

## **National report ranks Ohio No. 1 in manufacturing**

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Ohio, despite large job losses in the sector in recent years, is the best state for manufacturing in the nation, according to a study released yesterday.

The report, issued by Chicago-based industry research company eMvoy, ranked companies within each state on several variables. More than 100,000 manufacturing firms were included in the study.

Ohio was ranked No. 1, followed by Illinois, Michigan, Pennsylvania and Texas. Alaska, Montana and Hawaii are ranked at the bottom of the list.

“It’s no secret to us that Ohio is so strong,” said Randy Leffler, spokesman for the Ohio Manufacturers Association.

Companies were rated by eMvoy by assessing company stability, market penetration, technology and Web presence. The research group performs large-scale evaluations of U.S. manufacturers as part of the services it provides to industrial purchasing agents.

Several Central Ohio companies received the group’s top rating, including Tosoh SMD Inc. of Grove City, Greif Inc. in Delaware, GFS Chemicals Inc. in Columbus, Plaskolite Inc. in Columbus, Franklin International Inc. in Columbus, Ashland Specialty Chemicals Inc. in Dublin, Columbus Show Case Co. in Columbus and GE Superabrasives in Columbus.

The top ranking for Ohio comes soon after a series of deep reductions in manufacturing employment in the state. Between 2001 and 2003, the state lost nearly 200,000 manufacturing jobs. Those losses have since subsided and while there have been some recent cuts on the auto industry, the state’s manufacturing sector appears to be rebounding, said Leffler.

“This is one more indicator that that’s the case,” he said. “Ohio manufacturing is right at the top in terms of contributions to the state’s economy. It’s third only behind Texas and California, which are much larger.”

He said he credits the state’s new tax structure as one of the reasons for the recovery.

In July 2005, a sweeping new tax structure in the state was enacted and includes income tax cuts, a phase-out of the tangible personal property and corporation franchise taxes, elimination of a 10 percent tax rollback on real property classified as commercial and a new low-rate, broad-based Commercial Activity Tax on a business’ gross receipts.

“We now have a number of policies that have been put into place that help the tax structure, which is saying to manufacturers, ‘Come here and start to grow your business and we’ll reward you,’” said Leffler. “The companies we have here are strong, viable companies.”

The state also started a program, the Ohio Automotive Supplier Zero Percent Financing Initiative, to help auto suppliers expand or relocate to Ohio.

“Ohio’s always been a competitive state when it comes to manufacturing,” said Jenifer Aiello, spokeswoman for eMvoy.

In fact, six of the top eight states are from the Midwest, which is contrary to public perception about the health of manufacturing in the region, said Aiello.

“I’m not too surprised to see it turn out better than expected. People think that manufacturing is on the decline, but this shows that things are alive and well in the Midwest,” Aiello said.

Besides Ohio, 13 other states received eMvoy’s highest rating. The national rankings for manufacturing competitiveness are the first completed by eMvoy, a unit of SearchEngines.com.

“The score tells you how qualified or reliable companies are,” said Aiello.

Meanwhile, the overall ratings of the states is indicative of the relative health of manufacturing in the country, said Craig Landy, chief executive office of eMvoy.

“There is so much confusion about the state of American manufacturing. The public perception is that, overall, U.S. manufacturing is weak. After looking at 100,000 manufacturers, we found that the state of U.S. manufacturing is not bad, as long as you are in the right state,” Landy said.