

INDY BUSINESS BULLETIN



Lilly Endowment Pumping \$42M Into Southwest Central Indiana

Three grants totaling \$42 million from the Indianapolis-based Lilly Endowment Inc. will boost regional development efforts in the southwest central part of the state. The funding will support initiatives in 11 counties, including the establishment of Regional Opportunity Initiatives Inc. in Monroe County and an Applied Research Institute near the Crane Naval Surface Warfare Center. The region will also study potential development of a Rural Center at Indiana University.

Carmel Planning For \$217M in Road Improvements

The city of Carmel is proposing a plan that includes infrastructure improvements, road projects and roundabouts. The three-year, \$217 million plan will be presented to the Carmel City Council January 4.

Pence OKs State Worker Wage Increases

Governor Mike Pence has announced pay-for-performance raises for state employees. The increases will kick in following evaluations in January and range from 3 to 6 percent.

Tyner: Natural Gas Prices Declining

Natural gas prices are already at their lowest in two decades and may be going lower. Purdue University energy economist Wally Tyner says abundant supply is driving down prices.

Ellspermann to Ivy Tech? Work Force a Draw

Lieutenant Governor Sue Ellspermann says the work force in Indiana is a primary reason for her interest in potentially becoming the next president of Ivy Tech Community College. She says the big challenge in the state is to create workers to fill incoming higher-wage jobs. Ellspermann tells Inside INdiana Business the state needs to retain the talent it has and develop the skills of Hoosiers who could play a bigger role in the work force.

Indiana Farmland Value Could Dip in 2016

A Purdue University agricultural economist says Indiana farmland may decrease in value. Craig Dobbins says the dip will likely be caused by higher interest rates and low crop prices, though any losses should be moderate.

'Star Wars' Prototype Has Hoosier Connection

Shoppers at Target stores across the country have seen a large, interactive display featuring the BB-8 droid from Star Wars: The Force Awakens. The prototype for that display was created by Noblesville-

based 3D printing company Realize Inc. The company was contacted in February to create the prototype which would be used for the toy displays.

Vision Fleet to Supply Indy Vehicles Under Modified Contract

California-based Vision Fleet is back in service to the city government of Indianapolis following a halt to the original program. Vision Fleet had supplied over 200 electric vehicles to various city departments until a dispute over the original contract arose between the City-County Council and the Indianapolis mayor's office. Following a quickly-settled lawsuit, Vision Fleet bid on the project and will move forward with a new contract. "It was a good opportunity to make a lot of improvements, based on our earlier experience," explains CEO Michael Brylawski.

\$50M Project in The Works Near IMS

Plans for a \$50 million mixed-used development near the Indianapolis Motor Speedway have been unveiled. The "Wilshaw," which is a salute to three-time Indianapolis 500 winner and former Indianapolis Motor Speedway President Wilbur Shaw, will include 150 apartments, first-floor retail and a parking garage.

Indiana Tapping Tech Pipeline

"You can't grow technology in Indiana." It's a mantra that naysayers have been repeating for years, citing the state's perceived resistance to change and lack of oceans or mountains as reasons it could not build a robust tech work force. The numbers are beginning to tell a different story. In 2015, the Indiana Economic Development Corp. says 20 percent of its deals in a record-setting year were in the tech sector, a 150 percent increase over the previous year. "It's based on work force," said Indiana Secretary of Commerce Victor Smith in an interview on Inside Indiana Business Television.

Rolls-Royce Exhibit Moving to Downtown Indy

An aerospace and power systems exhibit is closing for six to eight months for a big move. The Allison Branch of the Rolls-Royce Heritage Trust will move from its current location on the near southwest side of Indianapolis to the Rolls-Royce Meridian Center in downtown Indy and reopen next fall.

Spending Bill Would Suspend Medical Device Tax

A \$1.1 trillion spending bill passed by Congress includes a two-year suspension of an excise tax affecting more than 150 medical device manufacturers in the state. Companies including Bloomington-based Cook Group Inc. and others have said the 2.3 percent tax has forced them to look overseas for growth opportunities.

Indiana Unemployment Remains at Over Decade-Low Rate

The Indiana unemployment rate remains steady at 4.4 percent. The Department of Workforce Development says the private sector added 3,400 jobs last month. The rate remains at its lowest level since August 2001.

THE NEW US 31 HAMILTON COUNTY FREEWAY OPENS FOR BUSINESS

Governor Mike Pence celebrated the opening of the new U.S. 31 Hamilton County freeway with Carmel Mayor Jim Brainard, Westfield Mayor Andy Cook, Congresswoman Susan Brooks and Indiana Department of Transportation Commissioner Brandye Hendrickson, as they joined project personnel, designers and contractors to commend five years of ambitious construction resulting in free-flowing traffic on U.S. 31 in Hamilton County.

"Hamilton County has seen significant growth in recent years and ensuring our infrastructure keeps pace with this part of the state is essential," said Governor Pence. "The unprecedented progress on the new U.S. 31 in Hamilton County and points north is a tribute to the vision of leaders across Indiana. Hoosiers can be confident that my administration will continue to build on these significant investments and ensure that Indiana remains the Crossroads of America."

Last week, northbound and southbound U.S. 31 traffic was shifted onto new bridges over 106th and 116th streets, opening the freeway to three lanes in each direction and effectively removing the final two traffic signals from U.S. 31 through Carmel. All ramps at the I-465 and U.S. 31 interchange, including the new free-flowing ramps from I-465 to northbound U.S. 31, are anticipated to be open to traffic and in their final configurations next week.

About the New U.S. 31

INDOT broke ground on the new U.S. 31 Hamilton County freeway in 2011 near the north end of the project at State Road 38. Approximately \$350 million

has been invested to upgrade 13 miles of highway, build 49 new bridges and 12 new interchanges through Carmel and Westfield.

"Upgrading U.S. 31 to freeway standards has helped open the door for Westfield to compete for national economic development projects," Mayor Cook said. "The US 31 freeway has brought Westfield about 15 minutes closer to Indianapolis and the Indianapolis International Airport. Combine that with development projects like Grand Park, and now our family-focused community is being recognized as one of the best places to raise a family."

Combined with the previously completed U.S. 31 Major Moves projects near Kokomo and South Bend, more than 32 traffic signals have been removed from U.S. 31 north of Indianapolis - saving drivers 30 minutes of travel time. This eases congestion, increases safety, and provides continuity of commerce and regional travel for a U.S. highway that stretches from Michigan to Alabama.

Final work continues in 2016

Construction along the corridor is expected to continue in 2016 as crews complete the U.S. 31/Meridian Street transition underneath I-465 and the roundabouts on 106th and 116th streets under U.S. 31. The speed limit between I-465 and Old Meridian Street will remain 45 mph through the work zone. The speed limit north of Old Meridian Street will be raised to 55 mph.

Source: Governor Pence's Office

INDIANA AG COMPANY GETS TRACTION TRAINING CHINESE

With five times more consumers in China than the U.S., the chief executive officer of Indiana-based WhiteshireHamroc puts it bluntly: "that has to make your mouth water," says Dr. Mike Lemmon. Following multiple agricultural trade missions to China, Indiana's lieutenant governor is encouraging Hoosier agriculture companies to take a bite out of the mammoth of a market. But more than an ocean separates Indiana and Asia, and that's why WhiteshireHamroc is bridging cultural and technological gaps with a Chinese training program.

The biggest swine genetics company in the U.S., Albion-based WhiteshireHamroc has been doing business in China for nearly a decade. With some 25,000 pigs on its Indiana campus, the company also boasts a sizeable international portfolio, which accounts for about 25 percent of its business; Lemmon projects that could grow to 40 percent in the next year.



The company's training program brings its Chinese production managers to Indiana.

Source: Inside Indiana Business

CHINA IN THE NEWS



Joanna Zhou (周娜), now residing in Knoxville TN, immigrated to Indianapolis with her husband from Beijing in 2013, where she worked in Human Resources for a U.S. Fortune 500 company. She enjoys her new life with her husband and kept in touch with her IAAT friends and readers by contributing to this column.

Beijing-Havana direct flight helps boost tourism: Chinese Ambassador to Cuba

Chinese Ambassador to Cuba Zhang Tuo on Monday said the launch of a direct Beijing-Havana flight is expected to boost China-Cuba ties in several areas, especially tourism. The inaugural plane, operated by Air China, one of major Chinese airlines, landed at the Jose Marti International Airport in Havana, Cuba's capital, at 9:15 p.m. local time Sunday (0115 GMT Monday) after some 19 and a half hours of flight, with a technical stop in Montreal, Canada. Previously, flights between the two countries would have to go via Spain, Germany, France or Mexico, making it a longer journey.

国航开通北京至哈瓦那航班将促进中古旅游发展

中国国际航空公司(以下简称“国航”)27日宣布开通北京-蒙特利尔-哈瓦那航线,该航线成为国内首条通往古巴的航线。该航班每周二、五、日三班,中间经停加拿大蒙特利尔。去程航班为北京时间14:00起飞,到达哈瓦那当地时间20:15;回程航班为哈瓦那当地时间09:00起飞,到达北京时间为次日17:30。

Taipei Palace Museum opens southern branch

A long-awaited new branch of Taipei's Palace Museum was inaugurated in Chiayi city of south Taiwan on Monday. The project, with an area of about 68 hectares, is made up of a museum building, a green park and a lake. It costs more than 10.93 billion New Taiwan dollars (341 million U.S. dollars) and the design and construction took about 11 years. The new branch is a perfect birthday present for the 90-year-old Palace Museum in Beijing, said Fung Ming-chu, director of Taipei's Palace Museum. Beijing's Palace Museum, also known as the Forbidden City, was inaugurated in 1925. Taipei's Palace Museum was built in 1965 based on about 600,000 pieces shipped from the mainland when the Kuomintang (KMT) fled to Taiwan in 1949 after its defeat in a civil war. About 90 percent of the exhibits in the new branch are from the museum's own collection but it will focus more on Asian art and culture, highlighting the diversity and exchanges among different countries and cultures in the region, Fung said.

台北故宫南院年底开放

台北故宫博物院院长冯明珠到访故宫博物院时透露,台北故宫南院于今年12月28日开放。为庆祝故宫建院90周年,台北故宫规划在台湾嘉义县太保市的70余公顷基地上建立一座“亚洲艺术文化博物馆”。目前已制定了10个展览计划,包括“佛陀形影——院藏亚洲佛教艺术之美”、“芳香远播——亚洲茶文化展”等。两岸故宫在合作上尚存瓶颈,冯明珠认为“数字馆”不失为一种智慧的解决方式。“两岸文物互访较难实现,但是在虚拟平台上‘重逢’却没有难点。不过对于展品所属的标注上仍需商讨。”

Second-hand smoking drops in China

The second-hand smoke exposure has dropped in China despite an increase of 15 million smokers in the past five years, said a domestic smoking report. Compared with 2010, the second-hand smoking

exposure rate fell from 34.6 percent to 17.2 percent in primary and middle schools and from 54.9 percent to 38.1 percent in government buildings, said the report released by the Chinese Center for Disease Control and Prevention on Monday. Second-hand smoking also dropped in workplaces, restaurants, public transport vehicles and medical institutions. Chinese smoking population has increased to 316 million, or 27.7 percent of the total targeted population, it said. The smoking rate was 52.1 percent for males and 2.7 percent for females.

中国吸烟者每天平均吸烟15.2支二手烟暴露有所改善

中国疾病预防控制中心28日发布《2015 中国成人烟草调查报告》。报告显示,我国烟草流行依然严峻,但二手烟暴露情况有所改善,公众对于二手烟危害的认知有所提高。报告显示,我国人群吸烟率与五年前相比没有显著变化,为27.7%。其中男性吸烟率为52.1%,女性为2.7%。由于人口总数增长,根据当前吸烟率推算,中国现在的吸烟人数比五年前增长了1500万,已达3.16亿。吸烟者每天平均吸烟15.2支,与五年前相比,增加了1支。与2010年相比,在室内工作场所、公共场所的二手烟暴露率均有所下降。工作场所的二手烟暴露率由60.6%降至54.3%;政府大楼由54.9%下降至38.1%;医疗机构从36.8%下降至26.9%;中小学(室内和室外)从34.6%下降到17.2%;餐馆从87.6%下降至76.3%。

Record number of gold coins found in 2,000-yr-old Chinese tomb

The number of gold coins and plates unearthed from an east China ancient tomb has increased to 378, after archaeologists found another 68 on Friday. The new finds include 20 thin plates about 22 centimeters long and 10 centimeters wide. Archaeologists say it is the largest discovery of gold coins in any Han Dynasty tomb. The gold coins, most of which weigh about 250 grams, were unearthed from the tomb of the first "Haishunhou" (Marquis of Haishun) in Nanchang City, capital of east China's Jiangxi Province.

千年古墓,挖出金币数量创纪录

考古学家自周五发现68枚金币以来,金币数量目前增长到378枚。在这座有两千多年历史的古墓里,除了发现金币外,还出土了20只薄碟子(22厘米长,10厘米宽)。考古学家称这是在汉墓里发现的最大的数量的金币。这些金币里,大多数中250克。发掘地点为江西南昌。

Chinese herbal medicine gets FDA clinical test approval

A listed Chinese herbal medicine maker on Thursday said its compound flu formula has received approval from the U.S. Food and Drug Administration (FDA) for clinical tests. The decision has paved the way for Chinese herbal medicine to enter the U.S. market. The Shenzhen-listed Yiling Pharmaceutical said that its wholly owned subsidiary in the U.S. received the approval for trials for its Lianhuaqingwen capsule, a compound herbal medicine for treating the common cold and influenza virus.

首个大复方中药获批在美国进行二期临床研究

以岭药业美国全资子公司YILING PHARMACEUTICAL, INC. 近日接到美国FDA批复,连花清瘟胶囊获批准同意在美国进行二期临床研究,据悉这是全球第一个治疗感冒和流感的复方中药的IND (Investigational New Drug Application, 即药品临床试验申报)申请正式获得美国FDA批准。连花清瘟胶囊是以岭药业生产的用于治疗普通感冒和病毒性流感的专利新药,是中国唯一获得国家科技进步二等奖的治疗感冒的中成药

FINANCIALLY SPEAKING

Trump's bankruptcies hold important investor lessons



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are classified as "investment grade" (BBB- or better by S&P/Baa3 or better by Moody's) or "speculative" (also known as "high-yield" or "junk").

Unlike with a stock, a bondholder has no upside beyond receiving the periodic interest payments and return of principal. Thus, bondholders need to be adequately compensated for the risk the issuer becomes unable to make the contractual payments. The higher the risk, the higher the interest rate or yield required.

With U.S. corporate bonds, this risk premium is expressed as the yield differential or "spread" versus the comparable maturity, "riskless" U.S. Treasury bond.

The Trump Taj Mahal opened in April 1990 to great fanfare (including an appearance by Michael Jackson), but missed its very first interest payment that October. The Taj filed for bankruptcy protection in 1991. Trump had personally guaranteed \$900 million of the Taj's debt.

Trump reportedly avoided personal bankruptcy by convincing his lender their best option for recovery was to work with him to restructure his debt, rather than have his assets tied-up in bankruptcy court for years. Still, he forfeited his Trump Shuttle airline, Trump Princess yacht and agreed to a personal spending limit.

Trump's other bankruptcies were: the Plaza Hotel (New York City--1982); Trump Hotels and Casino Resorts (Trump Taj Mahal, Trump Plaza and Trump Marina in Atlantic City, Trump 29 in California and Trump Casino & Hotel in Gary, Indiana--2004) and Trump Entertainment Resorts (Trump Taj Mahal and Trump Plaza--2009).

John Pierpont ("J.P.") Morgan was the world's most powerful financier a century ago. During Congressional testimony, Morgan was asked if commercial credit was based primarily on money or property. Morgan's famous reply was, "No sir, the first thing is character. Before money or property or anything else. Money cannot buy it...because a man I do not trust could not get money from me for all the bonds in Christendom."

This is sage and timeless advice for investors.

