

For Immediate Release
June 14, 2011

CONTACT:

Carlton Crothers, CEO
MTEC SmartZone
600 E. Lakeshore Drive
Houghton, MI 49931
Phone: (906) 487-7000
ccrothers@mtectsz.com

MEDIA & PHOTO CONTACT:

Karyn Olsson
Marketing Department, Inc.
616 Sheldon Avenue, Suite 207
Houghton, MI 49931
Phone: (906) 483-2000
karyno@marketingdepartmentinc.com
www.marketingdepartmentinc.com

ABOUT MTEC SMARTZONE

The mission of MTEC SmartZone is to provide technology-based facilities, resources and programs to high-growth entrepreneurs and companies that increase employment, income, wealth and recognition in the U.P. communities where we serve. Our vision is having integrated economic development of the region that includes a vibrant technology sector, driving Michigan's technological leadership and economic growth with sustainable opportunities for companies and their employees to prosper.

More information is available at
www.mtectsz.com

ABOUT THE MEDC

The Michigan Economic Development Corporation (MEDC) is the State of Michigan's one-stop resource for businesses seeking to grow in Michigan. Whether it's an expansion, a relocation, or even a concern with another agency of state government, the MEDC can help. From site location assistance to job training grants, from help with permits to tax abatements, we're the state's economic development corporation. More information is available at www.themedc.org.

SmartZone is a service mark of Michigan Economic Development Corporation.

Ford IT Finds Success Insourcing Jobs to Talented Michigan Tech Students

Houghton, MI – Many companies who outsource jobs overseas save money while boosting production. However, Ford Motor Company discovered several IT functions that could be remotely sourced but faced challenges due to language barriers, high staff turnover, short supply skill sets and time zone issues. Russell Louks, Ford's Application Technology Supervisor, began to look for alternatives.

In March 2007, Louks met with MTEC SmartZone and Michigan Technological University to discuss relocating operations to the MTEC SmartZone. They realized that Computer Science students could provide IT functions with less risk at the same or lower cost than anywhere else in the world.

Louks, a Michigan Tech alum, discovered that the available student workforce and MTEC SmartZone Lakeshore Center facility met Ford Motor Company's stringent technology needs. Louks researched other locations but chose MTEC SmartZone for several reasons. "We looked at a lot of options but ended up choosing MTEC SmartZone because of its proximity to campus. All but two of our employees are students who need to get to and from classes and work quickly," Louks states.

Another factor in Louk's choice was the "move-in ready" facility, complete with cubicles, desks, chairs, and Michigan Tech's Gigabit Internet access. The IT infrastructure and vibrant work spaces at the Lakeshore Center meet Ford's strict security standards, a huge consideration for any large company. Louks comments, "All we had to do was set up our networks and workstations. We were ready to go in a very short time." Ford made the decision to move to the Lakeshore Center in September 2007, and was in operation two months later.

MTEC SmartZone's "Fortune 500 Formula" business model of hiring bright, innovative Michigan Tech students has proven a "win-win-win." MTEC SmartZone boosts job creation in the Keweenaw, Ford receives high quality work completed at low cost and Michigan Tech students gain real-world experience.



For Immediate Release
June 14, 2011

Drawing from a wide range of engineering students in Computer Sciences, Electrical Engineering and Management Information Systems, Ford currently employs 34 students in their IT department as Information Systems Programmers. In addition, Ford and other MTEC SmartZone companies have the opportunity to identify student talent and place them elsewhere in the organization. To date, over 50 students have been placed throughout the country with Ford.

By their own estimation, Ford has saved money by sending these jobs to Houghton. Average operating cost per man-hour is estimated between \$15 - \$28, cheaper than outsourcing services overseas. When asked about the decision to insource work to Michigan Tech, Louks sums it up, "Ford had the need and the work, Michigan Tech had the technology student talent and MTEC SmartZone had the space and support to help make it happen. We couldn't pass up this opportunity."

For more information contact MTEC SmartZone CEO, Carlton Crothers at 906-487-7000 or ccrothers@mtecsz.com.



Russell Louks, Ford's Application Technology Supervisor

