



forward
wisconsin

JERRY LUTERMAN



forward
thinking

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Annual Report 2006

*Marketing outside Wisconsin to attract new businesses,
jobs and increased economic activity to Wisconsin*



ForwardWI.com

Dear Friends:

As governor, I am committed to keeping our economy thriving so that we not only create good, family-supporting jobs for our citizens, but we also maintain our place in the global market. To do this, we must nurture innovation and keep strong business here in Wisconsin.

Business retention is the number one priority of Wisconsin's economic development strategy, since more than 80 percent of the jobs created in the state will come from the companies that currently call Wisconsin home. We need to continue partnering with businesses to increase productivity, adopt new technology, and incorporate innovation into all aspects of their business. Ensuring Wisconsin businesses have the tools to be profitable will spur their growth, and keep our economy strong.

Wisconsin is the Core of Discovery and Wisconsinites are by nature entrepreneurial and individualistic. "Growing our own," or organic business growth, is an incredibly effective job creation model and we have the means to integrate it into our economic development strategy. We must continue our commitment to support entrepreneurial ideas, concepts, and start-up businesses through business planning assistance, creating more financing opportunities, and building the necessary infrastructure and facilities.

Just as important as nurturing current innovation is the ongoing attraction of outside investment. Wisconsin's economic development strategy cannot end at the state border. Just as a wise investor maintains a diverse investment portfolio, it is vital for Wisconsin's economic development strategy to include investments in business recruitment, marketing and attraction.

That's why we've created Forward Wisconsin, the state's seller and marketer for attracting new business investment and jobs. The program markets Wisconsin's business advantages, from direct business costs, to strong infrastructure, to quality of life. This is a critically important role because it brings new investment into Wisconsin's economy and promotes a positive image of our state.

Everyone knows Wisconsin is not a hard sell, but we still have work to do. We need to continue reminding the rest of the country of the positive business climate we've worked so hard to create here. And keeping Wisconsin a great place to live, work, and do business also relies on your support. We encourage you to join us in presenting our positive and promising atmosphere to keep our businesses flourishing. We look forward to working with you to keep Wisconsin growing.

Thank you for your support.



Governor Jim Doyle



Pepi Randolph



Governor Jim Doyle
Chairman



Pepi Randolph
President



JERRY LUTERMAN

“FORWARD” IS MORE THAN JUST OUR STATE’S MOTTO

Forward Wisconsin is a 501(c) (3) nonprofit, non-stock corporation that markets the state as a great place to do business. Created in 1984, our organization is the nation’s first and longest-running statewide public-private business marketing group. Governor Doyle is chairman of our board of directors that includes public and private sectors leaders. We have an executive committee and president that run the day-to-day organizational operations with five staff people that keep three offices up-and-running: Madison, Eau Claire and Pewaukee. Forward Wisconsin relies on support from more than 60 private sector investors and additional funding from the State of Wisconsin. We market the state’s business climate by targeting people who make or influence business expansion and investment decisions.

ACTIVITY REPORT

“WE WANT IT NOW . . . OR SOONER” INSTANT INFORMATION DRIVES INTERNET MARKETING

ForwardWI.com is increasingly more important every day as business decision makers want information instantly. ForwardWI.com has become more interactive and data-rich over the past year with the addition of rich-media technology, video footage and enhanced industry cluster and quality-of-life information. Traffic to ForwardWI.com has increased about 40 percent during the past year.

The Wisconsin available-building and site database – driven by LocationOne Information System (LOIS) software – is now fully implemented and integrated into ForwardWI.com and Commerce.WI.gov. The database is thriving with about 2,200 available buildings and 800 available sites listed, as well as over 170 LOIS Administrators or local officials trained from across the state. The LOIS Administrators have passwords and enter community, demographic, and property data into the system for more than 1,100 Wisconsin communities.

Continued financial support for the Wisconsin available-building and site database is being provided by Commerce and many of the state’s electric utilities and cooperatives. An agreement was made with a Wisconsin commercial real estate data exchange, named PropertyDrive, which supplements the Wisconsin available-building and site database on an ongoing basis. This partnership has boosted listings by over 500 properties.

Any community in Wisconsin can utilize the Wisconsin available-building and site database – at no cost – as its single point of data entry for community and available building and site information. To get started on LOIS, community representatives must attend a two-hour free training session to learn the system and obtain a password to gain access.

“HIRED GUNS” IMPORTANCE GROWING IN SITE SELECTION

Site selection consultants, real estate brokers and private developers are being tapped more and more by large and medium-sized companies to work with them on their business location process. Knowing these individuals, and creating continuous and positive relationships

with them, is important for the attraction of business investment to Wisconsin.

CoreNet Global, the Corporate Real Estate Network, is the leading association for business location decision-makers from the real estate, consulting and business world. Forward Wisconsin is a CoreNet Global associate member, which provides us the opportunity to participate in the association’s functions. The group’s largest and most heavily attended events each year are its two Global Summits.

Las Vegas was the location for the CoreNet Global Fall Summit held on October 23-25, 2005. Forward Wisconsin President Pepi Randolph and Business Development Director Jan Alf attended the conference that featured speaker Clyde Fessler, former vice president of business development for Harley-Davidson Motor Company, and founder of the Harley Owners Group (HOG).



The CoreNet Global Spring Summit took its agenda to the “City of Brotherly Love” on April 23-25, 2006. The Forward team again traveled to the Summit in Philadelphia. Both events drew over 1,500 attendees. Forward Wisconsin’s participation included one-on-one dinners and lunches with select site selection consultants, attendance of educational sessions and a networking presence at social functions. The conference was productive, yielding several new contacts that were later mailed Wisconsin business information.

Two additional marketing initiatives focused on reaching site selection consultants during the year. On June 13,

Pepi Randolph traveled to downtown Minneapolis and participated in a "Showcasing the Chippewa Valley" luncheon sponsored by Momentum Chippewa Valley and several of its partner organizations. Minnesota real estate brokers and site selection consultants attended the program and Pepi was one of the featured speakers. In May 2006, Forward Wisconsin began distributing an e-newsletter titled "Site Selector News Brief" to over 1500 real estate related professionals. The Brief will continue to be distributed every other month and it will highlight positive Wisconsin business news and government issues.

state's marketing initiative was the largest ever undertaken to attract business and investment to the state. It featured a total budget of nearly \$300,000, over 200 Wisconsin representatives, and 50 sponsoring and participating organizations.

Wisconsin's 1,600-square-foot exhibit pavilion area included a "Discovery Theater" featuring 16 Wisconsin organizations doing presentations. An invitation-only Wisconsin reception took place on April 10 for 100 national and international biotechnology company executives in downtown Chicago. BIO 2006 set records in attendance (19,479) and countries represented (62) with nearly one-third of the attendees from other countries.



Plastics are Wisconsin's fourth-largest industry and one that Forward Wisconsin has focused on promoting for over 20 years. Our geography provides a strong advantage to plastics firms, and those that partner with them and supply them. Our state is at the center of the Great Lakes region, a region with more plastics processing and plants than any other part of the country. Wisconsin is in the top 10 states in terms of plastics employment, number of plastics-processing machines installed and value of plastics shipments.

THE "CLUSTERS" OF BIO AND PLASTICS

Forward Wisconsin, in addition to its general marketing activities, pursued the promotion of two industry clusters this past year: biotechnology and plastics. A cluster-based economic growth strategy is about focusing investment and energy on the industries where Wisconsin has a potential/emerging advantage (like biotech) or a competitive advantage (like plastics) over other places.

Forward Wisconsin has regularly gathered a Bioscience Marketing Advisory Committee, made up of a variety of business, government, association and education leaders that work to market Wisconsin's biotechnology industry cluster. While this effort has gone on since 1999, 2006 proved to be a very successful year for promoting the biotechnology cluster.

The biotechnology event that drives most of the state's external marketing efforts is the annual BIO conference – the world's largest industry convention. It is unlike any trade show in the traditional sense with economic development organizations and firms primarily exhibiting in state, region and country pavilions, all vying for biotechnology investment, technology, businesses, partnerships and jobs. Forward Wisconsin again played a key overall role in organizing and coordinating the Wisconsin exhibit pavilion at BIO 2006.

BIO 2006 was held in Chicago from April 9-12, 2006, and the Midwest location generated Wisconsin's most successful effort yet at a BIO conference. The

On June 19-23, 2006, Forward Wisconsin joined 50 Wisconsin plastics-related businesses in exhibiting at Chicago's McCormick Place for the National Plastic Exposition (NPE). NPE 2006 was the largest international plastics show of the year with over 2000 companies exhibiting, one-third of them coming from outside the U.S. Forward Wisconsin's presence included a 20-foot trade show booth, staffed by several volunteer economic development professionals from across the state. While at NPE 2006, our group called on the businesses represented on the trade show floor to inquire as to whether they had expansion plans. In addition, all Wisconsin companies represented at the show were visited and thanked for their investment in the state.

TWIN CITIES, WINDY CITY AND A "MINI"

Marketing missions are intense, 12-week projects that utilize the selection of a geographic or industry target(s), direct mail letters from Governor Doyle to corporate executives, telemarketing to gain appointments, and face-to-face appointments. Follow-up can go on for more than a year with CEOs that have an interest in expansion to Wisconsin.

The Twin Cities area was the geographic target for the fall 2005 marketing mission that took place October 11-13, 2005. Twelve economic development officials from western and northwestern Wisconsin pitched in to talk with over 50 CEOs about the advantages of doing business in Wisconsin. Over 3,100 letters were sent to generate 22 prospects, five leads and four visits with

headquarter firms – companies that are headquartered in Minnesota but have operations in Wisconsin.

The 2006 Chicago Area Marketing Mission was held May 16-18, 2006 and featured a new twist: meeting with foreign consulates and trade commissions. Eleven economic development professionals from across the state conducted 35 CEO appointments and nine meetings with foreign representatives. Over 3,000 letters were mailed to generate over a dozen prospects, several leads and three visits with headquarter businesses.

Forward Wisconsin conducts mini-marketing missions when a trade show, conference or special event brings our staff to parts of the country that appear to be good marketing targets for business recruitment. Prior to traveling to Philadelphia for the CoreNet Global Spring Summit, Forward Wisconsin mailed 500 “governor” letters to biotech, chemical and pharmaceutical company CEOs in the Philly area that generated three appointments. The meetings were conducted by Pepi and Jan on April 20, 2006.

“SPECIAL” EVENT MARKETING

Business entertainment and special events are important aspects in any economic development marketing program and when provided with the opportunity, we utilize these events to build relationships with targeted audiences, like existing/potential investors, and business prospects.

The first major event of our fiscal year was the U.S. Bank Championship Centennial Business Recognition program on July 22, 2005. We Energies sponsored the program that allowed the Forward Wisconsin Board of Directors and Governor Doyle to recognize Wisconsin manufacturing-related firms that have operated in the state for 100 years. Governor Doyle presented plaques to representatives from the firms in the morning and guests were then encouraged to watch the pros in the second round of the PGA event at the Brown Deer Park Golf Course.

AirVenture Convention at Oshkosh’s Wittman Regional Airport. Our involvement also included visitation calls to select companies and to pursue overall exposure to the business audience within the more than 800,000 people that attended.

GETTING THE WORD OUT TO MEDIA AND BUSINESS AUDIENCES

With the high cost of paid advertising, Forward Wisconsin dedicates its resources to producing marketing pieces for cluster industries and distributing communications to generate positive news media.

Forward Wisconsin, Commerce, RS&K, Velocity Systems and several other partners worked together on assembling four marketing pieces to promote the biotechnology cluster this year. The four promotional items included a 10-minute DVD that features top leaders in the industry giving their positive perspective on Wisconsin’s biotechnology industry; a directory that lists nearly 250 Wisconsin biotech and related businesses; a Wisconsin biotech marketing brochure that highlights the industry’s strengths; and the Wisconsin Association for Biomedical Research and Education (WABRE) Bioscience Wisconsin 2006 Report on CD-ROM. For the marketing of the state’s plastic cluster, Forward Wisconsin produced a directory that lists over 750 plastics and related businesses.



Forward Wisconsin distributes two e-publications to over 1,000 economic development professionals, investors, board members, partners, business executives, government leaders and legislators. The Forward Wisconsin Flash e-newsletter is distributed monthly and includes articles on our activities, as well as a commentary from our president. On a quarterly basis, Wisconsin’s Growing details business expansions that take place in the state.

Forward Wisconsin news releases generated over a 100 stories during the past year and guest columns from our president, done about every three to four months, continue to be popular and picked up regularly by Wisconsin newspaper and e-news services.

For one week every summer, Oshkosh is the center of the universe for the aviation industry. On July 25-31, 2005, Forward Wisconsin worked in partnership with area economic development and tourism groups to help staff an exhibit booth at the 53rd annual EAA





OUR VALUED LIST OF SUPPORTERS

Chairman's Level (\$50,000 and over)

State of Wisconsin We Energies

President's Level (\$20,000 to \$49,999)

AT&T Marshfield Clinic Wisconsin Public Service Corp
Alliant Energy UW Hospital & Clinics Xcel Energy
M&I Bank

Leadership Level (\$10,000 to \$19,999)

The American Center Guardian Pipeline U.S. Bank
American Transmission Company Madison Gas & Electric Verizon
Chase Major League Baseball Wausau Insurance Companies
Dairyland Power Cooperative Quarles & Brady

Investor Level (\$5,000 to \$9,999)

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Midwest Airlines Virchow, Krause & Company

Partner Level (\$1,000 to \$4,999)

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Aurora Health Godfrey & Kahn Gratz, Miller & Brueggeman
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Associate Level (Up to \$999)

C.G. Bretting Manufacturing SSI Technologies Wisconsin Economic
CUNA Mutual Group UW-Madison Office of Development Association
Durand Builders Service Corporate Relations Wisconsin Manufacturers
Forward Janesville University Research Park & Commerce
Kenosha News Wisconsin Alumni Wisconsin Technology Council
Kwik Trip Research Foundation WOW Logistics
MMAC Wisconsin Biotechnology &
Saint Croix Ventures Medical Device Association



Forward Wisconsin wishes to thank all our partners and friends that provided financial resources, in-kind services, time, energy and marketing-event support throughout the year. We appreciate everything you do for us and value your contributions.

Chairman
Governor Jim Doyle

Vice Chair
Jerry Franke
President
WISPARK LLC

Treasurer
Scott Lockard
Senior Vice President
U.S. Bank

Secretary
Jeff Kapp
Vice President of Operations
Wausau Insurance Companies

Forward Wisconsin Inc.

Statements of Financial Position

June 30, 2006 and 2005

Assets	2006	2005
Current assets:		
Cash and cash equivalents	\$ 58,701	\$ 13,643
Certificates of deposit	164,401	258,160
Grants receivable	55,000	0
Contributions receivable	46,000	0
Other assets	11,590	9,522
Total current assets	335,692	281,325
Property and equipment	206,996	201,655
Accumulated depreciation	(155,604)	(132,813)
Property and equipment, net	51,392	68,842
TOTAL ASSETS	\$387,084	\$350,167
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$27,504	\$24,980
Accrued payroll and related expenses	58,424	56,025
Total current liabilities	85,928	81,005
Unrestricted net assets	301,156	269,162
TOTAL LIABILITIES AND NET ASSETS	\$387,084	\$350,167

William L. Berg
President and CEO
Dairyland Power Cooperative

Mary Burke
Secretary
Department of Commerce

Dan Clancy
President
Wisconsin Technical
College System

Kristen Cogswell
Director - External Affairs
AT&T

Representative
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José M. Delgado
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Mark Ehrmann
Partner
Quarles & Brady

Roberta Gassman
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Department of
Workforce Development

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Kevin Heppner
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Senator Jeff Plale
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Kevin Reilly
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Representative Kitty Rhoades
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MMAC

Senator Cathy Stepp
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Barbara Swan
Executive Vice President
& General Counsel
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