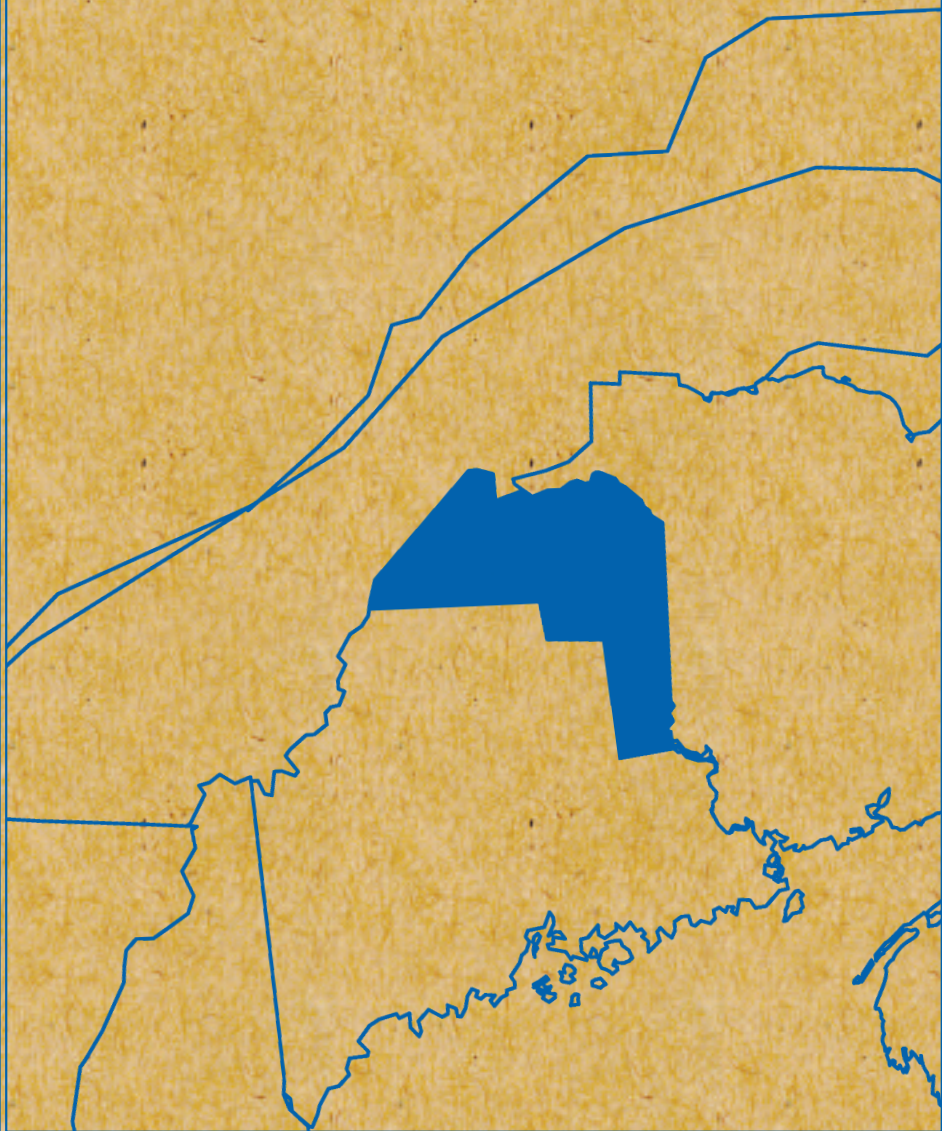


Annual Report - 2004/2005



## The Aroostook Partnership for Progress

(APP) is a public-private regional partnership dedicated to aggressive and effective results-oriented economic development actions that leverage the financial commitments and talents of the private sector in close partnership with the public sector.

The initiative's goals include enhancing the County's economy by increasing business and investment activity, attracting new jobs, reversing out-migration trends, and focusing on increased economic development accountability and leadership inclusiveness.

*"The Aroostook Partnership for Progress is the beginning of a new vision of regional, grass-roots actions that are at the core of our new economic development strategy."*

John Baldacci  
Governor of Maine

## Letter from Chairman

The Aroostook Partnership for Progress's first year has helped to position both the organization and the region to take advantage of opportunities moving forward. We've worked diligently to get investors in place, strategies set and partners lined up to be able to accomplish the goals we have set.

These goals include:

- Assisting in the creation of 1,500 net new jobs and attract at least \$50 million in new capital investments by 2007;
- Establishing Aroostook County as a film production location by 2007;
- Attracting a resort development to Aroostook County;
- Increasing the awareness of Aroostook County among decision-makers involved with business expansion, relocation, and investment; and
- Increasing activity and private investment in select Aroostook County Downtowns.

To accomplish these goals it was imperative that we create a clear road map of what we needed to do and where we needed to go. We also needed to formalize relationships to help get us there.

In addition to this positioning that has been done, we have also been working hard to create new jobs, attract new investments and stop out-migration – with some early successes already being realized.

In the following pages you will see an account of our activities over the year. Our employees, board and volunteers have been working hard to promote economic development in Northern Maine.

Finally, I would be remiss if I didn't thank our investors. Without your support we wouldn't have been able to even consider this endeavor. To our employees, board and volunteers, your continual effort is what will make this plan a reality!

Sincerely,



J. Nicholas (Nick) Bayne  
Chairman  
President and CEO Maine & Maritimes Corporation



## Activities of 2004/2005

### Prospecting Trips

APP representatives have been meeting with company executives and site location consultants throughout the U.S. and Canada promoting the business advantages of a Northern Maine location.

APP representatives have been to:

- Washington, D.C.
- Boston
- States of Washington, New York and New Jersey
- Portland
- Charlotte
- Moncton, New Brunswick, Canada
- Toronto, Ontario, Canada

APP representatives have met with more than 110 companies representing major corporations in the forestry, back office, financial services, insurance services, manufacturing and food processing industries. There are currently several confidential prospects the team is working to secure.

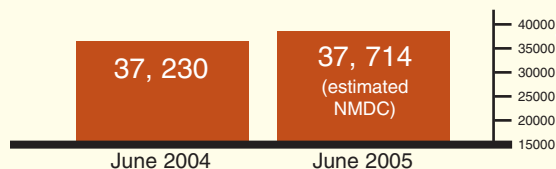
### Partnership with LEAD

In late fall 2004, Leaders Encouraging Aroostook Development (LEAD) and APP signed a Memorandum of Agreement to collaborate efforts.

Under this agreement, LEAD will focus on implementing image development, business recognition events and government relations. Improving the County's image internally will be a key component of LEAD's activities in the upcoming year.

The cooperative relationship between the two organizations sets an example for other organizations in the County to come together and focus resources on one core mission.

### Job Growth - Number of people employed in Aroostook County



Nick Bayne, Senator Olympia Snowe, Bob Clark and Walt Elish

### NADO Innovation Award

The National Association of Development Organizations (NADO) acknowledged the region with one of its Innovation Awards. Northern Maine Development Commission, Inc. was recognized for organizing the Rural Empowerment Summit that led to the formation of APP and its goals.

Since 1986, the NADO Innovation Awards Program has recognized organizations that have demonstrated innovative approaches to economic and community development. The award winning programs are also featured in roundtable sessions at NADO's Annual Training Conference. The roundtables give economic and community development professionals and elected officials the opportunity to share with colleagues detailed information about successful strategies for building communities and creating jobs.

### Aroostook Investment Exchange (AIX)

APP was involved in the formation of the Aroostook Investment Exchange (AIX). AIX brings together businesses, existing and proposed, that have a need for investment capital with those that have capital to invest in Aroostook County. Businesses will have an opportunity to present their case during a 10-minute presentation to prospective investors. The prospective investor and presenter will then be on their own to make the connection to see either party wants to move forward.

AIX is a volunteer program operated by Northern Maine Finance Corporation (NMFC).

### Webcast

APP broadcast its first webcast in May. The webcast was created for Boston area businesses and demonstrated the advantages of setting up or growing a business in Northern Maine. Senator Susan Collins, Governor John Baldacci and Nick Bayne, Chairman of APP, were all featured in the webcast inviting potential companies to invest in Northern Maine.

Following the webcast calls were made to targeted Boston area businesses to arrange appointments and/or receive feedback on the information contained in the webcast.

To view the webcast, log onto [www.APPme.org/webcast](http://www.APPme.org/webcast).



## Launch of New Web Site

In an ongoing effort to attract new business opportunities to Northern Maine, APP completely reworked its web site ([www.APPme.org](http://www.APPme.org)) to better showcase the region and provide important information to investment prospects.



The site went live early in 2005 and has been updated several times since. Our aim is to keep the site current to encourage potential investors to visit often.

## Resort Development

In early June APP hired one of America's leading resort consulting firms, Global Resorts Inc. (GRI), to investigate resort options for Northern Maine.

GRI has done work across the continental U.S. and in 32 countries around the world and will help the region identify the opportunities for development. GRI has worked with some of the world's leading resort developers including Marriott, Hilton, Four Seasons, Hyatt, Fairmont, Allegro, Club Med, as well as leading financial institutions including GE Capital, Textron and ING Capital.

GRI will conduct a marketing-feasibility study and conceptual plan for a resort or resorts in the County. The study, to be completed by the end of 2005, will identify various options for resort locations, the type of resort to be built and the funding sources necessary to bring the project to fruition. Among other advantages, APP believes that attracting a resort to Northern Maine will assist in making our region a recognized tourist destination.

Global Resorts, Inc. is the lead firm for the consortium of GRI, Ragatz Associates, and The Hurlbert Group International.

## Proactive Approach

APP's core mission is to be proactive in its unwavering pursuit to attract business development opportunities to Northern Maine. Our commitment was demonstrated this past year when APP purchased a building in Madawaska for a start up to house its operation. The business is now prospering and planning an expansion in the near future.

## Community Support

The strength of the Partnership is its county-wide focus and ability to act quickly when the need arises. With the announced closing of the DFAS Limestone facility, APP, along with the Loring Development Authority, quickly mobilized and formed the Grow DFAS Committee. The Committee will be attempting to persuade DOD to not only reverse its decision, but also to expand the facility into one of the regional centers.

## Investors' Council

Maine Public Service Company	Harry's Honda Mitsubishi and Motor Sports
Northern Maine Development Commission	Leaders Encouraging Aroostook Development
Katahdin Trust Company	TD Banknorth
Maine Mutual Group	Fleet Bank
Dead River Company	Margaret Burnham Trust
The Aroostook Medical Center	Sheridan Corporation
Cary Medical Center	S.W. Collins
Aroostook Newspapers	Cianbro
United Insurance Group	La Vallee Federal Credit Union
F. A. Peabody	Fort Kent Federal Credit Union
Daigle Oil Company	The County Federal Credit Union
KeyBank N.A.	



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