

DUNCAN

AREA ECONOMIC DEVELOPMENT FOUNDATION

EDITION + 2016



*DR2 building
nearing completion.*

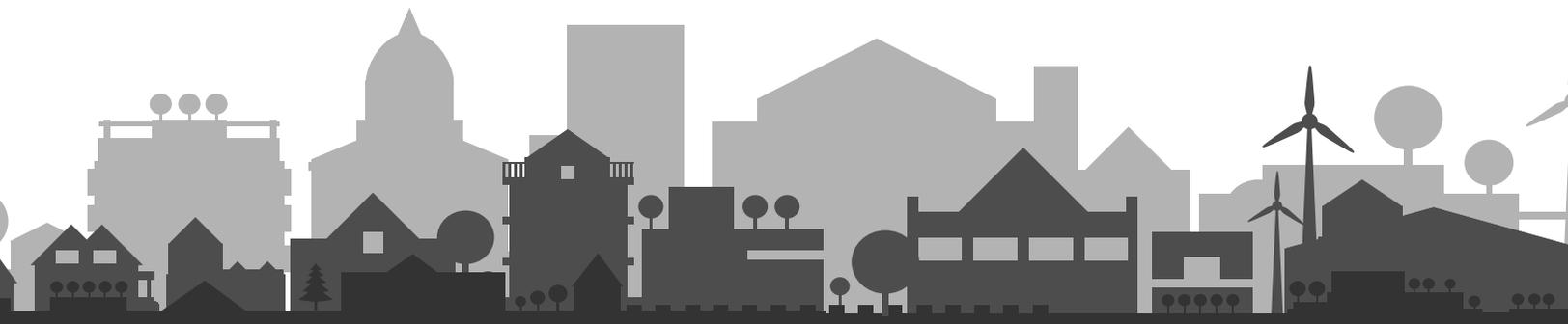
CONFIDENCE BUILDING

**Bringing jobs to our
community through
site selection.**

When companies and site consultants evaluate where to locate or expand, 60-70 percent prefer using pre-existing buildings over building a new location from the ground up. Duncan Recycling and Refining (DR2) cited this reason for selecting our city for its operations.

Playing off the momentum of the DR2 project, DAEDF partnered with the

city of Duncan to bring jobs to our community through the construction of three new buildings in Duncan's North Industrial Park. Once complete, these buildings will support companies with offices and provide shop or lab space for 10- to 15-person businesses. DAEDF is proud to be able to meet the needs of growing companies, and we're confident these efforts will bring jobs to our city.





Governor Fallin, center, honors the city of Duncan's STEM Team.

STEM COMMUNITY

Governor Fallin Recognizes Duncan as STEM Community

Duncan, Oklahoma, now is an official STEM community. During Gov. Mary Fallin's 2015 STEM Summit, the governor recognized Duncan for its commitment to science, technology, engineering and mathematics. Through a stringent application process, the Duncan community demonstrated that local leaders in industry, community and education were partnering to create an education and training pipeline for our state. From elementary school through college and technical school, our initiatives will give students in Duncan ample opportunity to obtain STEM intellectual capital and technical capability.

Duncan Stem Initiatives

- Teacher Industry Tours
- Student Industry Tours
- Public Manufacturing Tours
- Manufacturing in the Classroom
- Duncan Area Youth Engineering Contest

- Career Pathways
- Project Lead the Way
- STARBASE
- Dream It Do It Participation

Duncan Stem Partners

- Cameron Measurement Systems
- Cameron University
- Duncan Area Economic Development Foundation
- Duncan Optimist Club
- Duncan Public Schools
- Duncan Regional Hospital
- Family Dollar Distribution Center
- First Bank & Trust Co.
- Halliburton
- GoEngineer
- Gregston's Nursing & Rehab
- MIC Group
- Red River Technology Center
- Sanford's Children's Clinic
- Southern Machine Works
- South Central Oklahoma Workforce Investment Board
- Wilco Machine & Fab
- And More



... The citizens of the Duncan Area will be able to **sustain a high quality of life by remaining relevant** in our global competition for work. ”

Jeannie Bowden
Business & Industry Specialist for the Duncan Area Economic Development Foundation

UPDATE FROM THE PRESIDENT

During the past year, Duncan Area Economic Development Foundation (DAEDF) made tremendous strides to move the Duncan area forward, all while our community encountered challenges that tested our internal strength as citizens. Stress levels lowered as water levels began to rise in our area lakes, with Lake Waurika improving from 27 percent to 105 percent during the May-June rains. Mother Nature and someone above relieved the single greatest threat to our region and community.

DAEDF remains focused on our mission, one part of which is to develop a favorable business climate. Prior to the rain, DAEDF organized a water committee (the Duncan Area Water Advisory Committee). This committee of Duncan citizens spent a great deal of time researching the water issues faced by the community. After two months of understanding the history and water needs, the committee hired a company (PEC) to assist the community with a water plan. Our goal on this project is to implement a long-term plan to find water solutions that will reduce citizen and business concerns when Duncan faces the next drought.

We did not let the lack of water hamper our ability to attract jobs. DAEDF forged forward with the construction of four buildings. After experiencing success with securing Duncan Recycling and Refining (DR2) for our shell building built in 2014, we moved forward on building three small multipurpose buildings and the completion of the building that will become home to DR2. These buildings represent our keen sense to focus on diversifying

the type of jobs and businesses in the Duncan area. Conducting multiple projects like this at the same time is not easy. There were challenges at each step of the approval process, but in the end, Duncan is rewarded with four new companies.

In July, DAEDF and the city of Duncan renewed the operation contract between both entities. This contract was days away from expiring. Our contract is reauthorized every five years and has been for the past 20 years. DAEDF looks forward to keeping a strong relationship with the city of Duncan, our members and community partners.

Several years ago, we started working with Duncan Public Schools and our manufacturing community to grow the workforce of tomorrow. The results of this endeavor gave Duncan the notoriety of being the Career Pathways pilot project for Oklahoma. Because of this partnership and our initiative with science, technology, engineering and math (STEM), Duncan has received an award from Gov. Mary Fallin as being an Oklahoma STEM community, one of only a handful with this designation in the state.

One of the most difficult challenges faced by a community is the loss of jobs. The challenge Duncan is facing is also felt at the state level. Our hearts go out to those citizens who have been negatively impacted by the recent layoffs. The companies that face these tough decisions are not any happier than their employees. When the driving force is centered on the low price of oil, it begins to impact the decisions of all energy-related companies. The price



of oil needs to reach prices closer to \$70 a barrel before we start to see a change in the trend for Duncan and our state. If we do not see any major changes in oil, additional jobs will be lost and a decline in sales taxes will occur. Unfortunately, Duncan has seen these cycles before, but each time we prevailed with greater strength. When the economy turns, our companies are quickly seeking to increase the skilled workforce.

DAEDF is determined to increase job opportunities. While we are feeling the downturn in the economy, the opportunity to market our workforce becomes front and center. Workforce availability is a key driver for companies when they look to locate or expand. As a result, we are seeing an increase in companies evaluating Duncan as a possible location to place their new business. This type of activity provides our community with a bright future, and we look forward to the coming year!

Lyle L. Roggaw

DUNCAN CENTER FOR BUSINESS DEVELOPMENT

Artist rendering of future business incubator.



“**Entrepreneurs are born from uncertainty and choose to use their knowledge to create and invent** marketable products and services. The Duncan Center for Business Development (DCBD) welcomed Juanita Cassidy of Cassidy Corrosion Control and Stan Heath of Heath Oilfield Laboratory. Both are controlling their destinies. DAEDF established the DCBD for individuals just like them – it is why the incubator exists.”

Lyle Roggow, President

Duncan Area Economic Development Foundation

DUNCAN CENTER FOR BUSINESS DEVELOPMENT INCUBATOR TENANTS

- Cassidy Corrosion Control
- Completion Science LLC
- ECH Corp.
- Heath Oilfield Laboratory
- Philtek Services LLC
- Raptor Oilfield Controls LLC
- Renegade Transport LLC

GET YOUR BUSINESS ON THE FAST TRACK TO SUCCESS

Move your business to the Duncan Center for Business Development. Contact Nicole Punneo, certified incubator manager, at Nicole@ok-duncan.com.



FIKES ENGINEERING GRADUATES FROM DCBD

Mark Fikes established Fikes Engineering in 2010 – the same year he rented his first office in the Duncan Center for Business Development (DCBD), the city’s business incubator. Five years later, Mark has moved into his own facility and continues to grow his company in Stephens County.



Mark Fikes, left, accepts a plaque from DAEDF President, Lyle Roggow, for successfully graduating from the Duncan Center for Business Development.

“ **Mark is doing what all startups that come into our facility are supposed to.** They get established, use the resources provided and then are at the point where they need their own space. This opens up room for new startups to take advantage of the facility. ”

Lyle Roggow
President, Duncan Area Economic
Development Foundation

“ Moving into Duncan’s business incubator was **extremely beneficial when I was getting started.** It allowed me the flexibility to drop and add office space as my company grew and, at times, reduced due to the downturn in the oil industry. I didn’t have as many initial costs to invest in, such as copy machines, meeting space or office furniture, because it was all part of renting space in the facility. But, **one of the best parts of being in the incubator was having other startups and Lyle to go to for advice.** ”

Mark Fikes
Owner, Fikes Engineering



An aerial photograph of a university campus, likely the University of North Carolina at Chapel Hill, showing various academic buildings and green spaces. A large, bright orange diagonal shape covers the top-left portion of the image, serving as a background for the text.

#INVESTDUNCAN

MARKETING
DUNCAN FOR
INVESTMENT

DR2 UPDATE



Duncan Recycling and Refining (DR2) is a manufacturing company occupying one of the buildings the DAEDF built in 2014. DR2 plans to begin operations in spring of 2016, and it's now hiring – bringing excellent jobs to our community. Technology, coupled with highly skilled employees, will ensure the business's ultimate success, and Red River Technology Center will provide customized training.



We are ready to begin operations and are grateful to DAEDF and the community for your support. **Having a building available was a major factor in our decision to locate in Duncan.**

David Nichols

President, Duncan Recycling and Refining

\$8
MILLION

invested in establishing a catalytic converter platinum-refining process.

6,000
CATALYTIC
CONVERTERS

to be processed daily – that's equivalent to about 12,000 pounds of materials.

99
PERCENT

refining efficiency with the Tetronics Plasma Arc Smelter, once assembled.

TOTAL SAFETY

Total Safety celebrated the grand opening of its new facility in Duncan on Nov. 11, 2015. It now occupies a new facility built through the Duncan Area Economic Development Foundation (DAEDF) and city of Duncan partnership to bring jobs to the community. Total Safety is the leading global provider of integrated industrial safety services, strategies and equipment to keep workers, facilities and the environment safe.



Mayor Ritchie Dennington, far right, and DAEDF President Lyle Roggow, second from right, welcome Total Safety to its new facility.

1,100
PERCENT GROWTH

in just one year, expanding from one employee to 12.

165+
LOCATIONS

are home to Total Safety operations, including Duncan.

23
COUNTRIES

around the world host Total Safety operations.



Duncan among six communities involved

Oklahoma Lt. Gov. Todd Lamb's turkey hunt is a yearly effort to market both the state and the Duncan area. Duncan has been involved since the event's inception in the 1980s, and by hosting, DAEDF can build relationships with consultants from several major market areas and companies planning to expand their operations. It's a valuable opportunity for DAEDF to demonstrate our friendly, welcoming environment and educate our guests on the advantages of being in Oklahoma.

PROJECT PRESENTATIONS

DAEDF presents to 15 prospective newcomers in 2015

2015 was a successful year for business attraction in Duncan. The DAEDF presented to 15 site selectors and businesses considering Duncan for a new location, highlighting locations, incentives, the workforce and more. Eight of these groups were interested in seeing additional information.

In February, our team visited with a German company in Atlanta; in April, that company and another visited sites in Duncan. So far, Total Safety, Duncan Recycling and Refining, and two other groups have selected Duncan's North Industrial Park as a business location, and two more are considering the location.

Lt. Gov. Todd Lamb, center, welcomes potential Oklahoma investors from around the world to Duncan for the Oklahoma Lieutenant Governor's Invitational Turkey Hunt.



DUNCAN AREA ECONOMIC DEVELOPMENT FOUNDATION MEMBERSHIP

A Community Working Together Through Membership

The Duncan Area Economic Development Foundation (DAEDF), a 501(c)3 non-profit organization, was formed in 1993 to improve the economy of

Stephens County. DAEDF is focused on growing existing companies while attracting new industry that complements Duncan's community.

“

Members are the backbone of DAEDF, and they always have been. Businesses in the community formed DAEDF and their support continues today.”

Lyle Roggow

President, Duncan Area Economic Development Foundation



BECOME A MEMBER

DAEDF membership is open to anyone with an interest in economic development. Our membership network primarily consists of local individuals and businesses collaborating to grow the local economy.



Left: DAEDF Board Chairman Terry Snider, second from right, presents plaques to education partners representing Red River Technology Center, Cameron University, Marlow Public Schools and Duncan Public Schools. Right: 2015 banquet guest speaker Jennifer McNelly was a huge success, sharing valuable insights with the guests.

ANNUAL BANQUET

The February 2015 DAEDF Annual Banquet featured Jennifer McNelly, president of The Manufacturing Institute – a nonprofit affiliate of the National Association of Manufacturers (NAM) – as guest speaker. McNelly’s presentation focused on “building the manufacturing talent pipeline” and ways that Duncan can educate, train and grow its workforce.

DAEDF also recognized its outgoing board chairman, Greg Shepherd, and presented appreciation plaques to community partners for outstanding support and participation in the Duncan area Career Pathways successes in academics and workforce development.



Snider presents plaques of appreciation to Healthcare partners Duncan Regional Hospital and Gregston’s Nursing and Rehab.

AERIAL VIDEOS OF PROPERTIES



Duncan has over 500 acres that are site certified and shovel ready. View Duncan's Industrial Parks and available land through these aerial videos.

ok-duncan.com/videos

TUNE IN TO KSWO'S PUBLIC ACCESS CHANNEL

Host Lyle Roggow speaks with guests from the Duncan Chamber of Commerce, City of Duncan, Main Street Duncan, United Way of Stephens County, Duncan Tourism, Red River Technology Center, Cameron

University, Chisholm Trail Arts Council, Stephens County Fair & Expo Center and other organizations to learn more about what's happening in our area. Inside Duncan airs Sundays at 12:30 p.m.



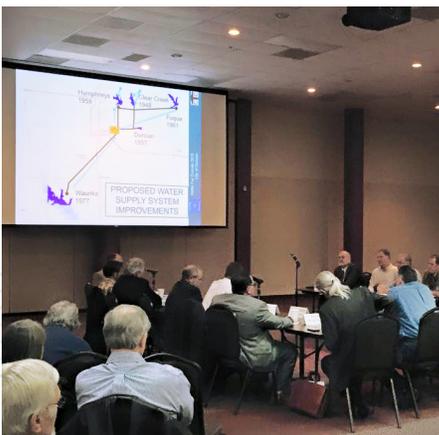


INSIDE DAEDF

The Duncan Area Economic Development Foundation has launched a community initiative called Inside DAEDF that offers the community the opportunity to interact with our team. The tours include a brief presentation from a DAEDF board member, a presentation from a current incubator tenant, a tour of the incubator, a tour of Cameron Measurement Systems, a working lunch with Red River Technology Center Career Pathways and entrepreneurial staff, and a question-and-answer session with DAEDF President Lyle Roggow.



Cameron Measurement Systems provide information to attendees during an Inside DAEDF tour.



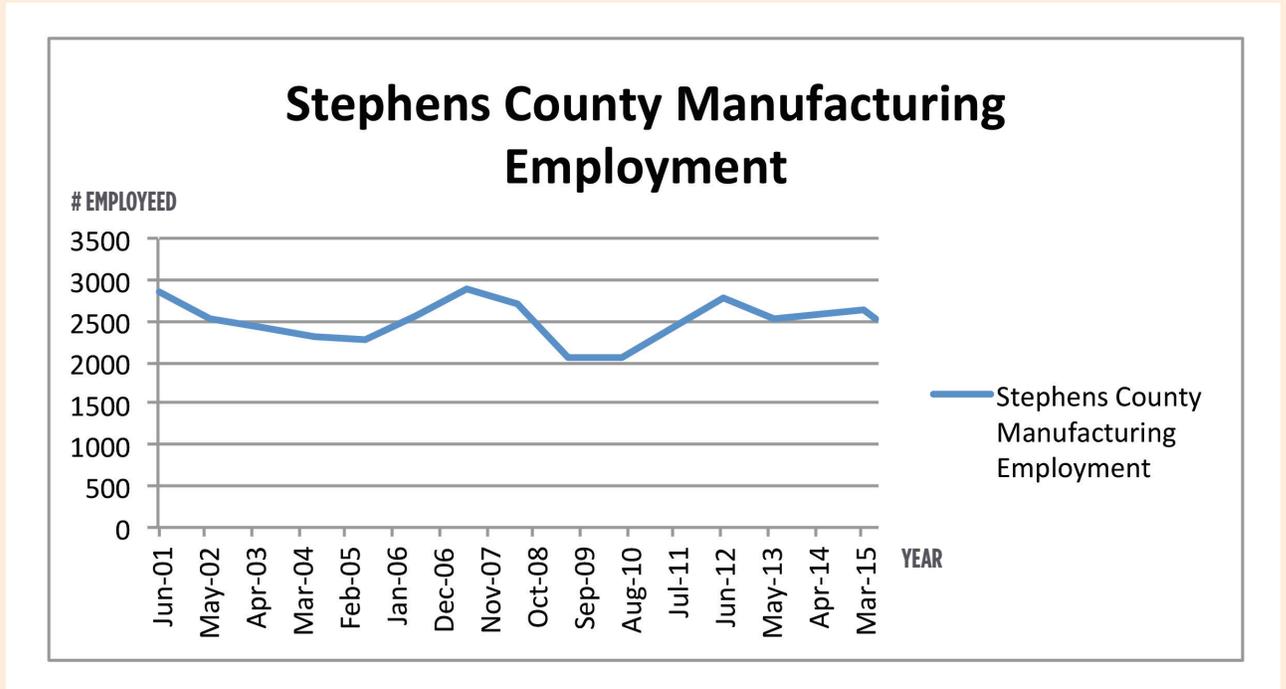
Above: DWAC Committee members review plans. Below: DAEDF Board and City Council members consider options for a long term water solution.

DUNCAN WATER ADVISORY COMMITTEE

The Duncan Water Advisory Committee (DWAC) was formed through a co-initiative of the Duncan Area Economic Development Foundation and the Duncan City Council in response to the long-standing drought conditions present in Stephens County in early 2015. The nine-member volunteer committee was tasked with

identifying a long-term comprehensive drought-mitigation and alternative water source solution. DAEDF committed \$100,000 to fund DWAC's research and solutions strategy because continued availability and sustainability of water options is critical to economic development.

MANUFACTURING EMPLOYMENT



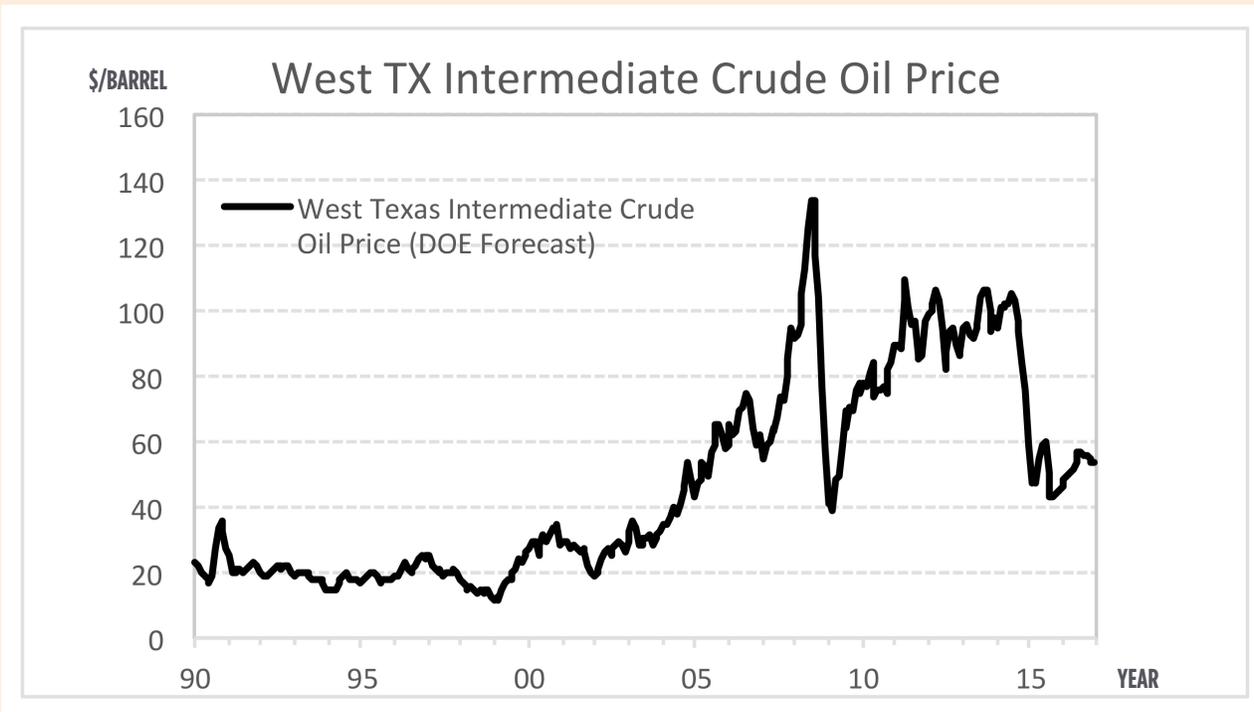
Source: U.S. Bureau of Labor Statistics

CITY OF DUNCAN SALES TAX COLLECTIONS

	2011	2012	2013	2014	2015
January	1,070,834.60	1,127,728.22	1,204,035.62	1,265,658.58	1,256,416.26
February	1,099,520.44	1,438,129.53	1,212,235.97	1,218,549.05	1,408,289.51
March	994,988.86	988,445.97	989,269.56	1,075,626.01	1,098,123.48
April	1,021,921.94	1,065,500.12	1,120,267.31	1,276,722.16	1,308,854.60
May	1,073,777.72	1,120,711.80	1,039,938.78	1,188,625.11	996,679.47
June	1,025,117.10	1,072,785.01	1,190,409.12	1,103,465.77	1,230,241.82
July	1,050,510.51	1,158,820.24	1,153,495.90	1,247,062.59	1,113,703.54
August	1,089,344.94	1,143,819.51	1,137,004.34	1,252,341.47	1,250,883.09
September	1,395,956.68	1,105,833.37	1,338,517.64	1,185,308.28	1,409,341.60
October	1,223,417.03	1,164,734.56	1,261,348.12	1,265,452.74	1,105,344.27
November	1,044,446.34	1,123,446.69	1,056,698.80	1,558,050.96	1,095,054.05
December	975,309.56	1,536,244.84	1,427,064.89	1,658,618.56	1,461,589.52
YTD Taxes	\$13,065,145.72	\$14,046,199.86	\$14,130,286.05	\$15,295,481.28	\$14,734,521.21

Source: Oklahoma Tax Commission

OIL AND GAS PRICE INDEX



Source: West Texas Intermediate

80% Success Rate for Businesses that Start in an Incubator*

GIVE YOUR BUSINESS THE COMPETITIVE ADVANTAGE WITH THE DUNCAN CENTER FOR BUSINESS DEVELOPMENT



ADVANTAGES OF LOCATING IN A BUSINESS INCUBATOR:

- 10 year state income tax abatement
- Affordable rent for office space that includes utilities, office furniture, and shared community office equipment.
- Business start-up advice and resources
- Networking with other entrepreneurs to discuss situations and generate ideas

Duncan's economic future is in the hands of people you can trust.

(580) 255-9675

www.ok-duncan.com

@DuncanAreaEconomicDevelopment

@DuncanAreaEcDev #InvestDuncan

*source: National Business Incubation Association

FAST TRACK TO SUCCESS!

DUNCAN

AREA ECONOMIC DEVELOPMENT FOUNDATION

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**2015 BOARD
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- Jay Johnson, Vice Chairman
- Robert Petersen, Treasurer
- Dennis Loafman, Secretary
- Brent Bostick
- Frank Burch
- Marilyn Hugon
- Tommy Jones
- John McArthur
- Joe Pierce
- Jay Watkins



STAFF

- Lyle Roggow, President
- Jeannie Bowden, Business & Industry Specialist
- Nicole Punneo, Operations Manager
and Certified Incubator Manager

MISSION STATEMENT:

To continually increase job opportunities and the development of a favorable business climate and workforce development programs.