





WIRE-Net strengthens manufacturing to create healthy communities and fuel economic growth.
We provide expertise that is responsive to manufacturing related businesses and their employees.
WIRE-Net connects leaders to each other and engages them in their communities.

We support. We connect. We partner.

LETTER FROM THE BOARD CHAIR AND PRESIDENT

As WIRE-Net approaches its 20th year, our commitment to serving the leaders of our region's manufacturing firms remains central to our mission. In 2005, WIRE-Net's Board of Directors made a strategic decision to remove geographic boundaries that inhibited our ability to provide services and expertise to help strengthen manufacturing to create healthy communities and fuel economic growth.

This decision was made due to a growing number of requests for assistance from manufacturers across NE Ohio that were interested in manufacturing innovation and business assistance, workforce education and development, real estate and infrastructure expertise, and the desire on the part of company leaders to have an advocate for smart public policies that help manufacturing firms compete better locally and around the world.

WIRE-Net provided services to 566 manufacturing related firms during 2006, a 27% increase over 2005 – and over 1200 individuals attended workshops, business roundtables, and forums on a range of issues designed to stimulate business growth and improvement. This represents a 31% increase over the previous year. By year's end, 93% of our members had renewed their WIRE-Net membership, a strong indication of our responsiveness to their needs and interests.

We appreciate the continued support of our members, contributors, and community stakeholders. WIRE-Net's mission is to connect leaders to each other and to their communities. Due to a new partnership with Mayor Frank Jackson's administration, we have a renewed focus through the Cleveland Industrial Retention Initiative on Cleveland's 1000 manufacturing businesses, which employ 27,000 NE Ohio residents. Maintaining a healthy urban core is essential, as is supporting manufacturing across NE Ohio. Our partnership with the Cleveland/Cuyahoga County Workforce Investment Board, Cuyahoga Community College and others in a unique metals industries training initiative is a sign of our commitment to regional action. WIRE-Net will support, connect, and partner to ensure the continued prosperity of the region's manufacturing leaders. Our collective future depends on it.



Gordon L. Barr
Chairman of the Board
Co-Chairman, NEOCAM
President, NewKor, Incorporated



John P. Colm
President & Executive Director, WIRE-Net



“Wayne and I would like to take this opportunity to thank you and WIRE-Net for the assistance we have received during the past two years. Bula Forge & Machine, Inc. has experienced significant growth. Over the past 4 years, we tripled our sales and are now poised for double — digit growth for the next several years.”

Karen Mason
Vice President
Bula Forge & Machine, Inc.
Member, MIND 2 and MIND 3

Manufacturing Innovation Program

C. Tyler Haines, Vice President, Manufacturing Services
Tel: 216.588.1440, ext. 106
Email: thaines@wire-net.org

WIRE-Net's manufacturing innovation service uses a practical approach to assist member companies with engineering support and technical expertise. WIRE-Net:

- Identifies and shares best practices among area manufacturing firms
- Makes the direct connection between innovation and successful manufacturing business strategy
- Provides both hands-on and peer-to-peer support for company leaders wanting to use innovation as a growth strategy, and
- Links company leaders to cost effective resources to assist with successful innovation implementation.

WIRE-Net's innovation program attracts manufacturing company leaders who want practical support to help them launch and sustain innovation initiatives within their organizations.

While 81 firms engaged in WIRE-Net's improvement and innovation events, the leaders of twelve manufacturing companies elected to join WIRE-Net's elite MIND program. Manufacturing Innovation for the Next Decade is a peer-to-peer based program that supports business leaders in their efforts to improve profits and competitive position by integrating people, product, and process innovation into their daily business practice.

Executives from this year's MIND group represent a mix of public and privately-held businesses with both union and non-union employees. Their product mix is equally diverse, representing capital equipment, chemicals, forgings and dies, metal fabrication, and commercial products which include plumbing supplies, hand tools, and paper tubes.

Since 2002, teams from 19 manufacturing companies* have participated in the MIND program. These are among NE Ohio's most energetic business leaders. At the core of WIRE-Net's pioneering MIND program is our commitment to help them strengthen their companies by challenging and supporting their efforts to develop and improve upon a corporate culture that promotes on-going innovation. These are the firms that are helping to fuel economic growth throughout the region.

Regional Economic Impact MIND 3

Manufacturing Firms **12**
Combined total local employment of **705**
Combined annual sales **\$146 million**
Combined estimated annual payroll **\$25,853,055**
Estimated contribution to region retail sales **\$10,416,044**

MIND Program Regional Economic Impact

Manufacturing Firms **19***
Combined total employees **2745**
Combined annual sales **\$1.048 billion**
Combined estimated annual payroll **\$100,661,895**
Estimated retail contribution **\$40,557,375**

*Eight of the 19 firms have participated multiple years





"I never knew I wanted to be a
machinist until I came to WIRE-Net."

T.J. Valez, age 18
2006 Accelerated Introduction to
Manufacturing Camp Participant

WIRE-Net Works Program

Rebecca Kusner, Vice President, Workforce Development

Tel: 216.588.1440, ext. 111

Email: rkusner@wire-net.org

WIRE-Net's Workforce Programs were funded by individual, corporate, foundation, and government supporters including: WIRE-Net member companies, The Abington Foundation, The Alcoa Foundation, Annie E. Casey Foundation, Charles Stewart Mott Foundation, City of Cleveland, Deaconess Community Foundation, East Ohio Conference of the United Methodist Church, Eaton Corporation, Enterprise, Eva L. and Joseph M. Bruening Foundation, Fred A. Lennon Charitable Trust, The George Gund Foundation, George W. Codrington Charitable Foundation, The Hitachi Foundation, PMA Educational Fund, RPM International, Inc., The Thomas H. White Foundation, and The U.S. Department of Labor.

School-to-Career, WorkSource, and Employment Plus programs offer workforce solutions to strengthen area manufacturing firms by attracting and retaining the next generation of employees.

In 2006 WIRE-Net's elite School-to-Career program at Max S. Hayes Career & Technical High School created new opportunities for manufacturing firms to expose Cleveland area high school students to exciting careers in manufacturing.

34 employers provided job shadowing or paid apprenticeship opportunities, hosted plant tours, or conducted speaking engagements. The

School-to-Career Program is building the next generation of leaders with **100%** of the Class of 2006 graduates now working, or pursuing post-secondary educational opportunities, or careers in the military.

In 2006 the WorkSource program was re-engineered to better meet employer needs. A 3-stage applicant screening process offers improved employee assessment and better retention support saving employers both time and money.

Our new WorkSource program made **32** successful job placements at an average wage of **\$11.19**, during its inaugural months, resulting in an annualized direct economic impact of **\$716,160**.

In the 4th quarter, WIRE-Net's Employment Plus program was launched to meet employer demand for customized services that address the unique workforce challenges faced by individual companies.

WIRE-Net's new program offers specialized recruiting for professional positions, HR workforce assessment and retention planning, training curriculum development, and implementation of company-wide training and apprenticeship programs.

In 2006, WIRE-Net's new Accelerated Introduction to Manufacturing program – the AIM Camp – responded to Mayor Frank Jackson's plea to provide career-building summer opportunities for Cleveland students.

25 Cleveland Municipal School District students from **6** high schools were introduced to careers in manufacturing during an intensive 4-week summer course, **24** of them completed the program!

Photograph by George Shuba





“We are the feet on the street helping
NE Ohio's manufacturing companies compete.”

Ty Haines
Vice President, Manufacturing Services

WIRE-Net's Manufacturing Assistance Program was funded by individual, corporate, foundation, and government supporters including: WIRE-Net member companies, 1525 Foundation, The City of Cleveland, The George Gund Foundation, and The U.S. Department of Labor.

Manufacturing Assistance Services

C. Tyler Haines, Vice President, Manufacturing Services
Michael Hoag, Vice President, Redevelopment
Rebecca Kusner, Vice President, Workforce Development

Manufacturing Assistance Services

566 manufacturing companies were served. **1209** individuals were served.

WIRE-Net's manufacturing assistance program is at the core of our mission.

In 2006 WIRE-Net provided 566 manufacturing firms business assistance services through our workforce development, innovation, and redevelopment programs by offering –

- “Outside the Gate” services to promote the ease of doing business in the city, and
- “Inside the Gate” engineering, organization development, human resource services and support, lean manufacturing, and new market development opportunities.

2006 Service Impact and Company Engagement

Manufacturing Outreach and Service Delivery		2004 Year End	2005 Year End	2006 Year End
Outreach	Plant Visits	417	376	834
Services Delivered to Manufacturing Companies	“Outside the Gate” Building/Zoning/Permits and related services	30	54	63
	“Inside the Gate” Manufacturing and Business Services, Internal Audit Training, Productivity, Finance	169	162	161
	Youth and Adult Employment Services	55	61	74
Total		254	277	298
Companies and Individuals Served			2005 Year End	2006 Year End
Number of Unique Manufacturing Companies Served			413	566
Number of Individuals Served: students, job seekers, company and business leaders.			830	1209

One of WIRE-Net's goals is to reduce isolation among the leaders of smaller manufacturing businesses through enhanced learning opportunities and networking programs. In 2006, business leaders from 149 manufacturing firms participated in a variety of learning programs including:

- 2006 Innovation Celebration featuring IDEO General Manager and master innovator, Tom Kelley, who set out to convince over 225 business leaders that success is bred by individuals in companies that encourage ways to foster new ideas and originality;
- Christopher Celeste and Mitch Kroll of Findaway Ventures who proved how the seed of an idea can germinate and transform the way people learn by creating Playaway, the first self-playing digital audio book;
- Human Resource, Emergency Preparedness, and CFO Roundtables which offered manufacturing leaders solutions ranging from reducing workers' comp claims and controlling health care costs, to strategies to access workforce training dollars, and ways to prepare for a major disruption in daily operations;
- Customized ISO and Quality Training which, for 10 manufacturing firms, de-mystified the ISO audit process.



redevelopment

“WIRE-Net is working to secure \$10 million in new investment for infrastructure projects over the next 2 years. Our advocacy helped position Bellaire Road (between West 117th and West 130th) to receive \$3.1 million in new infrastructure funding.”

Mike Hoag
Vice President, Redevelopment

Redevelopment Program

Michael Hoag, Vice President, Redevelopment

Tel: 216.588.1440, ext. 108

Email: mhoag@wire-net.org

WIRE-Net's Redevelopment program was funded by individual, corporate, foundation, and government supporters including: WIRE-Net members companies, The BP Fund, The Cleveland Foundation, the City of Cleveland and Cleveland City Council members: Dona Brady, Kevin Kelley, and Jay Westbrook.

WIRE-Net is an active partner in and advocate for a citywide industrial land assembly strategy for the City of Cleveland. WIRE-Net has a goal of identifying 3-5 vacant and underutilized industrial sites for either short-term redevelopment opportunity (1-2 years) and/or inclusion in the City's Industrial Land Bank program for future redevelopment (3-5 years).

Closing the Book on Walworth Run

2006 marked the official end of WIRE-Net's efforts to redevelop the Walworth Run Industrial Park.

A shift in community priorities in late 2005 led to WIRE-Net's decision to sell the remaining acreage to the Cleveland Municipal School District. While we did not realize our initial objectives completely, WIRE-Net is proud that in the end we have been able to successfully remediate a site that accommodates both industrial activity and the community's need for a state-of-the-art educational facility.

Some of the elements of success drawn from this project include:

- WIRE-Net successfully recycled a community brownfield site (including issuance of a Covenant Not To Sue from OEPA) resulting in a return to productive use for the community.
- WIRE-Net completed a project resulting in development of **2.7** acres for expansion/relocation of a local manufacturing enterprise. B & R Machine built a new **\$1million** production facility on the site retaining **18** jobs in 1999 without use of any public subsidy. As of January 2006 the company reported **25** employees with plans for new hires in future months.
- WIRE-Net recovered its initial investments in the project site and has set aside a portion of these funds for future redevelopment efforts within the City of Cleveland.

Current Investment Opportunities

Efforts in 2006 helped position the City of Cleveland to acquire the **21** acre former Midland Steel property to help fill a gap in the supply of ready-to-build industrial land in Cleveland. WIRE-Net's role in the project is to create a model project by integrating environmental design principles and sustainability goals based upon LEED and Energy Star standards into the master plan for the site.

The Trinity site, former home to Monarch Aluminum, has long been a neighborhood eyesore. Working with community and city leaders, WIRE-Net and Cudell Improvement, Inc. teamed up to organize a celebration

event in October to begin building demolition, paving the way for **5** additional acres for industrial redevelopment on Cleveland's west side.





"We're capable of competing with any steel company in the world. It's competing with another government that's the problem."

Dan DiMicco
Vice Chairman, President and
CEO of Nucor Corporation

NEOCAM

John P. Colm, WIRE-Net President, NEOCAM Secretary-Treasurer
Tel: 216.588.1440, ext. 105
Email: jcolm@wire-net.org

NEOCAM, WIRE-Net's advocacy effort supports smart public policies that strengthen NE Ohio's manufacturing base and stimulate growth. Established in 2004, the Northeast Ohio Campaign for American Manufacturing is a non-partisan coalition representing nine manufacturing, trade and civic groups with over 900 northeast Ohio manufacturing firms and 90,000 employees. In 2006 over 180 business leaders and coalition members held joint policy discussions with policymakers and influencers on a range of issues:

- Gubernatorial candidates Bryan Flannery, Jim Petro, and Ted Strickland discussed their strategies for stimulating Ohio's economy and mobilizing the state's workforce (former Lt. Governor Ken Blackwell declined his invitation to meet with us).
- Charlie Blum, President, International Advisory Services Group, Ltd., Advisor to the Metals Service Center Institute, and Executive Committee Member of the China Currency Coalition presented his "inside the beltway" report to NE Ohio manufacturers on the U.S. - China Economic Equation and the political and business ramifications of current legislative activity.
- Ryan Augsberger, Ohio's Manufacturers Association, discussed the impact on manufacturers of Ohio's Commercial Activity Tax adopted in June 2005 to broaden Ohio's tax base and reduce the tax burden on the businesses that pay personal property and franchise taxes.
- Alan Tonelson, Research Fellow at US Business and Industry Council (USBIC) and author of *The Race to the Bottom*; William Hawkins, Senior Fellow, USBIC; and Kevin Kearns, President USBIC, discussed the connections between current U.S. trade policy and the future of U.S. based manufacturing at a special event at the Cleveland City Club presented with the US Business & Industry Council (USBIC).
- Dan DiMicco, Vice Chairman, President and CEO of Nucor Corporation launched NEOCAM's speaker series, *Perspectives on American Manufacturing*, by discussing the global rules, trade practices, tax, and regulatory policies that pose challenges to U.S. manufacturing.
- Richard Stuebi, BP Fellow for Energy and Environmental Advancement at the Cleveland Foundation presented the case for NE Ohio manufacturing firms to enter fast-growing markets in wind, solar, fuel cells, biofuels, and clean coal.
- WIRE-Net, the City of Cleveland, the City of Brook Park, and Bellaire-Puritas Development Corporation sponsored a public meeting on the W. 150th Street Reconstruction (from Brookpark Road to Industrial Parkway) and Sanitary Sewer Addition/Extension (South of I-480 in the City of Brook Park). Randall DeVaul, Commissioner of Division of Engineering and Construction, City of Cleveland and Vince Adamus, Commissioner of Economic Development, City of Brook Park sought input from manufacturing company leaders on the project scope and the planned improvements.
- Our past work with Cleveland City Council members Dona Brady and Jay Westbrook, WEBCO, the Cuyahoga County Engineer's Office and the Cleveland Department of Economic Development and Division of Engineering paid off. The orange barrels along Berea Road and Jennings Road attest to our persistence in getting important industrial access roads rebuilt.



BALANCE SHEET at December 31, 2006

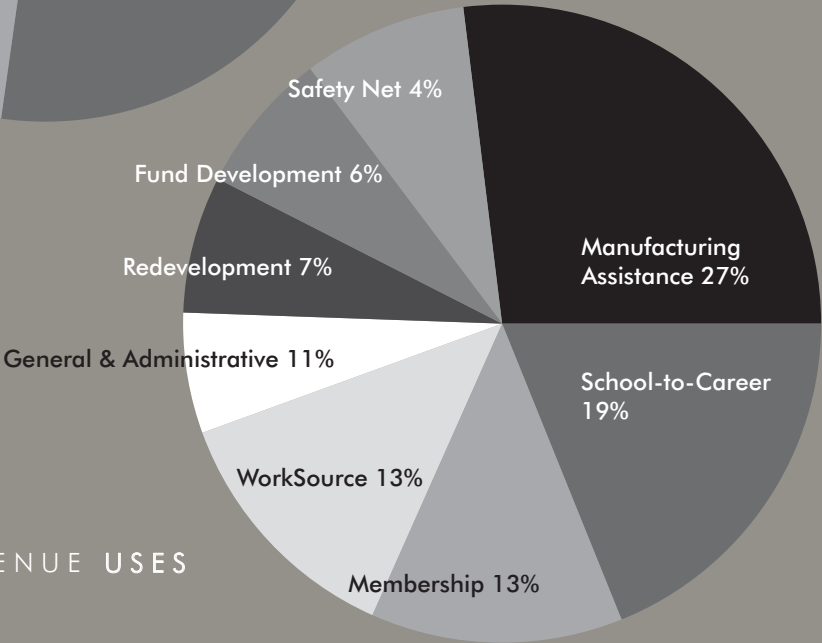
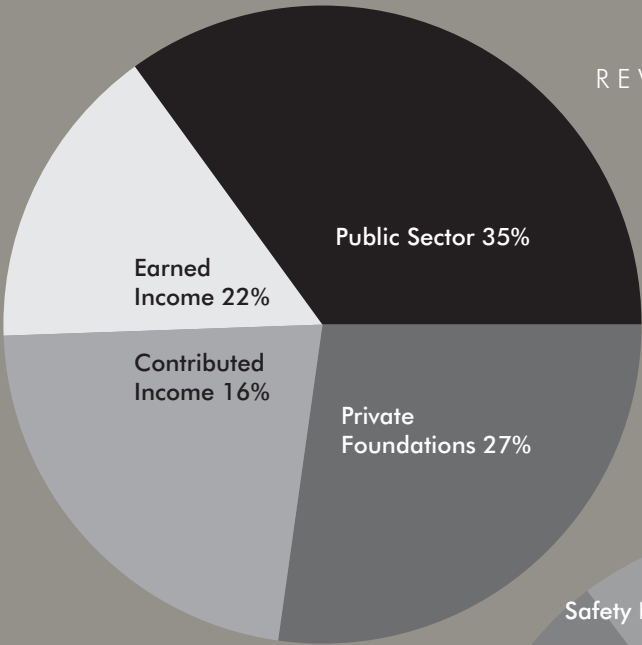
ASSETS

Current Assets	\$ 1,051,793
Furniture, Deposits,	
Equipment Less Depreciation	12,838
Other Assets	6,809
Total Assets	1,071,440

LIABILITIES & EQUITY

Current Liabilities	\$ 22,369
Long-Term Debt	-
Equity	
Fund Balance	1,049,071
Total Liabilities & Equity	1,071,440

Unaudited: Prepared from the books and records of WIRE-Net





2006 WIRE-Net BOARD OF DIRECTORS

Gordon L. Barr
Chairman of the Board
Co- Chairman, NEOCAM
President, NewKor, Incorporated

Gregory D. Tilton
Vice Chairman of the Board
Chair, Personnel Committee
Sr. Vice President of Operations, U.S. Cotton L.L.C.

Alexander E. Brazynetz
Secretary
Chair, Redevelopment Committee
Director, Stockyard Redevelopment Organization

Robert Armstrong
Treasurer
Chair, Finance Committee
CFO, Equipment Merchants International

Patrick J. Bush
Immediate Past Board Chairman
President, Bush, Incorporated

Peter Accorti
Co-Chairman, NEOCAM
President, Talan Products, Incorporated

Scott E. Bogard
Associate, Corporate Planning & Development, Eaton Corporation

Anita Brindza
Executive Director, Cudell Improvement, Incorporated

John P. Colm
President & Executive Director, WIRE-Net

Chad Dasher
Executive Director, Westtown Community Development Corporation

Donald G. Dzurec
Chair, Redevelopment Committee
Vice President, Dairymens

Bryan Gillooly
Executive Director, Bellaire-Puritas Development Corporation

Susan Hecht-Remer
Midwest Box Company/Walford Industrial Park

Ned Hill, PhD.
Vice President, Economic Development
Cleveland State University - College of Urban Affairs

Robert T. Miller
Chair, Membership Committee
Senior Vice President, Ohio Displays, Incorporated

Jeffrey Ramsey
Executive Director, Detroit Shoreway Community Development
Organization

Jack Schron, Jr.
CEO, Jergens, Incorporated

Thomas Schumann
Chair, Manufacturing, Employment & Training Committee
General Manager, E. C. Kitzel & Sons, Inc.

Rolland B. Standish
H. & J. Certified Public Accountants, Incorporated

Renee L. Vittardi
Chair, Fund Development Committee
President, JRN Group, Incorporated

Leslie A. Yerkes
Chair, Governance Committee
President, Catalyst Consulting Group, Incorporated

STAFF

John P. Colm, President & Executive Director

Jacki Adams
J. Matthew Garran
C. Tyler Haines
Michael Hoag
Pamela Holmes
Rebecca Kusner
Annette May
Michael McDonald
Derrick Parks
Mari-Elen Sammon
Anne Schaum
Sharon Steinbrenner
Erica Torres-Dudziak
John Tubbs
Mary Alice Valvoda
Jessica Walker

WIRE-Net