

LaBIC Board Meeting Minutes

December 9, 2015

11:00 – 1:30 pm

Baton Rouge, Louisiana

Chairman Rusovich called the meeting to order.

Rebecca Normand called the roll. The following committee members were in attendance:

1. Steven Grissom
2. Greg Rusovich
3. Sherri LeBas, represented by Phil Jones
4. Mike Strain, represented by Renee Simon
5. Steve Windham
6. Brad Terral
7. Dominik Knoll
8. Don Sanders
9. Gary LaGrange
10. Jay Hardman
11. John Fay
12. Rick Ranson
13. Robert Scafidel
14. Sandy Sanders

The following board members were absent:

1. Chett Chiasson
2. Dan Feibus
3. John Manno
4. Marion Fox
5. Michael Tranatino
6. Randy Robb
7. Walter Sanchez

A quorum was declared.

Chairman Rusovich thanked Don Sanders and Orion Instruments for sponsoring the meeting.

Don Sanders spoke briefly about Orion's success in the international arena. He explained that 65% of Orion's sales from USA are exported to places such as Southeast Asia, Russia, South America, etc. Their 140 person staff in Baton Rouge speaks seven languages. The board was invited to come by and see the facility. They partner with the local university to help with staffing and employ engineers to welders, and everything in between. When it was time for Orion to expand, they had offers from other states but made the decision to locate permanently in Baton Rouge. LED was instrumental during this process and delivered on all the promises that were made. That's why they are in Louisiana.

Recently Orion met with a delegation of automotive suppliers, arranged by LED. Orion's staff were instrumental in conveying the Louisiana Advantage message to these companies.

Chairman Greg Rusovich called the board's attention to the minutes from the last meeting. Steven Windham made a motion "to approve the minutes of the 8th board meetings as submitted." The motion was seconded by John Fay. Hearing no discussion, a vote was taken and the motion passed unanimously.

Secretary Grissom provided opening comments and began by thanking the board for their participation. The state has had a lot of success over the past eight years. While the Department is in a transition period, the board was assured that the activity on the international front would continue as there are a host of companies actively looking at Louisiana. LED is helping these companies understand the value proposition.

Secretary Grissom pointed to the overall progress of the state as indicated by the improvement in business climate over the past eight years. Louisiana now ranks in the top 10 in 5 national business rankings. Recently the US Chamber named Louisiana as the number one state for transportation and trade. These rankings help all of us.

Secretary Grissom also recognized FastStart for their incredible contributions to improving the economic wellbeing of the state. Louisiana ranks second in job growth among southern states. We are seeing the impact of the decline of the price of a barrel of oil

Chairman Rusovich thanked Secretary Grissom for his leadership and provided comments on the history of LaBIC and the great progress that has been made in a relatively short period of time. Having our international activity monitored and tracked against results measures is something that had not previously happened in Louisiana. We now have International Representatives around the globe which are being closely monitored and where they are not succeeding, action has been taken. OIC is traveling around the world in a targeted manner and the governor and his team are traveling as well. We have a good foundation for even more growth. The board was thanked for the global mentorship.

Secretary Grissom noted that these successes have been included in a binder that has been put together for the transition team, so a succession plan is in place for the new administration.

Kathe Falls provided an OIC update. Information on global trends in FDI were provided. A summary of each international activity and their results were provided and plans for the next quarter were discussed. Secretary Grissom noted that the conversion number was good. Kathe mentioned that her PowerPoint presentation was available to LaBIC board members upon request.

Dominik Knoll mentioned his support of LED's participation in Hannover Messe and Select USA.

Steve Windham provided a summary of the Department of Culture, Recreation and Tourism's trips abroad to promote tax free shopping in Louisiana. He explained that tourism is an export of our state. Louisiana will host the International Pow Wow, June 18 – 22, 2016 in New Orleans. Many international delegations will attend the event including a delegation from China. The Port of New Orleans mentioned that they are hosting some of the delegations at the port.

Steven Windham also reported that 75 international tour operators attended Travel South. The State was able to increase awareness about tourism opportunities at this event.

The correlations between tourism and business was acknowledged and the importance of international flights was noted. Through Copa, Louisiana is now connected with 50

designations. New Orleans has been diligent in their efforts to attract flights to/from Europe. Also noted was the cruise industry's alignment with tourism.

Chairman Rusovich then opened the floor for nominations for open leadership positions in LaBIC.

Rick Ranson entered a motion "to nominate Don Sanders for the position of Vice Chairman, LaBIC effective December 9, 2015". The motion was seconded by Gary LaGrange. Chairman Rusovich asked for additional nominees. Hearing none, Steve Windham made "a motion to close nominations for the position of Vice Chairman, LaBIC." Jay Hardman seconded the motion. Individual votes were taken:

Steven Grissom - yes
Greg Rusovich - yes
Sherri LeBas, represented by Phil Jones - yes
Mike Strain, represented by Renee Simon - yes
Steve Windham - yes
Brad Terral - yes
Dominik Knoll - yes
Don Sanders - yes
Gary LaGrange - yes
Jay Hardman - yes
John Fay - yes
Rick Ranson - yes
Robert Scafidel - yes
Sandy Sanders – yes

The motion passed and Don Sanders was congratulated on the new position.

Rick Ranson entered a motion "to nominate Jay Hardman for the position of Secretary, LaBIC effective December 9, 2015". The motion was seconded by Gary LaGrange. Chairman Rusovich asked for additional nominees. Hearing none, Steve Windham made "a motion to close nominations for the position of Secretary, LaBIC." Robert Scafidel seconded the motion. Individual votes were taken:

Steven Grissom - yes
Greg Rusovich - yes
Sherri LeBas, represented by Phil Jones - yes
Mike Strain, represented by Renee Simon - yes
Steve Windham - yes
Brad Terral - yes
Dominik Knoll - yes
Don Sanders - yes
Gary LaGrange - yes
Jay Hardman - yes
John Fay - yes
Rick Ranson - yes
Robert Scafidel - yes
Sandy Sanders – yes

The motion passed and Jay Hardman was congratulated on the new position.

Rick Ranson entered a motion “to nominate Dominik Knoll for the position of Vice Chairman, Global Insights Subcommittee effective December 9, 2015”. The motion was seconded by Gary LaGrange. Chairman Rusovich asked for additional nominees. Hearing none, Steve Windham made “a motion to close nominations for the position of Vice Chairman, Global Insights Subcommittee.” Jay Hardman seconded the motion. Individual votes were taken:

Steven Grissom - yes
Greg Rusovich - yes
Sherri LeBas, represented by Phil Jones - yes
Mike Strain, represented by Renee Simon - yes
Steve Windham - yes
Brad Terral - yes
Dominik Knoll - yes
Don Sanders - yes
Gary LaGrange - yes
Jay Hardman - yes
John Fay - yes
Rick Ranson - yes
Robert Scafidel - yes
Sandy Sanders – yes

The motion passed and Dominik Knoll was congratulated on the new position.

Rick Ranson entered a motion “to nominate Randy Robb for the position of Vice Chairman, LaBIC Review Subcommittee effective December 9, 2015”. The motion was seconded by Gary LaGrange. Chairman Rusovich asked for additional nominees. Hearing none, Steve Windham made “a motion to close nominations for the position of Vice Chairman, LaBIC Review Subcommittee.” Jay Hardman seconded the motion. Individual votes were taken:

Steven Grissom - yes
Greg Rusovich - yes
Sherri LeBas, represented by Phil Jones - yes
Mike Strain, represented by Renee Simon - yes
Steve Windham - yes
Brad Terral - yes
Dominik Knoll - yes
Don Sanders - yes
Gary LaGrange - yes
Jay Hardman - yes
John Fay - yes
Rick Ranson - yes
Robert Scafidel - yes
Sandy Sanders – yes

The motion passed.

Rick Ranson entered a motion “to nominate Jay Hardman for the position of Vice Chairman, International Trade Subcommittee effective December 9, 2015”. The motion was seconded by Robert Scafidel. Chairman Rusovich asked for additional nominees. Hearing none, Steve

Windham made “a motion to close nominations for the position of Vice Chairman, International Trade Subcommittee.” John Fay seconded the motion. Individual votes were taken:

Steven Grissom - yes
Greg Rusovich - yes
Sherri LeBas, represented by Phil Jones - yes
Mike Strain, represented by Renee Simon - yes
Steve Windham - yes
Brad Terral - yes
Dominik Knoll - yes
Don Sanders - yes
Gary LaGrange - yes
Jay Hardman - yes
John Fay - yes
Rick Ranson - yes
Robert Scafidel - yes
Sandy Sanders – yes

The motion passed and Jay Hardman was congratulated on the new position.

Kathe was asked to send the board contact information on the board members.

Rick Ranson announced that the LaBIC Review subcommittee was not meeting today as the subcommittee wants to coordinate efforts with the new, yet to be appointed, Secretary of the Office of Multimodal Commerce (OMC). While LaBIC has been working on a scoring system to evaluate and prioritize projects, as required by legislation, the subcommittee’s work is at a critical point where it makes sense to coordinate efforts between LaBIC, the ports priority process and the OMC. The scoring system being developed is based on the AT Kearney proposal.

Phil Jones noted that the committee has complied with the requests. He asked for clarification on how the scoring system will be used and what the applicants will do with their score. It was noted that the legislation requires that LaBIC review and prioritize projects and present this list annually to the Louisiana legislature for their use as a part of the LaBIC annual report. It was further noted that LaBIC does not fund projects but provides a mechanism for legislators to use for their evaluations.

It was noted that LED ensured that this new OMC Commissioner has a seat on the LaBIC board. This is in addition to the Secretary of La DODT position.

Although Secretary LeBas has announced her retirement functional changes are not anticipated. Phil Jones said that a proposal has been made that DOTD have a liaison to LED that will report to the Secretary of La DOTD to assist with transportation needs for investment projects.

It was also noted that La DOTD only fund projects on port property, per legislative requirements.

Chairman Rusovich pointed out that the intent of the legislation creating LaBIC was for the review of major new projects in Louisiana. LaBIC would engage in the review process to determine if the impact on international commerce will be positive or negative.

Chairman Rusovich thanked the board for a great discussion. A motion “to adjourn the board meeting so that the subcommittees could meet” was made by Gary LaGrange. Jay Hardman seconded the motion. The meeting was adjourned.

At 1:15 the LaBIC board reconvened. Chairman Rusovich called the meeting to order. Kathe Falls proceeded with roll call. The following committee members were in attendance:

1. Steven Grissom
2. Greg Rusovich
3. Sherri LeBas, represented by Phil Jones
4. Mike Strain, represented by Renee Simon
5. Steve Windham
6. Brad Terral
7. Dominik Knoll
8. Don Sanders
9. Gary LaGrange
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4. Marion Fox
5. Michael Tranatino
6. Randy Robb
7. Walter Sanchez

A quorum was declared.

Brad Terral gave the International Trade subcommittee report. He reminded the board of the history of how group was developed and its implementation of the Master Plan which focuses on the six deep water ports. It emphasized on value added manufacturing opportunities through bulk cargo.

Sheba Person-Whitley was thanked for her outstanding work in presenting the committee’s report on “Deep Draft Ports of Louisiana, Gateway to the Interior U.S., Gateway to the World.” Chairman Terral noted the sources for international trade data provided and the research on growth opportunities. Obstacles hampering growth include the depth of the deep water ports, the need for dredging, and how the ports interface with rail. It was noted that the U.S. is a safe place for investment but investors are looking to get a return on their investment. Ms. Person was asked to send her presentation to the entire board for their review.

It was further noted that research through Panjavia can provide specific ports of lading and unlading and specific data but the ultimate destination of cargo is not available. This data can help us have a competitive advantage over other states.

It was noted that finished products are typically bulkier than raw materials so value-added manufacturing is highly sought.

The Port of New Orleans noted that they have good relations with the international freight forwarders association.

Chairman Terral was thanked for his report. Global Insights Chairman, Don Sanders was asked for a report from their subcommittee meeting.

Chairman Sanders noted that measurable results are very important. The committee discussed OIC marketing activities from the last quarter and plans for upcoming activities for the next quarter. The subcommittee leveraged the expertise of its members with a look ideas to enhance Louisiana's marketing in Mexico, Central and South America. Chairman Sanders suggested that LED look at Argentina and Venezuela, which are emerging markets as their currency situation gets under control. Colombia presents strong opportunities as well. The strength of the dollar creates challenges.

The committee discussed their experience in leveraging print ads vs. face-to-face meetings. It was widely suggested that culturally face-to-face meetings are more effective. Money is needed for travel to make this a priority.

We need to continue to get Louisiana's name out.

The board was asked to help in pursuing mid-size companies (175 jobs). Opportunities mentioned included companies in the perfume and automotive industries.

Chairman Sanders had Juan Pereira, Global Strategic Planning Manager, Orion Instruments discuss his experience in these markets. Additionally he provided a list of companies in Monterrey, Mexico (Nueva Leon) that for LED to target. William Marshall thanked Juan for the list and pointed that targeted lists such as that which were provided are extremely helpful to OIC.

When asked if the Governor meet with prospects, Secretary Grissom responded that the Governor does meet with prospects and these meetings are very helpful. It was suggested that the next Governor be encouraged to enhance his travel abroad. It took the Governor of Mississippi six trips to Japan to land Nissan as these opportunities don't happen with just one trip.

Discussion ensued around the best way to help the new governor understand the accomplishments of LaBIC. It was decided that the LaBIC board should send a congratulatory letter, listing a few accomplishments. Members were encouraged to continue with their individual outreach.

Chairman Rusovich asked for public comments. Hearing none, in his closing remarks he thanked the board for their participation and the outstanding discussion. Gary LaGrange requested a motion "to adjourn the meeting." Steve Windham seconded the motion. The meeting was adjourned.