

SEPTEMBER 30-OCTOBER 1 DAILY BRIEFING

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Friday, Sept. 30 SHANGHAI – SUWON

6:30 am **Depart hotel**
Transportation provided by Park Hyatt Shanghai Hotel

Governor Rick Snyder
Keith Creagh
Michael Finney
Doug Smith
Therese Thill
Bridget Beckman
Geraldyn Lasher
Mike Shore
Joe Gasper

9:05 am **Depart Shanghai airport, China Eastern 5041**

11:55 am **Governor arrives in Seoul on China Eastern 5041. Met by**
Gyeonggi official, Stacey Kim (interpreter) and Tim Sholander (security).
Delegation escorted to hotel by Province.

1:30 **Arrive at hotel**

Ramada Plaza Suwon Hotel
940 Ingye-dong Paldal-gu,
Suwon City, Gyeonggi-do
Tel: 82 31 230 0001

Eric Shreffler and Tim Sholander will have already checked the Governor in

1:30-4:00 pm **Free time including lunch**

4:00-4:30 pm **Private meeting between Governor Kim and Governor Snyder at**
Ramada Plaza Suwon Hotel. Gift exchange

4:30-5:00 pm **Signing of Gyeonggi/Michigan cooperative agreement between**
Governor Snyder and Governor Kim at Ramada Plaza Suwon,
speeches and photo op. OPEN TO PRESS

We have forwarded a draft agreement to Gyeonggi Province for review.

5:00 – 5:30 pm **Reception at hotel. Governors will greet seated guests at**
unassigned tables. OPEN TO PRESS

Contact for Governor Kim:
Soraya Kim
sorayakim@yahoo.com
(734) 576-2000

Participants: Governor Rick Snyder
 Governor Kim
 Stacey Kim

Michael Finney
Doug Smith
Eric Shreffler
Bridget Beckman
Geraldyn Lasher
Michael Shore
Keith Creagh
Randy Thelen
Maureen Krauss
Robert Ficano
Dave Tyler
Les Alexander, or A123 representative
Korean companies doing business in Michigan
Michigan prospects
Michigan and Korean press

5:30-5:50 pm

Interview with Korean business reporter.

6:00 -6:25 pm

Meeting with W-Scope

W-Scope is a supplier to A123's, and they are currently doing due diligence on a site in MI. W-Scope had previously met with Gov. Granholm in Korea.

Participants:

Governor Rick Snyder
Michael Finney, Pres, MEDC
Doug Smith, Sr VP, MEDC
Eric Shreffler, Director, MEDC
Stacey Kim, Interpreter

Bob Ficano, Wayne County Exec.
Dave Tyler, Director, Wayne County Econ. Dev.
Les Alexander, General Manager, A123 or A123 rep
Brooke Blackwell, Communications, Wayne County

Mr. Won-kun Choi, President & CEO, W-Scope
Mr. Thomas Logan, Special Advisor, Tsunami
Mr. Hideo Ouchi, Director & General Manager of Sales

6:30 – 9:00pm

Dinner meeting with Korean investors in Michigan

A dinner with a mix of prospects, Michigan companies and local economic developers, specifically Lakeshore Advantage, Oakland County and Wayne County to allow more targeted conversation. This dinner will serve as an opportunity for the Governor to meet and interact with Korean companies who have made direct investment in Michigan, or may. As relationship building is perhaps the most important aspect to developing projects with Korean firms, the opportunity for the Governor to thank those companies who have made investments already, and listen to their questions or concerns, will go very far in cementing their ties to Michigan, and may favorably impact the prospects in the room.

Participants:

Governor Rick Snyder
Stacey Kim, Interpreter
Geraldyn Lasher, Governor's Office
Michael Finney, Pres, MEDC
Keith Creagh, Director, Agriculture

Doug Smith, Sr VP, MEDC
Eric Shreffler, Director, MEDC
Bridget Beckman, Manager, MEDC
Michael Shore, Director, MEDC
Randy Thelen, Pres, Lakeshore Advantage
Bob Ficano, Wayne County Executive
Dave Tyler, Director, Wayne County Econ Dev
Les Alexander, General Manager, A123, or an A123 representative
Maureen Krauss, Director, Oakland County

Mr. Jae-Gyung Ham, Vice President, Advanced Automotive Battery
Business Department, Mobile Energy Division. LG Chem
Mr. SeongJoon Kim, Managing Director, Soulbrain
Mr. ChinWook Cho, CEO, Soulbrain
Mr. JG Lee, CEO, SB LiMotive
Mr. Richard Ha, Director of Sales and Marketing NA, SB LiMotive
Mr. Michael Son, Senior Director of Strategic Planning, SB LiMotive
Mr. Tae-Seung Lee, VP, Global Strategic Planning, Mando Corporation
Mr. Moon-Gyu Kong, CEO, GNS
Mr. Joo-ok Chang, *Executive Vice President*, Korea Electric Power
Company (KEPCO)
Mr. Shawn Kim, General Manager, International, Hyundai – Mobis
Mr. Won Kun Choi, CEO of W-Scope
Mr. Thomas Logan, Special advisor, W-Scope
Mr. Hideo Ouchi, Director, Sales and Marketing, W-Scope
Mr. Brent Bradley, VP, Sales & Marketing, Graceland Fruit
Mr. C.B. Kim, President/CEO, Hanwa
Mr. Les Alexander or representative, A123

Introductions and a card exchange will occur at the beginning of the meal. The Governor will welcome the guests and invite them to be seated. Seating cards will be in place. The Governor will make some brief remarks and propose a toast at the beginning of the dinner. After dinner each guest will receive a small gift.

9:30pm **Return to Room**

10:00-11:00 pm **Call home**

Saturday, Oct. 1 **SEOUL- DETROIT**

10:00 - 10:30 am **Samsung transportation arrives at Suwon Ramada to transport party (plus luggage) to Samsung SDI/SB LiMotive headquarters (7 miles away)**

SB LiMotive Co., Ltd. headquarters
428-5, Gongsae-dong, Giheung-gu
Yongin, Gyeonggi-do, Korea
Phone +82-31-210-8114
Email [info-kr\(at\)sblimotive.com](mailto:info-kr(at)sblimotive.com)

Participants: Governor Rick Snyder
Mike Finney, Pres, MEDC

Doug Smith, Sr VP, MEDC
Eric Shreffler, Director, MEDC
Bridget Beckman, Manager, MEDC
Keith Creagh, Mich. Dept. of Ag & Rural Development

Mr.J.G. (Jingun) Lee, CEO, SB LiMotive

Agenda:

10:00~10:30	move to SBL from hotel
10:30~10:50	greeting and introduction of company and facilities
10:50~11:50	facilities tour including engineering and pilot production line.
11:50~12:00	wrap up
12:00~13:00	lunch in restaurant (on-site)
13:00~14:30	arrival in Incheon airport

Learn about SB LiMotive's plans for potential plant expansion in North America, tour pilot production facility, and reiterate the state's support for a MI-based operation

Tour of facilities including engineering, R&D, and pilot production line (samples are being made in high volume for several customers right now so the Governor would be able to see a battery production line in operation; this same line would be scaled up in a potential MI facility)

1:00 pm **Depart for airport from Samsung (transportation provided by Samsung)**

1:30 - 2:00 pm: **Arrive at Incheon airport**

Participants:

Governor Rick Snyder
Geraldyn Lasher
Michael Finney
Doug Smith
Eric Shreffler
Keith Creagh
Bridget Beckman
Mike Shore
Joe Gasper
Tim Sholander

5:20 pm **Depart Seoul on Delta 158**

5:25 pm (EST) **Arrive in Detroit**

Gyeonggi Province Event

September 29, 2011

EVENT

ORGANIZER/POC:

Therese Thill

TIME:

4:00 – 6:30 pm

LOCATION:

Function Room, Ramada Plaza Suwon

PURPOSE:

This event is the result of discussions between Governor Kim and Governor Snyder when they met in Michigan on April 21. As both the Province and State are dedicated to driving economic development through innovation, entrepreneurship and technology, there is the great potential for bi-directional direct investment, technology transfer, partnerships, and other areas of mutual interest. The signing of the MOU signifies a commitment to explore these opportunities jointly.

PRESS:

Not included

GOV ATTIRE:

Suit and tie

MEETING

PARTICIPANTS:

Governor Snyder
Michael Finney, Pres, MEDC
Keith Creagh, Director, Agriculture
Doug Smith, Sr VP, MEDC
Eric Shreffler, MEDC
Bridget Beckman, MEDC

Randy Thelen, Pres, Lakeshore Advantage
Robert Ficano, Wayne County Executive
Maureen Krauss, Oakland County

Other Gyeonggi provence officials

THANK YOUS:

Bridget Beckman

AGENDA:

4:00-4:30 pm Private meeting between Governor Kim and Governor Snyder at Ramada Plaza Suwon Hotel. Gift exchange

4:30-5:00 pm Signing of Gyeonggi/Michigan cooperative agreement between Governor Snyder and Governor Kim at Ramada Plaza Suwon, speeches and photo op. OPEN TO PRESS

We have forwarded a draft agreement to Gyeonggi Province for review.

5:00 – 5:30 pm Reception at hotel. Governors will greet seated guests at unassigned tables. OPEN TO PRESS

NOTES:

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Talking Points:

- 1) Michigan enjoys and appreciates the great contribution that Korean-owned businesses are making to the State's economic recovery, and wants other Korean companies who are thinking about making investments know that Michigan is open for business, and welcomes the opportunity to have them join a growing Korean business community.
- 2) Michigan's history of innovation, technology development, and advanced manufacturing make it an ideal place to consider expansion or partnership. Our highly skilled workforce and world class research universities provide the resources necessary to position companies for success.
- 3) We appreciate the opportunity to sign this MOU with Governor Kim whose personal history of fighting for justice, working for the betterment of his country and province, and dedication to finding innovative solutions to unlock economic potential.
- 4) See attached talking points.

BACKGROUND:

I. BACKGROUND on Gyeonggi Province

- Gyeonggi Province accounts for nearly 20 percent of the Gross Domestic Product of Korea. The province surrounds Seoul and is also adjacent to Incheon.



- The total population of Gyeonggi Province, Seoul and Incheon is nearly 50% of Korea's total population (11.5M). Gyeonggi Province is diversified and has agriculture, life sciences, electronics, automotive, textiles and other industries that make up the largest and most diversified business region in Korea.
- Governor Kim's visit to Michigan will be to showcase Gyeonggi-Michigan cooperation in several automotive and auto parts collaborative efforts where the Korean companies are importing components, chemicals and assemblies from the United States and producing finished goods for the Korean and international markets.
- **Several companies located in Gyeonggi will be looking at manufacturing opportunities in the United States, including Michigan.**
- Governor Kim has established sister-state relationships with Virginia, Florida and Utah. The Governor has also signed technology and economic cooperation agreements (MOUs) with Texas and California.
- The Governor believes that innovation of technologies that can have an immediate market opportunity is a highly logical approach in diversifying the economy and supporting job creation. The same business model that is being developed in Gyeonggi Province does have equal promise in transitioning business environments like Michigan.
- Governor Kim is a visionary in Korea having brought together state government, local businesses, a technology development/research center, and the University of Texas' IC Squared Institute to foster "innovation to product development and delivery to market" programs targeting small and medium sized enterprises.
- The Governor and his technology development team look at various technologies, and working with U.S. counterparts, assists companies in developing products to market.
- While in Michigan, the Governor will visit the Chevy Volt and the Hyundai-Mobis facilities and will take part in a ribbon cutting ceremony at Link Corporation in Dearborn to welcome the collaborative efforts of a Korean innovator and the Link Corporation of Dearborn.

- Gyeonggi is home to major global companies such as **Samsung, LG, and Hyundai**, all which have a significant presence in Michigan. The province has significant assets in four major industrial/technology categories: IT, Displays, Semiconductors, and Software development.
- The MEDC has been working with Samsung and its JV, SB LiMotive, on a major lithium-ion battery manufacturing plant. SB bought Orion-based Cobasys in 2010. The state has a major opportunity to leverage the Orion footprint for more investment from SB, or Samsung SDI.
- Select list of MI companies with ties to Gyeonggi:
 - Hyundai/Kia
 - LG
 - Samsung SDI
 - SB LiMotive/Cobasys
 - Link Engineering
 - TSC Michigan (Techno SemiChem, producer of electrolyte)

Meeting with W-Scope
September 30, 2011

EVENT

ORGANIZER/POC:

Dave Tyler/Michelle Fee
Wayne County

TIME:

6:00 – 6:25pm

LOCATION:

Ramada Suwon City

PURPOSE:

W-Scope is considering a manufacturing facility to produce separator film for the lithium ion battery market. Their manufacturing operation is currently located in Chungbuk, Korea and due to the great growth in the North American battery market the company will be looking to expand production outside Asia. This new facility initially will have a single line capacity to produce separator material.

You will be meeting with company president, Mr. Won-ku Choi; Director & General Manager of Sales, Mr. Hideo Ouchi; Director, Mr. Kunihiko Takei; and Tom Logan, Special Advisor & Investment Manager of its investment partner Tsunami. They will be briefing you on their project and prospects for Michigan.

PRESS:

Not included

GOV ATTIRE:

Suit and tie

MEETING

PARTICIPANTS:

Governor Rick Snyder
Michael Finney, President & CEO, MEDC
Doug Smith, SVP, MEDC
Eric Shreffler, MEDC

Mr. Won-kun Choi, President & CEO, W-Scope
Mr. Thomas Logan, Special Advisor, Tsunami
Mr. Hideo Ouchi, Director & General Manager of Sales
Robert Ficano, Wayne County Executive
Dave Tyler, WC Deputy Director, EDGE
Dr. Ryu, Korea General Manager, A123

THANK YOU:

Eric Shreffler

AGENDA:

N/A

NOTES:

Talking points for this meeting are:

- Michigan has established itself as a new global battery center with close to \$6B in investments across the electric vehicle battery chain.
- Michigan companies have reaped more than \$1.3B in federal grants in this industry and are well positioned to compete for future federal opportunities – the state was an instrumental partner in assisting these companies in their pursuit of federal funds, and will continue to support Michigan companies in future pursuits
- The state intends to establish a complete battery ecosystem where all of the high-value materials and components are being researched, developed and manufactured. **There is currently no separator manufacturer in the state, giving W-Scope the potential for a huge “first-mover” advantage.**
- There are six cell manufacturers currently operating or with plans to in the state: A123 Systems, Johnson Controls, Dow Kokam, LG Chem, Fortu Power Cell, and Sakti3. In addition, a seventh, Cobasys, purchased by SB LiMotive and has its North American headquarters and R&D center in Michigan.
- What can we do to accelerate the decision process and build a case for Michigan?

Background:

W-Scope Corporation, based in Kawasaki, Japan, manufactures and markets separator film for lithium-ion batteries. It is a multiporous film with a thickness on the micron order that enables application for industrial filters and other high-end uses. The high porosity and relative thinness of the product allows for greater transport of lithium-ions between electrodes which, in turn, allows cells to achieve higher power and energy characteristics. The company also provides fine chemicals for use in electronics.

The project's first phase will include one line for production for separator film with a potential expansion to four lines by 2017. Investment for the first line is roughly \$30-\$50 million and will create 30+ jobs. Expansion to four lines is anticipated to create 200+ jobs. W-Scope plans to make a decision on where they will locate their North American facility by Q2 2011. W-Scope has deferred a decision on North America and is currently expanding their Korean Operation. Production Line 2 is now operational. They will make a decision to launch on

Line 3 and Line 4 in Q4, 2011. Funding for expansion will be based on planned IPO.

This company was introduced to the MEDC through A123 systems, which has a contract with W-Scope to supply separator materials. A123 has indicated that W-Scope is its number one strategic attraction target to MI. The company visited the state in August 2010 at which time they met with representatives of Dow-Kokam, A123, and Cobasys/SB LiMotive. MEDC is ready to begin the process of identifying potential Michigan locations and assembling an incentive package for the competition for this investment. The Government of Korea has given W-Scope tremendous support for their first manufacturing facility including free land for 50 years and tax-free designation for 5 years. Governor Granholm met with company officials in November 2010 in Seoul to express the State's support and interest.

W-Scope's current strategy (under consideration) is to start with an initial foray into North American, with Michigan as target with a service and support center (R&D, Quality, Customer Service and Stocking/distribution.) If this is successful, North America Phase 2 could expand into a full separator manufacturing operation.

Suwon Business Dinner

September 30, 2011

EVENT

ORGANIZER/POC:

Bridget Beckman
Eric Shreffler

GROUP:

MEDC host

TIME:

6:30 – 9:00 p.m.

LOCATION:

Ramada Plaza Suwon Hotel – Function Room

PURPOSE:

A dinner with a mix of prospects, Michigan companies and local economic developers, specifically Lakeshore Advantage, Oakland County and Wayne County to allow more targeted conversation. This dinner will serve as an opportunity for the Governor to meet and interact with Korean companies who have made direct investment in Michigan, or may. As relationship building is perhaps the most important aspect to developing projects with Korean firms, the opportunity for the Governor to thank those companies who have made investments already, and listen to their questions or concerns, will go very far in cementing their ties to Michigan, and may favorably impact the prospects in the room.

PRESS:

No

GOV ATTIRE:

Suit and tie

MEETING

PARTICIPANTS:

Governor Rick Snyder
Stacey Kim, Interpreter
Geraldyn Lasher, Governor's Office
Michael Finney, MEDC
Keith Creagh, Director, Agriculture
Doug Smith, MEDC
Eric Shreffler, MEDC
Randy Thelen, Lakeshore Advantage
Robert Ficano, Wayne County
Dave Tyler, Wayne County EDC
Maureen Krauss, Oakland County
JoAnn Crary, Saginaw Future

Mr. Jae-Gyung Ham, Vice President, Advanced

Automotive Battery Business Department, Mobile
Energy Division. LG Chem
Mr. SeongJoon Kim, Managing Director, Soulbrain
Mr. ChinWook Cho, CEO, Soulbrain
Mr. JG Lee, CEO, SB LiMotive
Mr. Richard Ha, Director of Sales and Marketing NA,
SB LiMotive
Mr. Michael Son, Senior Director of Strategic Planning,
SB LiMotive
Mr. Tae-Seung Lee, VP, Global Strategic Planning, Mando
Corporation
Mr. Moon-Gyu Kong, CEO, GNS
Mr. Joo-ok Chang, *Executive Vice President*, Korea
Electric Power Company (KEPCO):
Mr. Shawn Kim, General Manager, International,
Hyundai – Mobis
Mr. Won Kun Choi, CEO of W-Scope
Mr. Thomas Logan, Special advisor, W-Scope
Mr. Hideo Ouchi, Director, Sales and Marketing, W-Scope
Mr. C.B. Kim, President/CEO, Hanwa
Mr. Jack Yang, CEO, Dongyang Mechatronics
Dr. Ryu, Korea General Manager, A123
Mr. Alan DeVore, CEO Graceland Fruit Inc.
Mr. Brent Bradley, VP Sales & Marketing Graceland Fruit
Mr. Dan Arkema, International Sales Manager, Graceland
Fruit
Mr. BB Lee, Vice President SOM International
Ms. Linda Kim, President SOM International

THANK YOUS:

Bridget Beckman and Eric Shreffler

AGENDA:

Introductions and a card exchange will occur at the beginning of the meal. The Governor will welcome the guests and invite them to be seated. Seating cards will be in place. The Governor will make some brief remarks and propose a toast at the beginning of the dinner. After dinner each gift will receive a small gift.

NOTES:

Talking points for this meeting are:

- 5) Michigan welcomes Korean investment, technology partnerships, and looks to strengthen its relationship with, and standing in, South Korea.

- 6) Michigan is undergoing substantial structural change that will benefit companies looking to invest, and help make them competitive within the NAFTA region.
- 7) Michigan is interested in learning about policies and practices that spur growth and investment and how those ideas might be implemented in our state to the same end.
- 8) How can the state make a favorable impression on your Korean counterparts, suppliers, and customers to encourage expansion and growth in Michigan?
- 9) As there will be a significant presence of battery or battery-related companies in the room, there may be questions about the state's commitment to vehicle electrification and the auto industry as a whole.

BACKGROUND/COMPANY INVITES:

1) **LG Chem:**

LG Chem is in the final stages of constructing its **Holland** production facility. It has contracts with GM and Ford. The company won a federal ARRA battery grant totaling \$151M, and was issued a state cell manufacturing credit of \$100M.

<http://www.lgchem.com/>

STATUS: Existing MI investment

ASK: Can we anticipate future expansion of the Holland operations in the near future?

2) **soulbrain:**

Formerly known as Techno Semichem (TSC), *soulbrain* is a producer of electrolyte for lithium-ion batteries. Its initial large North American customers include MI-based A123 Systems and Johnson Controls. The company renovated a **Northville Twp.** building which had been unoccupied for 10 years. In addition to battery materials, the company is a major supplier of panel technology to Samsung. The company received a state MEGA tax credit and local property tax abatement. <http://soulbrainmi.com/>

STATUS: Existing MI investment

ASK: Do you foresee Northville operations as being more than pilot production of electrolyte?

3) **SB LiMotive:**

Lithium-ion battery maker SB LiMotive is a JV between Samsung SDI, and Bosch. The company purchased the assets of **Orion Twp.-based** Cobasys last year, and is currently undergoing a global market analysis to determine where/if to expand its production outside of Korea. The Governor will be meeting company executives and touring the SBL HQ and pilot production facility on Saturday, October 1 (see separate briefing for details).

<http://www.sblimotive.com/en/home.html>

STATUS: Existing MI investment through Cobasys, prospect for plant expansion

ASK: When do you anticipate being able to make a decision on future expansion?

4) **Hyundai:**

This major, fast-growing automobile company has its North American technical center in **Superior Twp.** There may be expansion potential for the facility as the company expands its portfolio of alternative powertrains. The company also announced at both the 2010 and 2011 CAR Management Briefing Seminars that it would need to expand North American production capacity to meet market demand. While expanding its AL plant is the most likely scenario, MI may be able to make a strong push to land such a project.

<http://www.hyundaiusa.com/about-hyundai/our-company/>

STATUS: Existing MI investment, potential for growth

ASK: What are the prospects for growing the technical center, and have any decisions been made on assembly facilities to accommodate growth?

5) **Mando Corporation:**

A tier-one auto supplier of brake, steering, and suspension systems, Mando Corporation is experiencing significant growth due to its drive-by-wire technology. The company recently opened its new North American technology center in **Novi**. The MEDC continues to work with Mando on the siting of a new production facility which could employ over 450, and require close to \$300M in new investment. Chairman Chung is a cousin to Hyundai Motors' Chair, Mong-koo Chung. They are likely to site their new production facility near Hyundai's new assembly plant.

http://www.mandoplaza.com/eng/company/mando_corporation.html

STATUS: Existing MI investment, potential for production facility

ASK: What can the state do to build a business case for Mando's production facility to be sited here as opposed to Southern states?

6) **GNS:**

The company is a family-owned automotive supply company providing high-end, precision stampings to the automotive industry. GM Korea is a major customer. The father and founder is in the process of transitioning the company to the son, Mr. Moon-Gyu Kong. Mr. Kong has made it a goal to take GNS global. They made their first US investment in Holland, MI, in 2009. At that time, they purchased a company out of bankruptcy. They have gone from 10 to 60 employees in less than 2 years with plans for additional growth in **Holland**. They are also contemplating a building acquisition in **Canton**, MI, which could add an additional 75-100 jobs. Neither deal is complete. (Invited by Randy Thelen, Lakeshore Advantage).

<http://www.gnsauto.com/>

STATUS: Existing MI investment, potential growth in Holland and Canton.

ASK: How can we help you accelerate your growth plans in Holland and/or Canton?

7) **Korea Electric Power Company (KEPCO):**

Korea Electric Power Company is the nation's leading power producer. They have a global reputation for alternative energy utilization and energy efficiency optimization. The company partnered with LG, Samsung, Hyundai and others to feature global energy best practices for the 2010 G20 Summit. They are interested in exploring US opportunities to bring their energy efficiency products and services to market. (Invited by Randy Thelen, Lakeshore Advantage)

<http://www.kepcoco.kr/eng/>

STATUS: Prospect

ASK: Do you foresee direct investment opportunities in Michigan? Partnership potential? Technology transfer?

8) **Hyundai – Mobis:**

Tier-one supplier of rear suspension modules. Hyundai-Mobis opened a production facility in Detroit in 2010 (former Arvin Meritor site) to become the first Korean supplier to open a facility in the city and support the Jeep Grand Cherokee. It has hired more than 300 people to date.

www.mobis.co.kr/Eng/

STATUS: Existing MI investment

ASK: How are operations progressing in Detroit and are there areas of opportunity that we can assist with?

9) **W-Scope** – see previous briefing

10) **Dongyang Mechatronics**

http://www.dy.co.kr/new_eng/head/c_01/head_01.asp

Dongyang Mechatronics, founded 1978 in Changwon Kyungnam, Korea, is a supplier of automotive components, hydraulic cylinders, and industrial machinery. Dongyang America was established in the US in 2002 and currently has locations in Bellevue, Washington and Sterling Heights, Michigan.

The operation in Michigan is mainly professional staff servicing the US automotive division – as well as a small warehouse operation for distribution of product received from plants in Korea and China. Automotive components are front and rear wiper systems, and small motors (cooling fan, window lift, sunroof). Michigan employment currently totals 18.

Main customers in the US: General Motors, Chrysler, Hyundai

Main competitors: Bosch, Denso, Valeo

Opportunity:

Dongyang America is exploring setting up manufacturing operations in the US to produce wiper blade systems. Considering sites in Sterling Heights, Ohio, Alabama, Georgia and Mexico. The company plans to create 28 jobs over the next five years, and will be investing about \$3 million.

The MEDC transmitted a proposal for the project to the Sterling Heights project manager mid-September 2011. The proposal included an offer of a property tax abatement from the City of Sterling Heights as well as a proposal covering talent pre-screening and recruiting from the Macomb/St. Clair Michigan Works! office. The total value of the incentive package was just over \$230,000 over nine years.

Talking Points:

Thank Mr. Jack Yang, President and CEO, for the opportunity to compete for an expanded location in Michigan.

Michigan, Macomb County, and Sterling Heights provide the best location for growth of the company – access to skilled talent, proximity to customers and world-class universities, and easy-access transportation systems make it the perfect choice for a global automotive enterprise.

Meeting with SB LiMotive

October 1, 2011

EVENT: Meeting and tour of SB LiMotive's facilities hosted by
SBL CEO Mr. JG Lee

**EVENT
ORGANIZER/POC:** Eric Shreffler, MEDC
Bridget Beckman, MEDC

TIME: 10:30 a.m. – 1:00 p.m.

LOCATION: SB LiMotive Co., Ltd. headquarters
428-5, Gongsae-dong, Giheung-gu
Yongin, Gyeonggi-do, Korea
Phone +82-31-210-8114
Email [info-kr\(at\)sblimotive.com](mailto:info-kr(at)sblimotive.com)

PURPOSE: Learn about SB LiMotive's plans for potential plant
expansion in North America, tour pilot production facility,
and reiterate the state's support for a MI-based operation

PRESS: Confidential project, not invited

GOV ATTIRE: Business Casual

**MEETING
PARTICIPANTS:** Governor Rick Snyder
Mike Finney, MEDC
Doug Smith, MEDC
Eric Shreffler, MEDC
Bridget Beckman, MEDC
Keith Creagh, Mich. Dept. of Ag & Rural Development

Mr.J.G. (Jingun) Lee, CEO, SB LiMotive
Mr. Richard Ha, Director of Sales and Marketing NA,
SB LiMotive
Mr. Michael Son, Senior Director of Strategic Planning,
SB LiMotive

THANK YOUS: Bridget Beckman and Eric Shreffler

AGENDA: Tour of facilities including engineering, R&D, and pilot
production line (samples are being made in high volume for
several customers right now so the Governor would be able

to see a battery production line in operation; this same line would be scaled up in a potential MI facility)

10:00~10:30	move to SBL from hotel
10:30~10:50	greeting and introduction of company and facilities
10:50~11:50	facilities tour including engineering and pilot production line.
11:50~12:00	wrap up
12:00~13:00	lunch in restaurant (on-site)
13:00~14:30	arrival in Incheon airport

NOTES:

Talking points for this meeting are:

- Michigan appreciates the investment that SBL has made in Orion Twp.
- Michigan is committed to making a strong business case for the establishment of the company's first production facility outside of Korea.
- The company was visited by Governor Granholm in Samsung's Seoul headquarters in November 2010, whom they recognized as a strong supporter of the battery industry. They may look to the Governor to express his feelings about the industry and his commitment to it going forward. This could be an opportunity to highlight the structural changes the state is undergoing to make a more competitive landscape for all businesses, while also underscoring the continued importance of the auto industry and how SBL would benefit from both.
- Ask what the status of a North American/Michigan decision is, and the State can assist.

Samsung is the second leading global producer of lithium-ion batteries. It formed a joint venture with Bosch named SB LiMotive (SBL) in September 2008 to address the automotive market. Last year, SBL bought MI-based Cobasys, a nickel metal hydride (NiMH) battery producer whose main customer was GM on hybrid applications. The Cobasys facility in Orion Twp. serves as SBL's North American headquarters and also houses engineering, testing, and R&D functions.

The MEDC has been working with SBL since February 2009 to try and attract its next lithium-ion battery manufacturing facility. Through the Cobasys acquisition, the company does own a plant in Ohio, but it is an unlikely candidate for retrofit to lithium-ion production. The decision to invest in a new facility, and the ultimate location of that facility, is largely dependent on regional market opportunities. The company recently received a Chrysler contract which should bode well for a North American investment.

BACKGROUND:

Company website: <http://www.sblimotive.com/en/home.html>

WISERTrade

State Exports by NAICS Database

From State: [Michigan](#)
 Industry: [All industries](#)
 Destination: [Korea, Republic Of](#)
 Rows selected: [31 \(all rows\)](#)

Series: [Origin of Movement](#)
 Sorted by: [2011 Q2 YTD](#)
 User Name: [naicsusr](#)

Unit: [Total dollar value](#)
 Order: [Desc](#)
 Runtime: [13:27:26 PM, Tue Sep 06 2011 EDT](#)

Rank	Code	Description	ANNUAL 2008	ANNUAL 2009	ANNUAL 2010	Q2 2010 YTD	Q2 2011 YTD	%2008- 09	%2009- 10	%2010- 11
		Total all Industries	621,744,241.	506,119,765.	750,533,336.	332,791,253.	472,759,673.	-18.60	48.29	42.06
1	336	Transportation Equipment	130,413,827.	93,169,304.	216,399,369.	83,780,302.	140,542,579.	-28.56	132.26	67.75
2	331	Primary Metal Manufacturing	98,561,403.	102,562,367.	103,431,553.	52,334,110.	73,910,195.	4.06	0.85	41.23
3	325	Chemicals	117,478,189.	101,711,884.	132,493,422.	59,628,463.	71,477,666.	-13.42	30.26	19.87
4	333	Machinery, Except Electrical	101,319,653.	75,949,010.	112,331,114.	53,269,641.	62,224,875.	-25.04	47.90	16.81
5	327	Nonmetallic Mineral Products	36,885,928.	25,699,652.	41,515,373.	17,869,890.	39,019,118.	-30.33	61.54	118.35
6	311	Food And Kindred Products	47,217,742.	33,870,904.	48,617,197.	20,526,988.	24,400,309.	-28.27	43.54	18.87
7	334	Computer And Electronic Products	44,939,113.	27,532,992.	30,000,949.	12,622,085.	18,654,295.	-38.73	8.96	47.79
8	332	Fabricated Metal Products, Nesoi	12,227,947.	14,050,598.	19,335,261.	9,832,501.	13,471,829.	14.91	37.61	37.01
9	335	Electrical Equipment, Appliances, And Component	4,856,482.	4,180,356.	6,018,710.	3,028,543.	9,394,953.	-13.92	43.98	210.21
10	339	Miscellaneous Manufactured Commodities	9,164,352.	5,473,358.	9,122,298.	2,975,662.	4,988,304.	-40.28	66.67	67.64
11	326	Plastics And Rubber Products	2,725,448.	4,069,318.	5,540,826.	2,244,535.	3,575,577.	49.31	36.16	59.30
12	990	Special Classification Provisions, Nesoi	2,506,774.	3,916,067.	5,548,916.	1,945,437.	2,177,925.	56.22	41.70	11.95
13	910	Waste And Scrap	1,721,569.	774,468.	872,381.	659,118.	1,828,187.	-55.01	12.64	177.37
14	113	Forestry Products, Nesoi	1,873,884.	3,107,926.	2,718,030.	1,379,289.	1,783,075.	65.85	-12.55	29.27
15	324	Petroleum And Coal Products	2,124,272.	1,264,088.	2,223,784.	846,197.	1,429,166.	-40.49	75.92	68.89
16	337	Furniture And Fixtures	1,397,366.	706,394.	1,305,186.	793,219.	1,158,966.	-49.45	84.77	46.11
17	323	Printing, Publishing And Similar Products	614,137.	868,353.	1,341,340.	657,857.	940,570.	41.39	54.47	42.97
18	111	Agricultural Products	788,965.	2,623,834.	2,561,302.	919,379.	588,242.	232.57	-2.38	-36.02
19	321	Wood Products	2,398,489.	484,578.	854,371.	376,416.	435,499.	-79.80	76.31	15.70
20	313	Textiles And Fabrics	645,362.	608,484.	1,491,502.	1,081,554.	430,433.	-5.71	145.12	-60.20
21	316	Leather And Allied Products	540,443.	266,046.	286,497.	84,482.	99,558.	-50.77	7.69	17.85
22	511	Prepackaged Software	164,852.	315,649.	537,694.	297,229.	76,705.	91.47	70.35	-74.19
23	322	Paper	786,889.	2,124,764.	5,608,542.	5,368,315.	55,899.	170.02	163.96	-98.96
24	314	Textile Mill Products	0.	37,209.	19,352.	12,527.	38,358.	0.inf	-47.99	206.20
25	212	Minerals And Ores	60,570.	122,609.	96,025.	40,456.	31,031.	102.43	-21.68	-23.30
26	315	Apparel And Accessories	327,785.	86,060.	67,114.	21,830.	23,629.	-73.74	-22.01	8.24
27	920	Used Or Second-Hand Merchandise	2,800.	3,684.	3,151.	3,151.	2,730.	31.57	-14.47	-13.36
28	312	Beverages And Tobacco Products	0.	457,809.	192,077.	192,077.	0.	0.inf	-58.04	-100.00
29	114	Fish, Fresh, Chilled, Or Frozen And Other Marine P	0.	82,000.	0.	0.	0.	0.inf	-100.00	0.nan
30	112	Livestock And Livestock Products	0.	0.	0.	0.	0.	0.nan	0.nan	0.nan
31	211	Oil And Gas	0.	0.	0.	0.	0.	0.nan	0.nan	0.nan

Biography of Honorable Kim, Moon-soo, Governor of Gyeonggi Province



Kim was first elected to the Korean National Assembly in Bucheon City, Gyeonggi Province, in 1996 and served a total of three terms. Throughout his ten years in the Assembly, he was well known for his passionate legislative activities and was selected as the Best Assembly Member by civic groups and reporters on a number of occasions.

• Defender of North Korean Human Rights

While serving as a member of the Unification, Foreign Affairs and Trade Committee at the National Assembly from 2004, Kim devoted himself to advocating North Korean human rights and protecting North Korean refugees. In 2005, Kim showed a video of North Korean public executions in the National Assembly for the very first time and submitted the North Korean Human Rights Act to the Assembly. Still awaiting passage, the bill aims at improving the human rights conditions in the communist regime and calls for the repatriation of South Korean abductees and prisoners of war still held in the North.

While Kim is one of the strongest critics of the government's passive policy on North Korean human rights, he is also supportive of providing humanitarian aid for the North Korean people. He firmly believes that guiding North Korea toward the path of reform, openness and human rights is essential in preparing for unification.

• Vision as Gyeonggi Governor

Now, as a leader of Korea's foremost province of 11 million people, Kim has embraced a new and challenging mandate - developing Gyeonggi Province as a driving force for the advancement of Korea.

Located at the center of the Korean peninsula and surrounding the Korean capital of Seoul, Gyeonggi Province has long served a key role in the development of Korea through its strategic location and vibrant economy. Home to world-leading enterprises such as Samsung Electronics, LG Electronics, Hyundai-Kia Motors and LG Display, Gyeonggi Province accounts for one-third of the nation's workforce and one-fifth of the nation's GDP. In terms of exports, the province recorded 63 billion dollars in 2006, making it the top exporter in the nation. And as the fastest growing regional economy in the country, the province is one of the most sought-after destinations for foreign investment.

Capitalizing on these attractive features, Kim strives to build Gyeonggi Province into one of the major global hubs of Northeast Asia by easing regulations and providing custom-made

administrative services for foreign corporations. His vision is to develop Gyeonggi Province as one of the leading global centers for both conventional and knowledge-based industries.

Other major missions he is undertaking include the environment-friendly development of the Paldang Reservoir, the main drinking source to the 23 million residents of the Seoul-Gyeonggi metropolitan area, and the upgrading of the province's public transportation systems. After assuming one year in office, Kim was selected as the leading local government leader in terms of campaign pledge implementation by a key Korean watchdog group. He was also honored with the 5th Forbes Management Quality Award in the public innovation category as presented by Forbes Korea and the Korean Society for Quality Management.

Kim has a wife and one daughter. He assumed office in July of 2006, and was re-elected in 2010.

**MEMORANDUM OF STRATEGIC COOPERATION BETWEEN
THE STATE OF MICHIGAN, UNITED STATES OF AMERICA AND THE GYEONGGI PROVINCE, REPUBLIC OF
KOREA.**

WHEREAS, the Honorable Kim, Moon-soo, Governor of Gyeonggi Province of the Republic of Korea, and the Honorable Rick Snyder, Governor of the State of Michigan of the United States of America (collectively referred to hereinafter as “the Governors”) have engaged in productive discussions during Governor Snyder’s visit to Gyeonggi Province, on September 30, 2011; and

WHEREAS, the challenges of stimulating economic growth, innovation and creating jobs are of mutual concern to the Governors and to the peoples of their respective states; and

WHEREAS, the Governors endeavor to grow the existing close business ties between the State of Michigan (“Michigan”) and Gyeonggi Province (“Gyeonggi”) by encouraging Michigan and Gyeonggi companies, universities and research and development centers to continue to generate new scientific knowledge and translate discoveries into operational and applied technologies; and

WHEREAS, the Governors wish to memorialize their September 30, 2011, discussions and execute this Memorandum of Strategic Cooperation between the State of Michigan and Gyeonggi Province.

NOW, THEREFORE, THE GOVERNORS HEREBY PRESENT THIS MEMORANDUM OF STRATEGIC COOPERATION:

The Governors encourage their respective economic development agencies to collaborate closely with universities, research and development centers, and private sectors companies for the purpose of:

1. Exploring means of cooperation that leverage and advance both traditional and new areas of strength and expertise both in Michigan and Gyeonggi.
2. Identifying business opportunities and initiatives for Michigan and Gyeonggi companies.
3. Promoting joint applied research collaborations between and among Michigan and Gyeonggi companies, universities and research and development centers aimed at developing product and technologies for commercialization.
4. Promoting the export of technologies, services and products between Michigan and Gyeonggi.
5. Facilitating the exchange of business delegation visits between Michigan and Gyeonggi.

EXECUTED IN DUPLICATE THIS THIRTIETH DAY OF SEPTEMBER, 2011, IN THE ENGLISH AND KOREAN LANGUAGES IN THE CITY OF SUWON, PROVINCE OF GYEONGGI, REPUBLIC OF KOREA.

Kim, Moon-soo
GOVERNOR
Gyeonggi Province

Rick Snyder
GOVERNOR
State of Michigan