next two fiscal years. The outlook for both funds had improved from the September forecasts, though our revised fiscal 2026 forecast still falls short of what we enacted based on expectations two years earlier.

The table below shows the official forecasts adopted at the December 2025 meeting.

FISCAL YEAR	GENERAL FUND	ROAD FUND
2026	$15,498,000,000	$1,844,000,000
2027	$15,882,000,000	$1,836,000,000
2028	$16,232,200,000	$1,909,400,000

(Editor's note: The CFG forecast of $15.498 billion for FY26 represents a 1.31% decrease in General Fund revenue from the $15.703 billion actually collected in FY25, which was an 0.8% increase over FY24. CFG's estimate for FY27 is a 2.43% increase over its forecast for the current fiscal that ends June 30, and its FY28 forecast estimates a 2.2% increase. CFG's FY26 Road Fund forecast is 1.2% less than FY25. It forecasts a 0.4% decrease in FY27 Road Fund receipts, followed by a 4% increase in FY28.)

The CFG's work benefits tremendously from the technical and administrative support of talented economists in the OSBD and their counterparts in the LRC. They are dedicated, apolitical public servants, Kentucky's equivalent of federal civil service workers. Their deep knowledge of the Kentucky economy, forecasting and relevant state laws governing state budgetary processes are invaluable to the CFG.

Readers who would like to see what goes on in a CFG meeting can watch the recording of the December 16 meeting at youtube.com/watch?v=8_PJnJEI0oU. (If you're not particularly interested but sometimes have trouble sleeping, some of my friends and relatives swear by its soporific effects.)

The official documents and slides can be found at apps.legislature.ky.gov/CommitteeDocuments/209/.

Accounting Meets AI

AI is making workflow more efficient but accountants continue to drive strategies and decisions

By Dawn Marie Yankeelov

FINANCE and accounting are moving beyond back-office monitoring to become strategic drivers of future growth, enabled by proactive data collection and sophisticated analytics. It is pushing accounting firms to do more for their clients in the middle market and enterprise levels.

The most significant trend today is the integration of artificial intelligence (AI) and automation throughout entire workflows, with skilled human oversight ensuring quality and control.

Gone are the laborious days of data entry, invoice processing, bank reconciliations and initial tax-return preparation in favor of those invested in technology solutions. With some quick clicks, documents can be uploaded and automatically sifted and sorted via data extraction for a first pass on a tax return, says Darren Forish, shareholder and the lead for outsourced accounting services at LBMC.

"Technology is creating less work for us in public accounting, allowing for more analysis and consulting," he said.

Founded in 1984 as a traditional accounting firm, LBMC today is an industry leader in audit, tax, advisory, technology, human resources and wealth advisory services for businesses and individuals. Based in Nashville with a large Louisville presence, it is one of the Southeast's largest accounting and business consulting firms.

"For most tax returns, scanning from unstructured sources like

Freepik photo

PDFs and spreadsheets has become standardized, allowing for an accountant to move faster in the review process," Forish said. "Technology has come a long, long way and is providing the services that guide our clients in the use of technology in new and better ways."

Darren Forish, Shareholder and Lead, Outsourced Accounting Services, LBMC

Cloud-based systems now deliver real-time access to financial data, foster closer collaboration between teams and clients, and improve overall security. Advanced data analytics are generated continuously, enabling forward-looking forecasting and planning and creating new opportunities for accounting professionals to serve as trusted forecasting and technology advisors.

"Financial reporting is much more advanced than even a few years ago," Forish explains, "because we are using AI to tie into accounting systems and you produce high-level reporting from that."

While it can be expensive, he noted, common client tools such as QuickBooks are already AI-enabled, allowing the software to learn continuously and provide smarter guidance.

Navigating the adoption of AI

"Everybody is still struggling with AI implementation," said Jason Miller, the new CEO/president of Dean Dorton. "We help clients work through strategy exploration, but most clients in the middle market are not prepared to move forward because of their data quality, where it is housed and how it currently gets managed."

Jason Miller, CEO/President, Dean Dorton

Kentucky-based Dean Dorton has risen to No. 70 on *Accounting Today*'s Top 100 list. The firm is a leader in audit, tax, business consulting, technology and cybersecurity. With a background in technology consulting, Miller understands the issues and says the accounting profession is wrestling with and trying to make early AI investments.

"Most work is data-related in AI consulting, towards showing the client an AI use case for them," Miller said. "When we talk AI and its reliability for those doing accounting, you want the reliability to be at 100%."

Miller highlighted the value of AI in automating functions like invoicing and month-end closes, which have historically required significant manual effort.

"We are seeing more people using ChatGPT and Microsoft Co-Pilot for office efficiencies. Our firm is leveraging Microsoft Co-Pilot and the enterprise version of ChatGPT for certain functions. Our teams must get comfortable with AI-enabled solutions."

In tax research, AI is helping clients get answers more quickly, while in auditing, AI workflows now guide how to navigate the audit process.

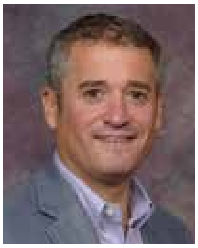
"We are seeing AI-enabled tools there," Miller added.

Human intelligence remains central

Kevin Joynt, managing director of Deloitte LLP's Louisville office, notes that although AI tools can handle many tasks, accountants still play essential roles within corporations, businesses, and large accounting and consulting firms.

"Artificial intelligence can jump-start accounting and financial reporting processes in a variety of ways, such as drafting a position paper to support a company's proposed accounting treatment for research and development or streamlining manual audit procedures such as extracting information or developing initial drafts of memos," Joynt said. "However, accountants will continue to play a central role in applying professional judgement, such as providing oversight, iterating content and reviewing AI-generated outputs."

Joynt called out agentic AI as being an area where progress will continue to evolve in complex accounting services that in the past would have taken a coordinated staff.



Kevin Joynt, Managing Director, Deloitte LLP Louisville Office

"We are also seeing agentic AI transforming accounting workflows, as it works much like a connected network of digital specialists," he said. "AI agents can autonomously execute multistep tasks such as extracting, comparing and analyzing data across projects, transforming multistep procedures into one seamless digital operation with built-in human oversight to achieve quality and trust."

This can especially be true in the case of large enterprise clientele.

"There are a variety of use cases for AI in accounting," Joynt said. "According to Deloitte's Finance Trends 2026 report, 63% of finance teams have fully deployed and actively use AI solutions, with 14% using fully integrated AI agents, demonstrating a broad commitment to leveraging AI amidst emerging risks."

Vecteezy photo

Few are on the cutting edge

But not all finance and accounting departments are prepared to change their workflows to accommodate AI, according to a recent report from Cherry Bekaert, "Modernization In Motion — Insights From Middle Market CFOs."

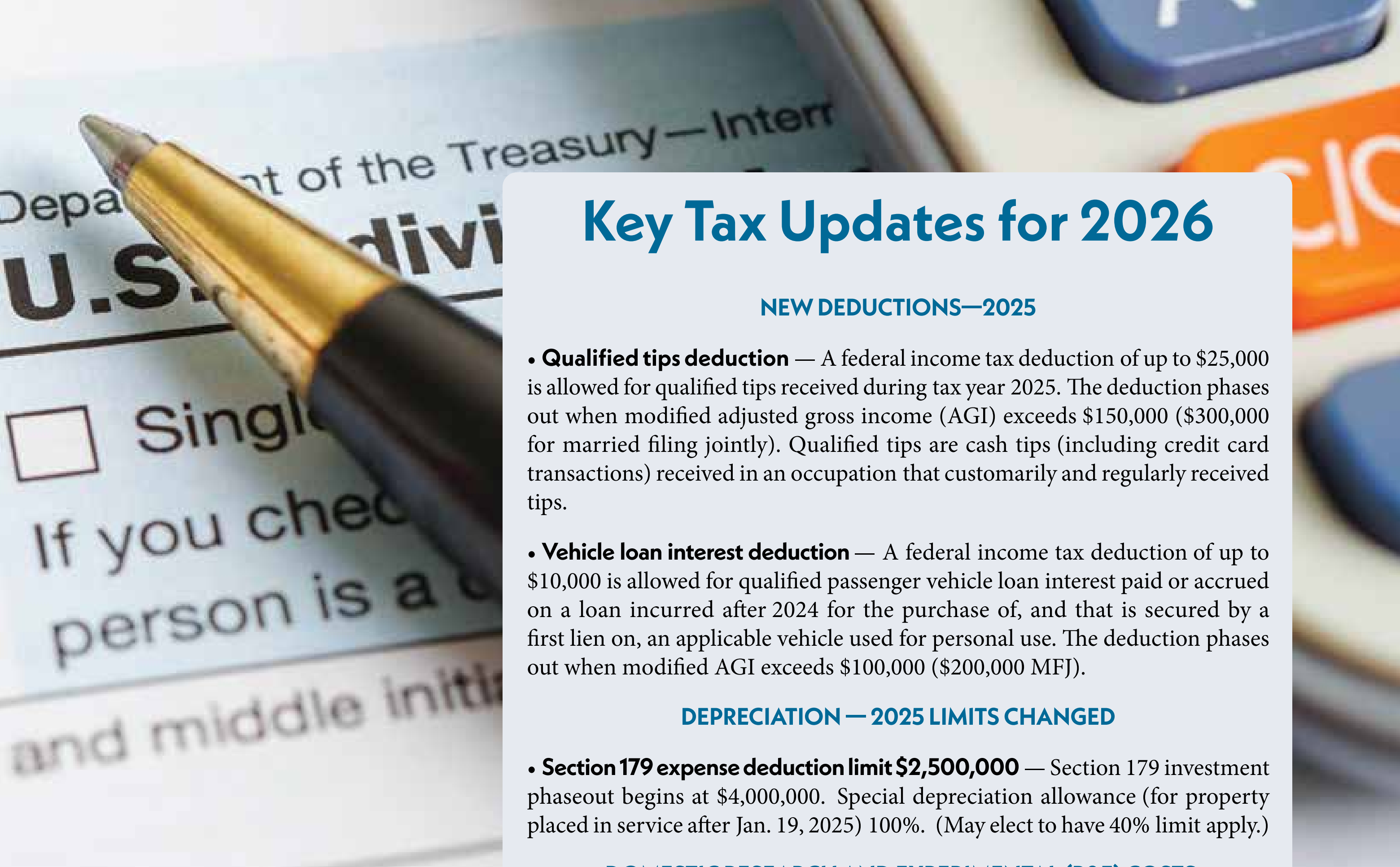
In fact, more than 99% of all chief financial officers continue to rely heavily on Excel, the Cherry Bekaert survey shows. Middle-market companies remain constrained by legacy data systems cobbled together over time, resulting in fragmented data, limited visibility and reactive decision-making, according to the report.

Data accuracy and consistency remain top issues, as well as a lack of integration between systems. Limited investments by CFOs in the middle market are causing a slowing of modernization. While 42% of respondents allocate between 10% and 20% of the finance operations budget to modernization initiatives, 33% allocate less than 10%, the report indicates.

This strengthens the consulting and advisory role of large accounting firms, whose operations have been modernized over the past three years to offer clients more technology-driven services.

"Within Omnia, Deloitte's global cloud-based audit platform, generative AI (GenAI) tools power first-pass reviews, provide draft analyses of accounting conclusions and enable AI-driven interrogation of complex documents – making audits more efficient and insightful," said Joynt at Deloitte.

"Cloud-based platforms like Omnia are the backbone for the digital audit, providing centralized management and real-time status



updates for clients," he said. "These platforms also help drive innovation within the audit."

Sifting signals from unstructured data

Jon Hilton, AI Practice Leader, LBMC

Outside of accounting processes, Jon Hilton, AI practice leader for LBMC, said middle market clients in health care and even utilities are looking for ways that AI can assist in high-volume unstructured data. For example, in the health-care industry, looking for keywords from call-center data can assist in determining risks in key categories like fall risks. In a recent utilities project, call-center data was analyzed beyond simply identifying whether customer comments were

Key Tax Updates for 2026

NEW DEDUCTIONS—2025

• **Qualified tips deduction** — A federal income tax deduction of up to $25,000 is allowed for qualified tips received during tax year 2025. The deduction phases out when modified adjusted gross income (AGI) exceeds $150,000 ($300,000 for married filing jointly). Qualified tips are cash tips (including credit card transactions) received in an occupation that customarily and regularly received tips.

• **Vehicle loan interest deduction** — A federal income tax deduction of up to $10,000 is allowed for qualified passenger vehicle loan interest paid or accrued on a loan incurred after 2024 for the purchase of, and that is secured by a first lien on, an applicable vehicle used for personal use. The deduction phases out when modified AGI exceeds $100,000 ($200,000 MFJ).

DEPRECIATION — 2025 LIMITS CHANGED

• **Section 179 expense deduction limit $2,500,000** — Section 179 investment phaseout begins at $4,000,000. Special depreciation allowance (for property placed in service after Jan. 19, 2025) 100%. (May elect to have 40% limit apply.)

DOMESTIC RESEARCH AND EXPERIMENTAL (R&E) COSTS

• Effective 2025, a **deduction in full** (no amortization) is allowed for any domestic R&E business expenditures paid or incurred during the tax year.

OTHER NOTABLES

• **Qualified business income deduction** — made permanent and expanded.

• **Alternative minimum tax** — higher exemption and phaseout thresholds are made permanent. Phase-out rate is increased from 25% to 50%.

• **Form 1099** — reporting threshold increases from $600 to $2,000.

• **Alternative Fuel Vehicle Refueling Credit** terminates for property placed in service after June 30, 2026.

• **New energy efficient home credit** — terminates for homes acquired after June 30, 2026.

• **Energy efficient commercial buildings deduction** — will not be allowed for any property construction that begins after June 30, 2026.

• **Trump accounts** — are available for individuals under the age of 18. A Trump account is a type of IRA that allows earnings to grow tax deferred. Contributions are not deductible. No contribution is allowed before July 4, 2026.

• A **Trump account pilot program** — is created that allows an individual to create a Trump account for eligible children born after Dec. 31, 2024, and before Jan. 1, 2029. Under the pilot program, the IRS makes a $1,000 payment to the Trump account of the eligible child.

Provided By H&R Block

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positive or negative. This approach turned raw feedback into actionable insights that executives could use to make decisions.

"Inquiries are growing for AI-use cases toward automation and developing AI agents. Skills are needed inside companies that have an AI engineering background," he said.

LBMC partners with tech companies to provide client data analysis solutions like Databricks, which allows data teams—engineers, analysts, and scientists—to collaborate on building, deploying, and managing AI applications, from organizing and processing raw data (ETL pipelines) to creating advanced generative AI models.

"In 2026, we expect to see clients look to firms like ours for what they can do with AI beyond Co-Pilot and ChatGPT, particularly in the middle market," Hilton said. "We are focused on getting our clients to an AI roadmap in 2026."

Forish explains that LBMC uses several internal software tools with AI components, which are especially helpful during tax season. For example, SurePrep software, now a part of Thomson Reuters, offers a suite of AI-powered tax automation solutions designed to streamline the entire tax preparation workflow for tax and wealth-management firms.

"By using a tool like this, our accountants are doing higher-level tasks. Eventually, this will change what a staff accountant does, moving staff accountants into forecasting and higher-level thinking for predictive insights and even risk management," Forish said.

Beyond automation, AI guides appropriate financial decisions throughout the year, allowing for adjustment in strategies, he said. Technology assists in automating compliance work as well. Forish also noted that LBMC has invested in developing THINK, an internal AI tool that organizes and makes information accessible for team members working with clients, becoming smarter as it processes more data.

Ongoing outsourcing is a trend

According to recent surveys in the accounting industry, outsourcing accounting services has helped enterprise-level companies lower their costs by 70%. And there are more automation and AI tools coming into the accounting profession in the year ahead.

"It's hard to say what's next after AI takes hold. We are building on what we have built internally to embrace more tech for better outcomes," Forish said.

According to the Cherry Bekaert report, the areas most affected by a lack of reliable data and technology tools are operational performance monitoring, budgeting and cost control. Client tool gaps are still an issue for CFOs of middle market companies, with 40% saying their current tools are insufficient for reporting and analysis. Only 37% rate their planning and forecasting tools as extremely effective, according to the report.

Generative AI may hold the key for CFOs gearing up with simple AI solutions for accounting internally.

"Generative AI is poised to transform the financial close process by automating complex, manual tasks, turning the close into a dynamic, more autonomous and adaptable routine," said Joynt at Deloitte. "By interacting in natural language, GenAI can interpret company policies, generate custom close checklist items, and even execute core close activities like reconciling accounts and booking entries. When combined with strong governance and careful human oversight, this technology can enhance both the speed and the accuracy of closing the books, freeing finance teams to focus on insight and analysis instead of repetitive work."

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Strong, Stable Loan Demand

Kentucky leaders expect 2026 dynamics will encourage clients to pursue opportunity

By Shannon Clinton

"ADAPTING" and "action" are the buzzwords from area bankers regarding their commercial and consumer clients' mindsets in the current economic climate.

Overall, they say customers are tackling any challenges and moving forward with projects on schedule while looking for potential pivot points and opportunities ahead.

Commercial/ Small Business

Commercial loan interest rates fell in the last half of 2025, and with additional cuts possible later this year courtesy of the Federal Reserve, this could create fertile ground from a business standpoint. However, the cost of money won't necessarily drive all lending.

A few factors and conditions must exist for commercial clients to get into a more aggressive stance this year, according to Shane Anderson, senior vice president/commercial lending manager with Lexington-based Central Bank.

Vecteezy graphic

"If we can get consistent domestic economic policies and a stabilized international front, it could offer the opportunity for our commercial clients to grow and expand in 2026," he said.

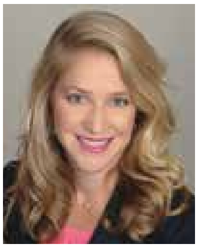
For some, though, there's simply no time like the present to pursue projects.

"For many commercial clients, the opportunity cost of proceeding with a project outweighs any benefit of speculating on potential interest rate changes," Anderson said. "Despite higher land and material costs, most are choosing to proceed with the projects in hopes that lower rates in the future will offset the higher costs."

Demand for small-business loans for working capital and term loans show continued growth, he said, especially those tapping Small Business Administration programs.

Vecteezy photo

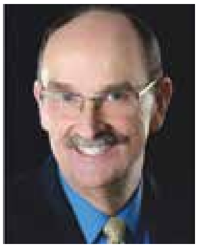
For business clients, 2026 is shaping up as a year of reflection and analysis toward taking next steps, in the view of PNC Regional President Kristen Byrd.



Kristen Byrd, Regional President, PNC

"In looking at the business environment broadly, I believe a prevailing theme among companies in 2026 will be an uptick in deal-making and investment activity, supported by increased clarity around economic conditions," Byrd said. "Business leaders are now in a position to assess the impacts of the dynamics that characterized 2025 and re-evaluate key decisions they may have tabled due to uncertainty."

Business leaders in a variety of sectors, she said, can leverage AI "to increase efficiency, enhance decision-making and improve financial processes, especially through tools that support fraud detection, cash-flow forecasting, and personalized financial insights." PNC itself is strategically using both human expertise and AI platforms to deliver these capabilities and results for clients, generating opportunity for banking activity.



Mark Gooch, Chairman/CEO Community Trust Bank Inc.

At Pikeville-based Community Trust Bank, the small-business lending environment is brisk, according to Mark Gooch, chairman, president/CEO of Community Trust Bancorp and chairman/CEO of Community Trust Bank Inc. Gooch said all categories in his bank's lending portfolio remain strong, including medium and large commercial lending such as term loans and lines of credit.

"...And our consumer business remains strong throughout the majority of our footprint," Gooch said.

Consumer lending

Consumers continue to have some hurdles to navigate, though the picture isn't completely gloomy, says Greg Shewmaker, executive vice president and director of private banking and retail for Central Bank.

Greg Shewmaker, Executive Vice President and Director, Private Banking and Retail, Central Bank

Mortgage interest rates continue to be higher than expected," Shewmaker said, speaking in early January, when 30-year fixed rate financing was at 6.1-6.2%. "If rates were to decline to the low-mid 5% range, we would expect home mortgage activity to increase."

Another challenge lies in the lack of affordable housing inventory on the market. Home prices remain well above pre-pandemic levels, he said, making homeownership harder for first-time buyers and complicating downsizing for existing homeowners.

Demand for home equity lines of credit (HELOCs) have increased due to homeowners having appreciated equity and low first-mortgage rates, Shewmaker added.

"The consumer is utilizing this product to consolidate debt, complete home improvement or renovation projects," he said. "The recent decline in the Fed Funds rates has been beneficial to the consumer and we anticipate that to continue through 2026."

Seeking lower payments, watching Fed rates

At PNC, Byrd reports strong auto financing activity as well, with a year-over-year increase in originations for new and used vehicles.

"Many customers are opting for longer terms to manage monthly payments, and some are choosing older used models to balance cost and transportation needs," she said. "Potential Fed rate cuts could further support affordability and accessibility, even as elevated vehicle prices may temper the effect."

When it comes to purchasing or refinancing homes, Gooch said there are more opportunities now compared to even a year ago, a trend expected to continue in months to come and spurred by decreasing interest rates.


Vecteezy photo

"Long-term fixed rates are attractive as well as our short-term adjustable-rate mortgage products," he said. "We also believe consumer activity will be strong in the automobile business as rates have also declined compared to last year at this time."

Gooch said with the uncertainty of if and when interest rates will decline further, some customers may wait a bit to see if they'll get an even better rate before acting on a home purchase or refinancing plan.

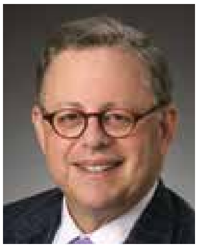
An assortment of domestic and global factors combined could determine what happens next.

"Many factors could contribute to further declines in the interest rates, including increased inflation or unemployment or other uncertainty in our local, state and national economy along with uncertainty abroad," he said.

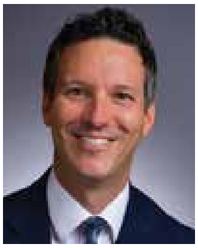
The impact of tariffs

The impact of international tariffs is something businesses have had to contemplate in recent months, as longtime vendors may be charging higher costs for parts, products or raw materials like steel, aluminum and lumber.

Jeff Korzenik, chief economist for Fifth Third Commercial Bank, said commercial clients were "frozen" in their decision-making for a time, wondering about the impact and uncertainty of tariffs. But "tariff fatigue" has set in, and instead of observing and contemplating their next moves, they're pushing forward with business as usual, working through any challenges constructively.


Jeff Korzenik, Chief Economist Fifth Third Commercial Bank

When it comes to responding to tariffs, Central Bank's Anderson said some clients have absorbed higher costs and others have passed it along to their customers, though there are different ways of doing so.


Shane Anderson, Senior Vice President/ Commercial Lending Manager, Central Bank

"Some clients have initiated a tiered pricing structure, staggered over time to prevent a shock to clients," Korzenik said. "Other clients have explored alternative options in sourcing production materials. Many have expressed staying knowledgeable and flexible is key to navigating changes or uncertainty in an economic environment."

Except for one industry, Gooch said, the shifting tariffs haven't seemed to have much of an impact on commercial clients.

"We have not had business customers with major issues regarding the tariffs, though I know our bourbon industry had issues," he said.

2026 outlook

Korzenik said there's a general sense the U.S. economy is going to do well in 2026.

Business clients understand that relying more on automation and efficiency-driving tools, productivity enhancement technologies and capital upgrades are the road to success, he said, along with having a prudent credit profile and sizing up areas of both risk and growth.

Starting in 2022, he said, businesses engaged in "labor hoarding" — doing anything to avoid laying off workers due to labor shortages. The environment is different this year, he said, and some layoffs may occur early on.

The strength of the U.S. dollar fell 9% last year, he notes, but he doesn't consider it a significant red flag unless back-to-back declines potentially disrupt the Fed's ability to keep a lid on interest rates; he predicts one or maybe two rate cuts this year.

Despite inflation that is easing but still persistent, Korzenik expects solid growth ahead, bolstered by tax refunds from last year's federal reconciliation bill and a shift in sentiment as businesses and consumers move past tariff fatigue.

Regarding the economy, Gooch

said cautious optimism prevails as 2026 gets underway.

"(We) expect demand for our products and services to remain relatively strong as long as rates stay stable and continue to decline," he said.

Shewmaker said the economic outlook for Central Kentucky in particular is moderate to stable for all sectors except bourbon.

"Indicators for bourbon are pointing to an oversupply which, combined with a slowdown in demand, may have a negative impact on related jobs," he said.

Shewmaker advises small businesses to prioritize cash flow and liquidity. While he anticipates some interest rate relief, he is advising businesses to plan for increased costs ahead in the form of salaries and benefits for high-quality employees.

"Be disciplined and put an emphasis on long-term strategies and planning," he said.

For consumers, reducing debt and increasing savings are top of the list when it comes to Shewmaker's advice for 2026.

Byrd said there are many bright spots PNC's economists can point to lately, including total unemployment in Kentucky rising about 0.5 percentage points in November 2025 above November 2024 levels. There was a 7% expansion in construction employment in the commonwealth last year, she said, compared to 0.5% nationally.

There's been modest improvement in existing homes sales in Kentucky, she said, with sale prices for those homes up about 4% in the third quarter of 2025 compared to 3Q 2024.

That said, Byrd's advice for 2026 includes keeping sight of the big picture and long-term business or wealth goals while seeking advice and insight from a financial pro.

"Oftentimes, the action that will yield the best long-term outcome is to be disciplined and stay the course," she said. "Economic challenges aren't always inherently negative. With challenges come opportunities. Build a strong relationship with a local banker who understands your industry and who thinks proactively and strategically."

Vecteezy photo

The New Law Firm Playbook

How leadership models and succession planning are changing across the legal industry

By Jeff McDanald

ACROSS the legal industry, law firms are rethinking what leadership looks like. As client needs grow more complex and firms expand across geographies and disciplines, traditional managing-partner models are evolving into broader, more business-minded structures.

Back in the day, it made sense to have one person running the show, but with the rapid pace of change and the high-stakes intricacies of modern professional life there's been a divestment of responsibilities over the spheres of influence within a firm.

Today, a firm's top-level C-suite might include a chief human resources officer, a chief financial officer, a chief marketing officer and a host of others to manage the business landscape. In the legal realm, a CEO may or may not be the top-dog executive. That crucial role might be subordinate to a variety of titles, including managing member, managing partner, chair or some other moniker.

When balancing continuity with change, how does a firm grapple with pivoting from a venerable leadership icon without sending a whole raft of institutional knowledge down the river?

McBrayer's evolution

Kentucky-based McBrayer PLLC is a powerful example of this shift. After more than 30 years as managing member, James H. Frazier III is transitioning into the role of chief executive officer, focusing on strategy, growth and innovation. At the same time, Jaron Blandford will become managing member, leading day-to-day operations and attorney development.

"McBrayer today is very different from the last time we went through a leadership transition in 1993," said Jim Frazier. "We have grown from seven attorneys to nearly 70, added two offices, launched a government relations group, and significantly expanded our administrative and operational complexity. That growth required us to rethink not just who leads, but how leadership works.

"It became clear that we could either stick with what worked in the past or we could recognize the realities of a complex and growing modern firm and adapt our leadership strategy to meet the moment," Frazier said.

Jim Frazier, CEO, McBrayer PLLC

"Clients today expect agility, collaboration and innovation from their law firms," Frazier said. "To deliver that, leadership must evolve too. This model allows us to make faster, smarter decisions and align our strategy with how our clients do business."

Managing Member Jaron Blandford agrees. "The most important thing for our clients and potential clients is that the client experience won't change," Blandford said. "This firm is dedicated to its clients and prides itself in providing excellent legal services and having a positive impact with our clients and in our communities. This transition was planned carefully over several years to ensure continuity. Jim and I worked hand-in-hand for a very long time to ensure this continuity, with the help and support of the entire McBrayer law firm family. We are not changing direction or reinventing the firm; we are strengthening the path we have already been on.

Jaron Blandford, Managing Member, McBrayer PLLC

"Having Jim step into the CEO role ensures that the firm continues to benefit from his perspective and institutional knowledge, while I bring my energy and focus to day-to-day leadership," Blandford said.

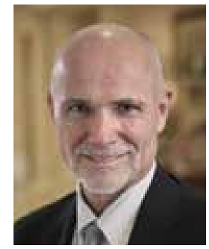
Stoll Keenon Ogden

"Succession planning is a requirement for the future stability of our firm and should be a cornerstone for any business," said P. Douglas Barr, member and managing director of Stoll Keenon Ogden. "We also know that successful succession planning is what our clients expect of us.

"Thoughtful relationship transition is also an essential part of maintaining client trust as advisors change over time. Introducing the next lead attorney for a client early deliberately helps ensure continuity and long-term confidence. This approach allows clients to build familiarity and trust while ensuring a seamless transfer of responsibility.

"Succession planning in law goes beyond who will be in the firm's future C-suite," said Barr. "It covers individual practices and industries to ensure that attorneys providing day-to-day client service are given the knowledge and ability to serve these clients. SKO has 47 practice areas and we work to ensure that each is planning to bring in the right talent and develop that talent to lead and grow these practices over time.

"The firm places significant emphasis on the transition of client relationships as senior attorneys retire. This involves thoughtfully identifying the next primary trusted advisor and ensuring clients are comfortable with that transition. The process is handled gradually and with care to maintain continuity and service.



P. Douglas Barr, Managing Director, Stoll Keenon Ogden

"SKO's board of directors and related committees spend years, not months, preparing for thoughtful leadership transitions that limit disruptions for clients, attorneys and support staff. It is our belief that the earlier you begin succession planning, for both our firm and for any clients we advise, the more prepared and organized the transition will be."

Vecteezy photo

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Wyatt Tarrant Combs

"We make an effort to plan early, as leadership succession is an ongoing process – one that requires advance notice from our lawyers who may desire a change in their role or to slow down toward retirement, while at the same time identifying the successor(s) and exposing them during transition periods to various leadership positions, such as committee chairs and practice-group management," said Lexington Market Leader/ Partner Emily Cowles of Wyatt Tarrant Combs.

Emily Cowles, Lexington Market Leader, Wyatt Tarrant Combs

"The most important thing, of course, is having the right people on the team. We want to make sure that we have a capable person, with the right temperament, training, energy level and candlepower to step into the bigger role. If you have those things in place, the group, whether it is lawyers or clients, will usually accept the new person.

"A major pitfall is expecting that just because someone has the technical or legal expertise that the group of lawyers or clients will just accept the successor. There's a lot more to it than that. In our profession, we are trained to become lawyers and may even have the largest book of revenue in the firm, but such expertise does not automatically translate into leadership aptitude, financial or business competency, or the ability to manage clients and people."

Dentons

For law firms, succession planning isn't limited to just the managing partner's role. Law firms also need to have succession plans for practices. A great example of succession planning at the practice level at Dentons is in the firm's Louisville office, where veteran Partner Chaz Lavelle, a pioneer and leader in the captive insurance industry, has been mentoring Partner Bailey Roese from early in her career to set her up as his successor in this niche practice.

Roese is now an emerging leader in the captive insurance space, often speaking on captive insurance topics at national and international conferences. Her impact has been recognized through numerous awards, including being named to *Captive International*'s FORTY Under 40 classes of 2023 and 2025 and the publication's Influential Women in Captive Insurance for 2025. She has also been named to *Captive Review*'s Power 50 list for 2024 and 2025 and as its Captive Service Professional of the Year in 2024.

Bailey Roese, Partner, Dentons

"From early in my career, Partner Chaz Lavelle has taken me under his wing and been a fantastic mentor in the niche practice of captive insurance," said Roese, tax partner in Dentons' Louisville office. "Chaz has been a leading lawyer in the captive insurance space for decades and through his mentorship, he has opened the door to opportunities for me to grow my practice, share my knowledge on captives, and take on leadership roles within organizations in the captive insurance industry.

"Particularly crucial to the transition and my future success has been Chaz's intentionality with respect to introducing me to clients and industry colleagues, including me on panels and presentations that once may have featured only him, and suggesting I take the lead on certain projects. What is so wonderful about Chaz is that he doesn't expect me to practice exactly as he does. He encourages me and other younger lawyers to blaze our own career paths and bring our own strengths, ideas and styles to shape our practice."

Stites & Harbison

Stites & Harbison is managed by the firm's chair, Marjorie A. Farris, and a six-person management committee. Office executive members and service group leaders also hold leadership roles across the firm's 12 offices.

Marjorie A. Farris, Chair, Stites & Harbison

"Leadership succession planning at Stites & Harbison is a deliberate and transparent process, designed to ensure that attorneys aspiring to leadership roles clearly understand the expectations and pathways to achieve them," Farris said. "We have written descriptions of the skills necessary for serving in various leadership positions at every level across the firm.

"Additionally, our leadership decisions are grounded in the firm's 'Ten Imperatives of Client Service,' reinforcing that succession is not only about internal continuity but also focuses on maintaining accessibility, reliability, responsiveness and assurance for clients through every transition.

"Stites & Harbison invests in and encourages its lawyers to participate in both internal and external leadership development programs at various stages throughout their career. Leadership programming focuses on skills such as delegation, time management, and large-matter management. We are proud of our internal 'Stites University' platform, which includes a College of Leadership that provides resources on numerous topics pertinent to leadership in the legal services industry. Continued focus on training opportunities gives prospective leaders the context to step into roles confidently."

Vecteezy photo

The Benefits Balancing Act

Kentucky businesses are juggling affordability, regulation and employee demands in a fast-changing market

By Kevin O. Stinnett

KENTUCKY employers are entering 2026 amid a rapidly changing employee benefits environment defined by rising health-care costs, expanding leave mandates and increased pressure to modernize benefit offerings in order to compete for talent.

According to the 2026 Employee Benefits Market Outlook from Inszone Insurance, organizations across the commonwealth — particularly those operating in manufacturing, logistics, health care and professional services — will need to balance affordability, compliance and workforce expectations as benefit strategies grow more complex.

Rising health-care costs

Health-care affordability remains one of the most pressing concerns for Kentucky businesses. National projections indicate health-care costs will rise between 6.5% and 10% in 2026, a trend expected to impact small and mid-sized employers throughout the state.

Employers in Kentucky are increasingly affected by higher utilization of specialty medications, including GLP-1 weight-loss drugs and cancer therapies. These treatments, while clinically effective, carry significant long-term costs that can disrupt annual health plan budgets, especially for employers with smaller risk pools.

In addition, Kentucky's aging workforce and persistent health-care labor shortages are contributing to rising provider costs that are ultimately passed through to employer-sponsored plans. Employers are encouraged to explore targeted cost-containment strategies, including specialty pharmacy management, chronic disease prevention programs and more transparent communication with employees about benefit changes.

Compliance challenges

While simplified Affordable Care Act (ACA) reporting may reduce some administrative burden, the overall compliance environment remains uncertain. Kentucky employers, particularly those with employees in neighboring states, must navigate varying leave laws, ongoing health-plan litigation and shifting federal enforcement priorities.

Mental health parity compliance remains an area to monitor closely as federal agencies reassess enforcement approaches. Employers are also advised to review fiduciary practices under the Employee Retirement Income Security Act (ERISA), particularly related to pharmacy benefit manager oversight, an area drawing increased legal scrutiny nationwide.

Health-care transparency remains a federal focus in 2026. Employers should confirm that insurers and third-party administrators are meeting required disclosure obligations and clearly outlining responsibilities in service agreements.

New laws, new opportunities

The One Big Beautiful Bill Act, signed into law in July 2025, introduces several benefit changes that Kentucky employers can leverage in 2026. These include permanent flexibility for telehealth coverage under HSA-eligible health plans, expanded dependent-care flexible spending account limits and enhanced student-loan assistance programs.

For Kentucky employers facing workforce competition from neighboring states, these provisions offer new ways to strengthen recruitment and retention, particularly for younger workers and working families. Expanded child-care tax credits may also appeal to employers seeking to support working parents amid ongoing labor shortages.

New areas of focus

Employee expectations in Kentucky continue to shift toward more family-focused and life-stage benefits. Fertility benefits are gaining traction nationwide and while Kentucky does not currently mandate fertility coverage, employers offering competitive packages may consider voluntary or supplemental options to remain attractive to talent.

Freepik graphic

Paid leave laws continue to expand at the state level across the country. While Kentucky does not currently have a statewide paid family and medical leave mandate, employers with operations in multiple states must remain vigilant as neighboring jurisdictions adopt or expand paid sick and family leave requirements.

Student loan assistance is also emerging as a key differentiator for employers across the commonwealth. Permanent extensions allowing employers to help pay down student debt and to link student-loan payments with retirement plan matching contributions are becoming popular tools for attracting and retaining early and mid-career professionals.

AI's growing influence

Artificial intelligence is increasingly influencing how Kentucky employers manage benefits, workforce planning and employee wellness. AI-driven tools are being used to personalize benefit offerings, automate administrative tasks and identify early signs of burnout or disengagement.

At the same time, concerns about job displacement remain, particularly in administrative and support roles. The report emphasizes that employers who adopt AI responsibly while investing in workforce upskilling and transparent communication will be better positioned to realize long-term productivity gains.

The need for proactive planning

The benefits market signals a year of continued transformation. For Kentucky employers, rising costs, regulatory uncertainty and evolving workforce expectations will require proactive planning and strategic benefits design.

By staying informed, monitoring multistate compliance developments and working closely with trusted advisors, Kentucky businesses can position their benefit programs to remain compliant, competitive and aligned with employee needs in 2026 and beyond.

Kevin O. Stinnett is a licensed insurance agent and owner of Lexington Insurance Agency, now powered by Inszone Insurance Services in Kentucky.

Steady Steps Forward


Vecteezy photo

From driver's licenses to housing supply, incremental policy aims to keep Kentucky competitive

By Abby Piper

ANYONE who has worked in politics for long knows the best policy changes are incremental. Too little policy change over time and the laws become outdated by an ever-changing world. Too much policy change too quickly can cause unintended consequences that snarl everyday life.

Kentucky's Republican majority leaders are taking the incremental approach so far this year, working to reverse Gov. Andy Beshear's regional driver's licensing move that caused extreme backups for teens trying to get their licenses. (Our son had to drive four counties away and wait three weeks to get a test).

Sen. Aaron Reed's (R-Shelbyville) SB 7 would allow renewals, duplicate licenses and personal ID cards to be issued at county offices — such as the circuit clerk, county clerk, sheriff or county judge/executive — through agreements with the state transportation cabinet, rather than requiring a regional licensing office. Local equipment purchases would be the responsibility of the state, alleviating any burden on county budgets.

Senate Transportation Chair Jimmy Higdon (R-Lebanon) has thrown his full weight behind the bill, calling it "the right path forward." Further, the delayed effective date of July 2027 gives plenty of time for public officials to plan and educate the public on the change.

Speaking of driving, Sen. Higdon has introduced a hands-free cellphone bill that would align Kentucky with other surrounding states, save public tax dollars and protect Kentuckians from distracted driving injuries and deaths. Kentucky already bans texting while driving, but SB28 would extend that ban to include holding or otherwise using a cell phone or other mobile device while operating a motor vehicle. One exception includes allowing phones to run GPS navigation. (However, drivers still cannot be holding the actual device; it would need to be mounted or sitting in the cupholder/passenger seat etc.). Drivers would


Vecteezy photo

be allowed to use phones in cases of emergency or if they are a member of law enforcement.

A person stopped for this violation could only be pulled over if an officer has "visually observed that a violation has occurred based on the officer's clear and unobstructed view" and could not be used as a way to conduct a search of the vehicle or make a custodial arrest. Although violations would collect a $100 fine, all Kentucky drivers would be required to be given a warning upon the first violation. Funds collected from fines would be split between the Traumatic Brain Injury Trust Fund, the Kentucky Trauma Care System Fund, and the Veterans' Program Trust Fund.

Addressing housing needs

As with any even-numbered year session, the Kentucky House of Representatives is charged with crafting the bones of the state's budget. But, alongside that tough work, Louisville Republican Susan Witten is spearheading an impressive push for Kentucky to keep pace with growing housing needs, specifically affordable housing statewide and maximizing urban area infill opportunities that keep neighborhoods vibrant in an age of growing suburban sprawl.

Several housing bills are yet to meet the public eye as of this writing, but a number of key policies may be up for discussion when they do. For one, the historical rehabilitation tax credit, a tool largely used by builders, is vastly underused by individual owners, likely due to onerous paperwork. Cutting red tape could be a quick way to improve

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Vecteezy photo

the quality and quantity of housing infill in areas where older homes need significant repairs that many owners cannot afford.

Other areas of low-hanging fruit would hasten multifamily housing. One way would be to loosen multifamily housing parking requirements, which currently mandates builders to develop two parking spots per unit. Other potential areas of improvement could be relaxation of lot size requirements and the ability for smaller multifamily construction (think four or fewer units) to adhere to residential building codes. Finally, allowing residential construction in all commercial zones, as has been done recently in Montana and Texas, could grow housing inventory in both urban and suburban areas.

Getting by with less

At the time of this writing, state lawmakers have not released any version of their budget, but we expect them to take a true fiscally conservative bent in that crafting. 2026 marks the first year states will not get a single drop of federal COVID relief money to supplement their coffers. With 58 Kentucky House members and 18 Kentucky Senate members having never been through a budget process without these auxiliary funds, leadership in both chambers have likely been practicing saying "No" to the mirror for months.

This year's 60-day working session is slated to end April 15, although most work will be conducted by the end of March prior to the veto recess. From now through that date, anything can happen in the state legislature. Still, expect steady bites at progress through incremental legislation that helps state statutes keep pace with the changing world around us.

Abby Piper, managing partner of Piper | Smith, is an education policy expert with more than 15 years of experience.

NONPROFIT

Fahe photo

Housing Can't Wait

For 45 years, Fahe has strengthened rural communities by expanding access to safe, affordable housing

By Hannah Stanley

FOR the last 45 years, Fahe has been tackling poverty across Appalachia through the focus of one basic need: housing.

Operating under the belief that safe, affordable housing is essential to strong communities, education, health and economic mobility, the nonprofit works to deliver accessible housing solutions across the region.

Fahe empowers struggling regions by creating pathways to stronger, more resilient communities in overlooked areas. To help relieve the financial pressure on proposed developments, the organization operates as a financial intermediary for nonprofits and partners, helping move projects from concept to execution.

fahe
Strength in Numbers

319 Oak Street • Berea, KY 40403 • fahe.org

By providing capital deployment, policy advocacy, lending, technical assistance and network coordination, Fahe serves as a catalyst for Kentucky-based organizations — expanding access to partnerships and financing they may not have been able to secure on their own, rather than replacing or diminishing their work.

With a vision to improve the quality of life and opportunities in Appalachia, Fahe has invested over $5 billion since 1980 with the help of their community partners and members, leading with their guiding principle of "Strength In Numbers." Since its inception, Fahe has grown to a network of more than 50 locally led nonprofits operating in Kentucky, Tennessee, Virginia, West Virginia, Maryland and Alabama.

In addition to its community development work and endeavors to build affordable housing, Fahe plays a role in disaster recovery by partnering with local nonprofits and Team Kentucky to provide safe, permanent housing outside of floodplains to help support residents affected by natural disasters across the state.

Fahe photo

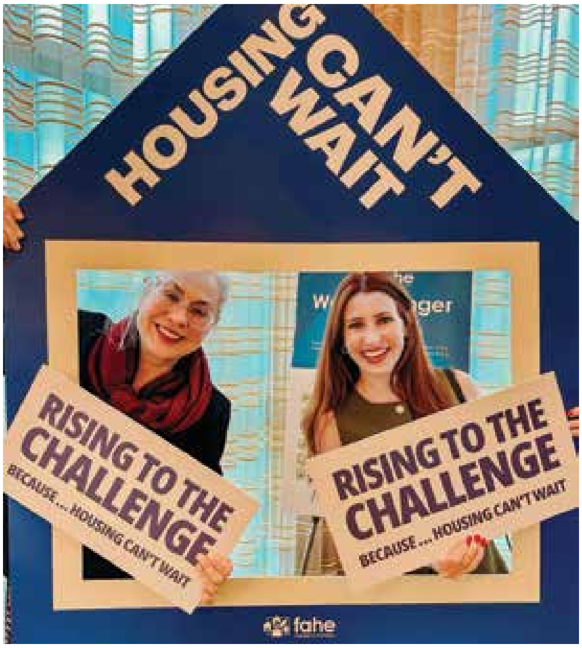
History

Founded in 1980 as a regional housing organization, Fahe soon realized that access to affordable housing was a major obstacle across Kentucky—especially in Appalachia. In response, the organization shifted its focus toward advancing the region and supporting its most vulnerable communities.

An office was created in Berea, where Fahe began to tackle the housing challenge and build local ties through connections with Berea College and Human/Economic Appalachian Development, even sharing locations at one point. Fifteen years later, the organization became a federally certified Community Development Financial Institution (CDFI), gaining new resources and authority that enabled Fahe to invest in overlooked markets — a focus it continues today

Meeting the challenge

Fahe is operating in a challenging environment where limited resources and rising demand collide at a critical point for affordable housing. As costs increase and the pace of development becomes nearly impossible to sustain, rural communities are faced with a limited housing supply, according to the nonprofit.



Fahe photo

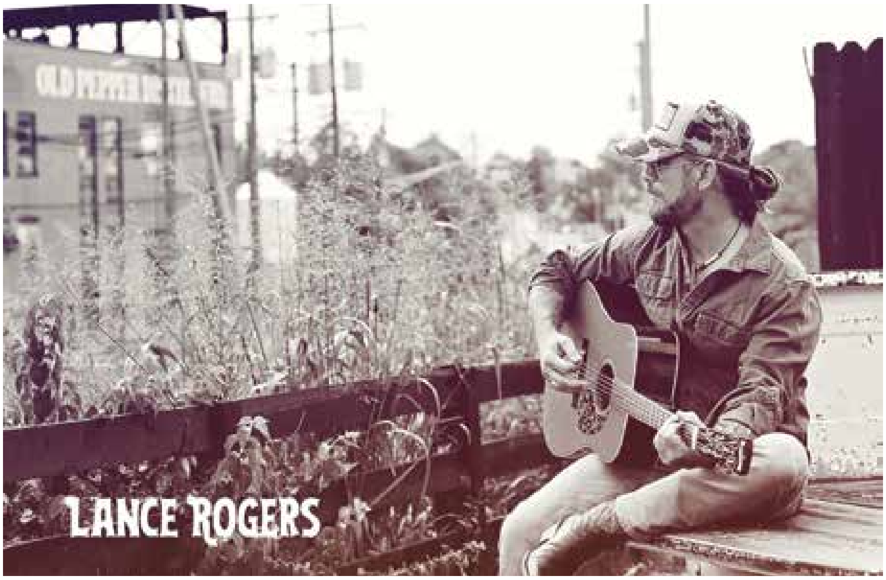
Fahe's analysis of the financial and policy systems supporting the housing market shows that existing data trends and planning frameworks favor urban development over rural construction. As a result, funding timelines, underwriting standards and regulatory processes often move more slowly than the needs of communities experiencing housing instability.

To address these challenges, Fahe focuses on shared solutions among state leaders, flexible capital and local expertise to help solve Appalachia's housing crisis.

Fahe is leading a five-year effort to double housing production by 2030 through its Housing Can't Wait campaign. To meet growing demand, the organization is seeking strategic partners and flexible funding to speed solutions, whether it's disaster relief, new developments or expanding homeownership.

Ways to Help

- Support nonprofit housing organizations through public engagement and local leadership who are invested in the same solutions
- Become a flexible capital and strategic partner to help improve Fahe's response time.
- Invest with Fahe by emailing investments@fahe.org.
- Support their campaign at housingcantwait.org/
- Follow their social media platforms. Instagram and X @faheonline, Facebook and Linkedin @Fahe.



Starting the New Year on the Right Note

2026 begins with standout releases and major moments for Kentucky music

By Matt Wickstrom

FROM live recordings captured beneath towering roadside dinosaurs to reflective singer-songwriter turns and heartfelt tributes to Kentucky legends, the new year is already striking a rich musical chord. This roundup highlights notable recent releases from artists across the commonwealth, alongside key news shaping Kentucky's ever-evolving music landscape — from venue openings and festival announcements to chart-topping achievements with national impact.

Tyler Childers: "Bitin' List (Live From Dinosaur World)" — The hit summer anthem from "Snipe Hunter" is back better than ever in live form and taken from the Eastern Kentucky singer's pop-up show in July at Dinosaur World. Singing about who you're going to take a vengeful bite out of just hits different with a giant T-Rex statue towering over you!

Tiffany Williams: "Blue Kentucky Girl" — Tiffany Williams pays homage to Kentucky great Loretta Lynn with a soothing cover of her 1965 hit "Blue Kentucky Girl."

Lance Rogers: "The Shots I Didn't Take" — With a handful of singles already released in 2026, Central Kentucky singer-songwriter Lance Rogers is on a torrid writing pace. However, on his recent single, "The Shots I Didn't Take," the singer instead finds himself ruminating on the opportunities he let pass him by.

Low Gap: "Someone To Call Home" — Initially released as a single in September and now included on their album Geneva (out Jan. 16), Low Gaps' "Someone To Call Home" sees the band led by Gus and Phin Johnson seeking direction from Jesus to keep them grounded while they chase their musical dreams and the "white lines on the road."

Brit Taylor: "Warning You Whiskey" — Eastern Kentucky-born, Nashville-based singer

KENTUCKY MUSIC NEWS & NOTES

● **The Rail**, a new 2,000-person capacity music venue in Lexington's emerging district known as The Commons, has been announced with an anticipated opening of October 2026. The multi-level space will book a variety of national music acts produced by **John Peters** and **MassConcerts**, which also recently acquired Louisville-based **Headliners Music Hall**.

● The road crews for **Tyler Childers** and **Chris Stapleton**'s bands have been nominated for multiple honors at the upcoming CMA Touring Awards. Among those nominated is **Jesse Wells**, a former instructor and archivist at Morehead State University who now plays multiple instruments on the road with Childers (who's up for Touring Musician of the Year).

● Speaking of **Chris Stapleton**, on Jan. 12 his hit song "Tennessee Whiskey" became the first country music song ever to become double diamond certified by the Recording Industry Association of America (RIAA) for achieving over 20 million units sold. The song is included on his breakout 2015 album "Traveller," which in late 2025 surpassed **Willie Nelson**'s Stardust (551 weeks) to become the album with the most total weeks on the Billboard Top Country Albums chart, with 552 weeks and counting."

● On Dec. 19, Lexington music venue **The Cork** (formerly The Twisted Cork), reopened under new ownership with two nights of music from **Sundy Best** co-founder **Kristofer Lee Bentley**. Since then, the intimate room located at 145 Burt Road #20 has been a hit with everything from bluegrass music to singer-songwriter nights, vinyl sip and spins and more.

● Pineville-based **Laurel Cove Music Festival** on Dec. 12 announced that a documentary about the music gathering at the self-proclaimed "Red Rocks of Kentucky" is in the works. Titled "Where the Mountains Sing," the project is being produced by **Mesmeric Media** and will include everything from fan and artist interviews to archived video highlights, behind the scenes footage and more.

● Webster, Kentucky's **Josh Mitcham** and Prestonsburg's **Emily Jamerson** on Dec. 22 were unveiled as the 2026 artist ambassadors at the **Kentucky Music Hall of Fame & Museum** in Mount Vernon. Expect to see both participating in HOF initiatives year-round in addition to receiving help from the institution in continuing their creative development.

● Owensboro's **ROMP Festival** has announced that rootsy troupe's **I'm With Her** and **Punch Brothers** would headline its 23rd annual gathering June 24-27. Others set to appear include **Ricky Skaggs & Kentucky Thunder**, the **Del McCoury Band**, **The Infamous Stringdusters** and the **Dan Tyminski Band**.

● The **Master Musicians Festival** has revealed its 2026 lineup coming to Somerset July 17-18. Those artists include **Trampled By Turtles**, **The Creekers**, **Joslyn & The Sweet Compression** and **Smilo & The Ghost**, among others.

Brit Taylor explores the myriad of emotions experienced when someone you love is battling substance abuse on "Warning You Whiskey." The song is the second single from her record "Land of the Forgotten," which drops on March 9.

Jay Skaggs: "Crazy Things (4th Of July)" — The distant relative of bluegrass great Ricky Skaggs is back with the six-song "The World's Smallest Songs" EP. A standout from the sampler is "Crazy Things (4th of July)," a melancholy ballad about growing apart from someone you at one time couldn't see yourself without.

Listen to a year-long playlist including every song featured on Apple Music and sign up for updates from Kentucky music journalist Matt Wickstrom at WicksPicks.Substack.com.

Carter Caves/Winter Adventure Weekend photo

Park It in the Wintertime

Kentucky's state parks deliver year-round returns on recreation and retreats

By Katherine Tandy Brown

AS cold winter settles in over the Bluegrass State after the holidays, cabin fever can set in quickly — and Kentucky's fabulous state park system has the cure. Many of its state resort parks (SRP), state parks (SP) and state historic sites (SHS) remain open year-round and have plenty of outdoor activities to keep you and the kiddos busy enough for a reward of cocoa and a roaring, toe-warming fire afterwards. Maybe you can even stay in a cottage, cabin or lodge overnight and tuck in your napkin for a scrumptious dinner someone else cooks!

Did you know that Kentucky's state parks offer year-round golf on some pretty darned great courses? For instance, in Burkesville, Dale Hollow SRP's 18 holes feature five sets of tees to accommodate every level of player, plus a bonus of numerous rock outcroppings, small caves, springs, gorges, ponds and mountain views. It's among the country's most scenic courses.

Or at Western Kentucky's lake country in Gilbertsville, you can stay at the Village Green Inn right at Kentucky Dam Village SRP's Perry Maxwell-designed links.

The Kentucky State Park System offers more than 300 miles of trails and as a result, winter hiking is popular at many parks. For example, Carter Caves SRP in Olive Hill — open seasonally Wednesdays through Sundays — has more than 30 hikeable miles, open from dawn till dusk, plus winter kayaking and cave tours. The park's junior naturalist program also runs through winter. "We have resources other state parks don't have," says Carter Caves Park Manager Paul Tierney. "Even in winter, we have a full-time recreational staff that can lead cave tours Wednesday through Sunday. The cave environment doesn't change in the winter." Most caves average between 50 and 60 degrees.

Be sure to put the following events on your 2027 calendar now. Every January 1, Carter Caves offers a First Day Hike, a terrific way to start your new year. And the last weekend in January (the 28th-31st in 2027) is the park's annual Winter Adventure Weekend, which is the current iteration of its former Crawlathon, but much larger and much more fun. Think 200-plus field trips in four days, cave events, a Big Foot hunting trip, workshops of many genres, a 5K, et al. Some 400 participants and 200 volunteers had already signed up for the 2026 event by mid-January.

Hikers and other outdoorsy types, be sure to download OuterSpatial, known as the best free hiking app. It's available at Apple or Google Play stores and offers detailed outdoor maps, trail information, event listings and real-time alerts for parks and public lands throughout the nation, without any ads or paywalls. Other info includes biking opportunities and exploring various outdoor spaces.

In the spectacular natural terrain of the Red River Gorge, Natural Bridge State Resort Park in Slade specializes in scenic winter hikes with all trails open.

"With crisp air, peaceful trails and stunning views from the Natural Bridge and surrounding sandstone cliffs, visitors can truly slow down and reconnect with nature," says Natural Bridge SRP Manager Tim Hibbard.

Though no ranger-led hikes are regularly scheduled, groups and families staying overnight in lodge rooms and cottages can request and schedule them ahead of time. Though the park is closed on Mondays and Tuesdays, the rest of the week is busy with numerous special events, including a Valentine's Day Murder Mystery + Buffet and indoor Saturday night square dances. Its Trail's End Tavern features more than 100 bourbons for tastings that are guaranteed to keep you warm on the inside when it's cold outside.

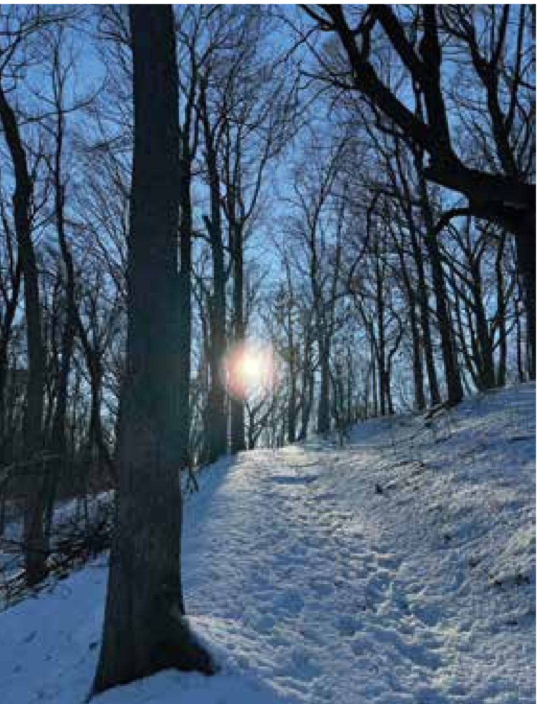
Wintertime is perfect for visiting the park system's historic sites, as the cooler weather and cloudy skies add a sense of traveling back in time. Spots like Big Bone Lick State Historic Site in Union excel in history. Visitors can see still-active salt springs, a re-created Pleistocene marsh with life-sized mammoth and mastodon; 20,000-year-old fossils; and even the modern-day Ice Age descendants, bison. The park's herd is viewable here all year.


Kentucky Department of Parks photo

Great herds of bison once roamed the area, providing food, clothing and shelter for Native Americans and pioneers but sadly, were hunted to near-extinction. The bison is the only remaining mammalian link to the Ice Age. Interpretive panels recount the prehistoric drama that unfolded around the site's salt/sulphur springs.

This fascinating site also has two orienteering courses, beginner and intermediate. The sport involves navigating usually unfamiliar terrain using a map and compass as quickly as possible and exercises both the brain and the body.

If braving winter temps outdoors is not your cup of cocoa, a number of parks and sites have museums for indoor browsing. The John James Audubon State Park is located in Henderson at the woodlands where the famous artist/naturalist studied various birds from 1810 to 1819. The park's museum interprets Audubon's life through his art and personal memorabilia, while its nature center adds a wildlife observatory leading to secluded boardwalks and trails. Should you venture outside, the park plays host in winter to seven woodpecker species, waterfowl, sparrows and mixed flocks. Birders in particular will find this park a treasure.


John James Audubon/Kentucky Department of Parks photo

Meeting planners will find perfect meeting facilities at many state parks. Take Cumberland Falls State Resort Park as an example.

With water falling 60 feet outside, DuPont Lodge at Cumberland Falls features massive hemlock beams, stone fireplaces, knotty pine paneling and three meeting rooms with large windows framing beautiful views of the park. Up to 125 attendees can meet for a reception. Overnight options include 51 lodge rooms, six one-bedroom cottages, and 19 two-bedroom cottages. All rentable areas on the park have full-service catering. Attendees will feel as if they've been on vacation and not meeting for business.

To make certain that Kentucky State Park campgrounds, horseback riding and other specific activities are available, always check individual park pages or call ahead for winter operating hours and accessibility, as some campgrounds close mid-November to mid-March. For a complete listing of parks and their websites, check the easy-to-use website, parks.ky.gov/parks/find-a-park.