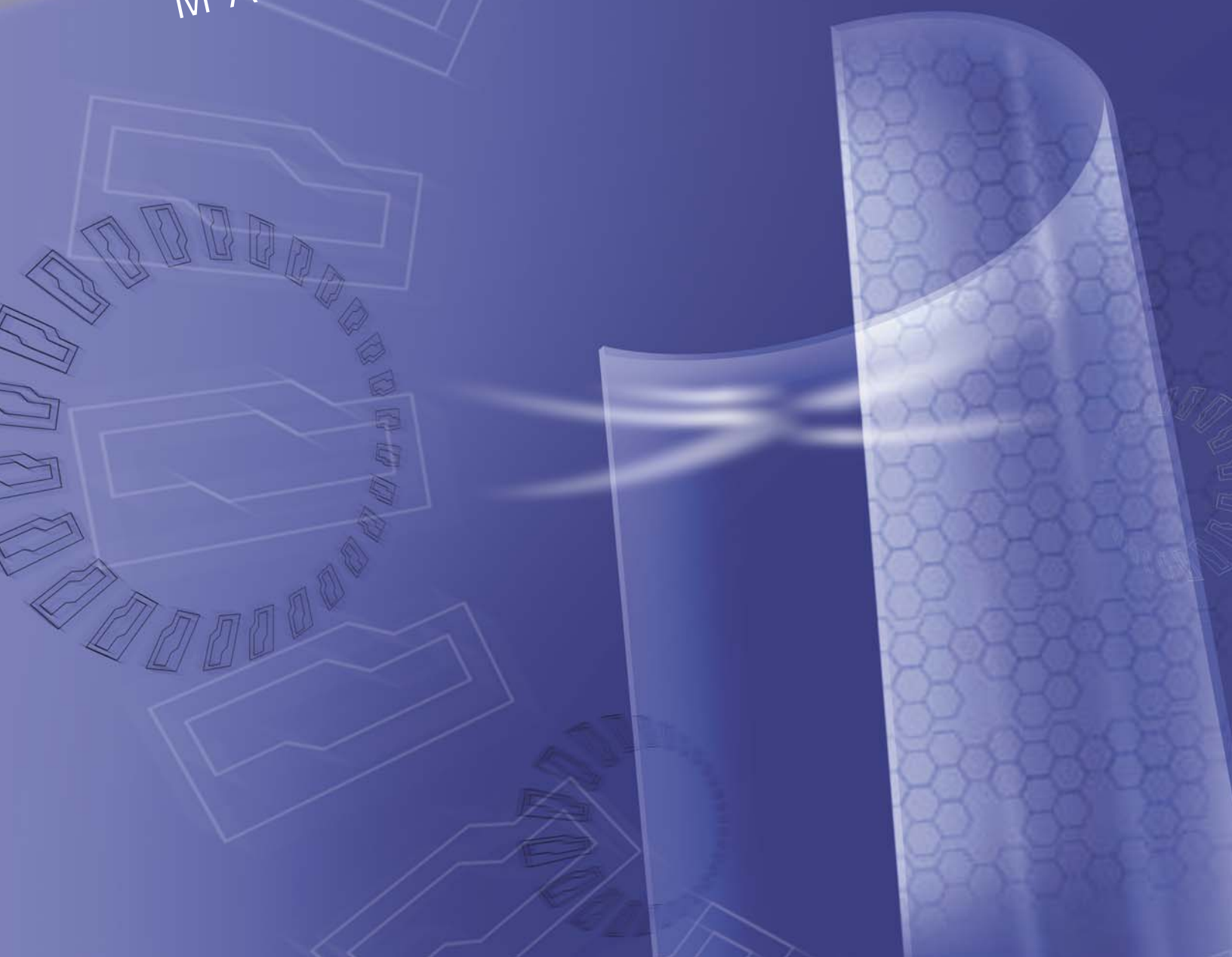




2008 PROGRESS REPORT

MIAMISBURG MOUND COMMUNITY IMPROVEMENT CORPORATION

MAXIMIZING POTENTIAL





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“Necessity is  
the mother  
of invention.”  
– Plato

## Letter from the MMCIC Board of Trustees

We’ve learned a lot about problem solving in 15 years. We’ve had to.

When the Mound redevelopment effort began, MMCIC was the first in the nation to attempt such an ambitious undertaking. No one had ever transformed a Department of Energy defense weapons site into a successful business park. There were no decision frameworks or models, no guides or prescribed strategies. Before we could start thinking outside “the box,” we first had to create “the box.”

Reinventing Mound has been much like preserving an historic home – starting with the realization that you have something unique and full of potential, something worth saving and protecting for the future. The commitment to that ideal has driven everything else. So when the problems surfaced one after the other, and there were no off-the-shelf solutions, we invented our own – out of necessity.

Time has shown that our strategy of maximizing the potential of everything this site has to offer is sound. And our creative efforts are paying off. Although challenges still exist, the Mound Advanced Technology Center is emerging as a innovation-driven market competitor shaped around value-added features and unique advantages not available at other commercial sites.

Back in 1943, necessity gave rise to Mound, and invention propelled it forward, leaving a powerful legacy of excellence and innovation. Now in Mound’s rebirth, history is repeating itself.

## VISION

By 2015 the Mound Advanced Technology Center will be a thriving scientific technology and business park widely recognized as a center of innovation and commercialization for emerging energy, advanced manufacturing, materials processing applications and information systems markets.

## Maximizing Potential

Living up to our promise that the Mound Advanced Technology Center is a place “where innovation thrives” has taken a good measure of ... well, innovation.

From the very beginning of our efforts in 1993, when the community committed itself to inventing a new future for Mound, we have faced complex and unconventional issues – from taking ownership of Department of Energy property (which had no precedent) and acquiring and selling unique excess federal equipment, to connecting with public utilities and cleaning up the environment. There were no manuals, procedures or best practices to guide us. So we innovated. With the community’s vision always in mind, we defined our objectives, evaluated the possibilities, assessed our assets, capabilities and resources, and ultimately found a way to do what needed to be done.

There has been a common theme linking the many steps in this 15-year process: the commitment to maximizing Mound’s potential. And so in 2008, with the page turning on Mound’s past, we are progressing toward its future. We are attracting – and retaining – quality tenants by utilizing to their best advantage Mound’s many assets, including its rich history of innovation, high-tech tenant base, varied real estate opportunities, secure facilities and robust utility infrastructure.

At the same time, we recognize the value of the business development resources available to MMCIC as a facilitator of economic development in our region. Companies locating within the nurturing environment of the Mound Advanced Technology Center find that our many relationships, networks and affiliations enhance their impact and their bottom line. At Mound, businesses can maximize their potential. Here, innovation thrives.

## 2008 IN REVIEW

2008 saw MMCIC make significant strides toward the community’s vision for the Mound Advanced Technology Center as a thriving scientific technology and business park. We have done this by making the most of our assets and opportunities to advance our goals.



PerkinElmer Optoelectronics



Mound Tech Solutions

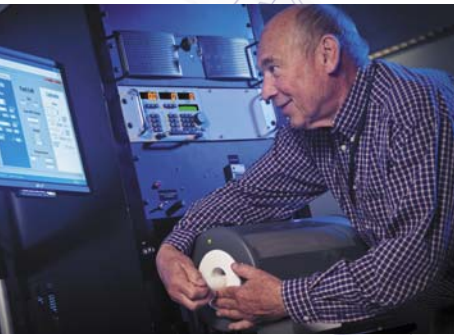
## Maximizing Potential: MATC BUSINESSES

### Economic Development

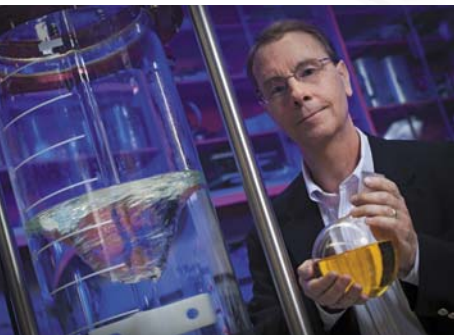
MMCIC was created by the city of Miamisburg to develop and implement strategies and tactics to grow businesses and generate employment to replace the 2,400 jobs lost through the Department of Energy's closure of the Mound site. By the end of 2008, a total of 693 jobs had been created through MMCIC's economic development efforts. This has been achieved by leveraging the nation's investment in the site's human, real and personal property assets.

The Mound Advanced Technology Center today consists of a healthy mix of 15 businesses with 231 employees. Six of the companies were started by Mound scientists-turned-entrepreneurs who harnessed the knowledge and skills developed during their employment as DOE contract employees to create new business opportunities. MMCIC originally incubated these successful companies, providing business development training, administrative support, marketing services and grant-writing assistance.

Mound businesses represent many of the Dayton region's core competencies and together have created a synergistic environment that stimulates and supports technological innovation and invention. The following is a partial list of technology-based companies doing business at the Mound Advanced Technology Center:



Mound Technical Solutions



Inorganic Specialists

#### Advanced Materials

Inorganic Specialists

#### Advanced Manufacturing and Testing

Mound Laser & Photonics Center  
Precision Joining Technologies  
PerkinElmer Optoelectronics  
Thaler Machine Company  
National Discovery Center

#### Emerging Energy Technologies

PerkinElmer Optoelectronics  
Mound Technical Solutions  
Inorganic Specialists

#### Environmental Technologies

EHS Technology Group, LLC  
Accelerated Remediation Company  
MeadWestvaco

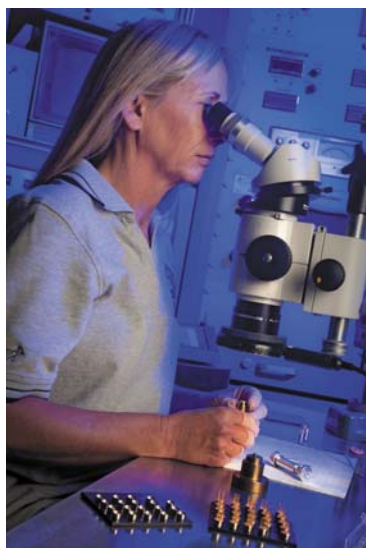
Four of these companies have grown to take on roles in direct support of high-profile initiatives sponsored by organizations such as the U.S. Department of Energy, State of Ohio (Third Frontier Program) and the Air Force Research Laboratory at nearby Wright Patterson Air Force Base.

- **Inorganic Specialists** has researched, developed and perfected a conductive carbon nanofiber paper that can enhance the performance of energy storage devices such as fuel cells and lithium ion batteries. In one of its most promising applications, this technology will reduce the amount of high-priced platinum compounds needed to release a fuel cell's stored energy, and increase by several orders of magnitude the storage capacity in lithium ion batteries.



Mound Laser & Photonics Center

- **Mound Technical Solutions** has developed a suite of fuel cell test instruments with funding assistance from the state of Ohio's Third Frontier research, development and technology commercialization program. In this effort, the company has collaborated with Inorganic Specialists, as well as Case Western Reserve University, the University of Dayton Research Institute, Edison Materials and Technology Center, MMCIC, Sinclair Community College and Battelle to introduce a product line – now patented – to the market.
- **PerkinElmer Optoelectronics** in partnership with leading defense contractor Lockheed Martin, has developed the Common Electronic Safe, Arm and Fire device for the Javelin weapon system. Using components made at Mound for detonation, initiation and control, the weapon is capable of seeking out and destroying an enemy target more than one mile away.
- **Mound Laser & Photonics Center** has worked with various defense agencies, including the Air Force Research Laboratory, to develop applications for the company's specialized capabilities in laser joining, marking and micro-fabrication, thus breaking new ground in the area of advanced manufacturing. The Dayton Chamber of Commerce recognized MLPC as the winner of the 2008 SoIn Award for Innovation.



PerkinElmer Optoelectronics

The site's tenant list has now grown to include leading organizations such as Mead WestVaco, Wright State University, NCR, PerkinElmer and Montgomery County.

Another measure of progress, leased space, also showed growth in 2008. An additional 34,297 square feet of space was leased, bringing the total of office, laboratory and light manufacturing space under lease on the Mound campus to 220,000 square feet.

## Business Retention and Support

During 2008, MMCIC retained 100 percent of its existing tenants. Our approach has involved meeting face-to-face with our tenants to review their operations, business goals and overall satisfaction with their location. If specific needs are identified, we facilitate access to the wide range of resources available to us through our various networks.

We focus on helping our tenants maximize their potential by helping them reduce or manage risk. Another key area of assistance is in the area of grants. Mound businesses have enjoyed monetary support through DOE grants, federal budget requests, Ohio Third Frontier Program grants, local grants and regional loan programs.

We also offer a full complement of business acceleration services:

- Business and product development support
- Marketing, promotional and relationship management support
- Networking support at regional, state and federal levels
- Facility, property and construction management
- Strong university-based business and technology assistance
- Quick response to tenant improvement needs
- Grant support



Montgomery County  
Consolidated Emergency  
Dispatch Center

## Maximizing Potential: REAL ESTATE

### Making the Investment

Mound's physical assets are considerable: rolling landscape, one-of-a-kind spaces, robust building construction, ultra-reliable electrical service and telecommunications infrastructure.

We have leveraged these assets to achieve the most productive use of the land and buildings. A good example has been the decision of Montgomery County to locate its Consolidated Emergency Dispatch Center at Mound, in an existing building with unique features that, during the Cold War, served the nation's defense: construction robust enough to withstand severe natural disasters, shielding technology, redundant utility infrastructure and raised flooring.

The steps necessary to transform Mound from a defense weapons installation into a modern, attractive business environment were carefully considered and laid out in a Comprehensive Reuse Plan adopted in the early years of the Mound redevelopment effort and updated periodically since. With the plan as a guide, MMCIC has invested a total of \$22 million in capital projects to make the site attractive in today's marketplace. This has involved the building renovations, construction of new roadways, parking lots, security fence removal and landscaping.

During 2008, \$2.1 million was invested to make the necessary internal and external improvements to 460 Vantage Point, the home of the new regional dispatch center. Because of this investment, an additional \$10 million in improvements and high-tech equipment installations were made by the entity representing the jurisdictions contracting for the dispatch center's services.

### Going Green

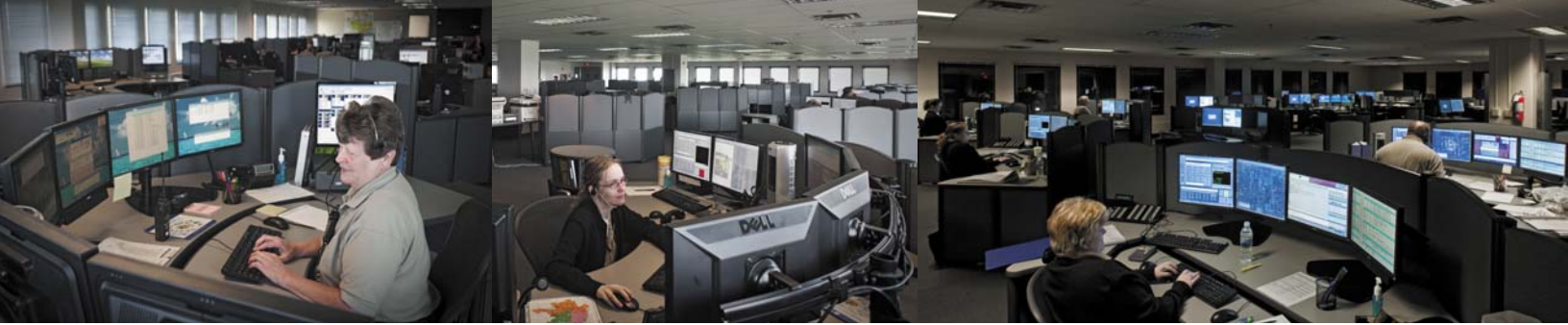
In an effort to make our operations and those of our tenants more "green," we completed the installation of new energy-efficient HVAC controls in three buildings. The systems are connected to the Internet and can be monitored and regulated remotely through a Web-based interface. The feedback from the HVAC systems is continuous and in real time. Through this investment of \$325,000, we estimate a 30 percent savings in energy consumption.

Finally, we made a significant investment in targeted landscape improvements that enhance the site's marketability.



480 Vantage Point offers premium facilities.





## Maximizing Potential: RESOURCES

### • Financial Resources

As with any enterprise, we are concerned with our bottom line. Recognizing the importance of fiscal responsibility for achieving our vision for the Mound Advanced Technology Center, we continued during 2008 to carefully manage our financial assets. In fact, we ended the year well ahead of our five-year financial projections. We also managed our capital improvement projects efficiently, completing them at 16 percent below budget.

In 2008, we established a line of credit with First Financial Bank, a positive statement about the market's confidence in our current financial condition and future prospects.

### • Relationships with Elected Leaders

Many times throughout the Mound redevelopment process, we have turned to our elected leadership for support. In recent years, Congressman Mike Turner, Congressman Dave Hobson and Senator Sherrod Brown have advocated in Congress for appropriations to complete environmental restoration at Mound. In 2008, \$4.75 million was appropriated in the Congressional budget to finish the cleanup of OU-1, the last remaining cleanup area on the site.

We also have maintained positive relationships and open communication with state, county and local officials to keep them informed about our progress toward the Mound vision and our need for their continued support. Mound has been very fortunate to have had the support of its elected leadership at all levels of government.

### • Relationships with Regional Organizations

A key advantage for us – and our tenants – is our supportive network of development, business and government organizations in the Dayton region. We maximize the potential of these relationships to provide our tenants significant value-added benefits, such as loans and grants, business development resources, technical support and marketing assistance. In 2008, we were fortunate to add Aileron, a highly respected business development support organization, to our network.

We enjoyed relationships with these organizations in 2008:

- Montgomery County
- State of Ohio
- Dayton Development Coalition
- Wright State University
- South Metro Chamber
- CountyCorp
- Dayton Chamber of Commerce
- Mound Museum Association
- Aileron
- Wright Patterson Sensors and Medical Task Forces
- I-70/75 Development Association
- B2B Network

## Potential and a Productive Future

We have worked innovatively on many fronts to lead Mound to a new future, always focused on the vision to give purpose and direction to our efforts. MMCIC has achieved progress by leveraging Mound's human and physical assets to create new businesses, jobs, technologies, wealth for the community and a productive future.

Much work and many issues remain. We will continue to work energetically, confront our challenges and maximize the potential of every resource available to us. We are – and always have been – a place "where innovation thrives." This promise is our foundation... and our future.



965 Capstone Drive features laboratory and office space.



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