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New Report: Ohio Wind and Natural Gas Companies See Benefits From Common Manufacturing Supply Chains

Washington D.C. -- A new report from a Washington think tank details how Ohio's economic rebound has been helped by manufacturers moving into the clean energy sector to serve overlapping natural gas and wind industry supply chains.

The report, "Lessons From Ohio," found that clean energy manufacturers were advantaged by serving both natural gas and wind energy customers. Two-thirds of the 50 companies surveyed in the report said that the skills, equipment, and investments that led to their success in component manufacturing for the natural gas industry helped them grow their renewables business, and the converse was also true for 60 percent of those surveyed.

As importantly, the report found that Ohio's overlapping competitive supply chains for the energy sector were viewed as a benefit by wind and natural gas producers alike.

"Lessons from Ohio" is a collaboration between the Washington, D.C.- based American Clean Skies Foundation and Cleveland's WIRE-Net. "This Ohio project suggests that there is a powerful national story to be learned about the connection between American clean energy and manufacturing. One sector is reinforcing the other," said WIRE-Net President John Collum.

Ohio is home to 400 advanced energy companies that employ 25,410 workers. The discovery of the Utica Shale has played a dominant role in reinvigorating Ohio's manufacturing base. At the heart of this renaissance is the technological advancement – such as hydraulic fracturing and horizontal drilling – that has unlocked previously inaccessible shale resources.

The energy renaissance has allowed businesses to build a more durable mix of customers, allowing them to weather the demand swings of the clean energy markets. "A key lesson from Ohio is that the natural gas and renewable energy industries have a common interest in a strong manufacturing sector that can build parts, create jobs and generate ongoing local investment," said Gregory C. Staple, CEO of the American Clean Skies Foundation.

The "Lessons From Ohio" report includes several case studies that illustrate the success companies have enjoyed by moving into clean energy. For example, Wodin Inc. of Bedford Heights, Ohio, is a custom manufacturer of machine components since 1967, mostly aimed at transportation, aviation and defense. Wodin entered the energy market in 2003 with the production of well-site equipment used in the recovery of natural gas. Wodin began its pursuit of renewable business in 2000 and landed its first order for wind turbine main shafts in 2009.

The report finds patterns of companies thriving by being agile and moving into several segments of the energy markets, highlighting the economic synergy between shale gas and renewables. According to the report, 79 percent of natural gas component suppliers have moved into renewable energy manufacturing.

About the American Clean Skies Foundation

Established in 2007, ACSF seeks to advance America's energy independence and a cleaner, low-carbon environment through expanded use of natural gas, renewables, and efficiency. The Foundation is a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code.

About WIRE-Net

This report was prepared for the American Clean Skies Foundation by WIRE-Net with guidance from ACSF staff. The principal authors are Ed Weston, Director for Supply Chain Services, and Mathew Bramson, Research Associate, both of WIRE-Net.

WIRE-Net is a Cleveland, Ohio-based nonprofit economic development organization that supports manufacturing to create healthy communities and fuel economic growth. WIRE-Net has more than 240 member companies that employ 16,000 people. Established in 1988, the organization operates manufacturing support programs in Cleveland and nationally. WIRE-Net organized the Great Lakes Wind Network, GLWN, to increase the domestic content of North America's wind turbines and to grow the supply chain for the wind industry. In 2011, WIRE-Net diversified its energy work into solar and natural gas.

To learn more: www.wire-net.org.

WIRE-Net and ACSF would like to thank the following organizations for their collaboration on this project:

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