At the Center of It All

When it comes to launching or expanding your business, there’s a good reason why Chicago needs to be on your map.

In fact, there are so many that we can’t count them all. But here are five you absolutely need to know about.
Chicago is a city that lacks for nothing—not even nicknames. "The Windy City." "The Second City." "Chi-town." "The Third Coast." Poet Carl Sandburg dubbed it "City of the big shoulders." A recent cold snap inspired "Chi-beria."

The most apt moniker of all, however, may be Mayor Rahm Emanuel’s favorite way of describing Chicago: "The most American of American cities."

Lodged firmly in the heart of the heartland, Chicago is at once a sprawling, energetic,
and remarkably diverse metropolis, while also manifesting the welcoming, civic-minded friendliness of a much smaller town. It’s proud yet modest, vibrant yet relaxed. Most remarkably, it maintains this improbable alchemy even as it reinvents itself at an astounding pace, as a host of transformative projects usher in a new future without altering the city’s fundamental character. What does all this have to do with the future of your business? Far more than you might think. From the largest global giants to the most nascent of mom-and/or-pop shops, a long roster of companies are learning that Chicago’s unique DNA is inseparable from the long list of tangible advantages it offers to companies eager to launch, expand, relocate, or reinvent themselves.
If you’re looking for hard numbers to reassure you that Chicago is the place to be, you’ll find plenty (in fact, just keep reading). If glowing testimonials from business peers matter to you, just talk to anyone you meet. If you want to be part of a tightly connected business ecosystem, rest assured that you can make that happen in short order. But in addition to those all-important metrics and proof points, spend a little time in Chicago, and you’ll soon come to feel that something about the city just feels right. You may not build that sentiment into your formal analysis, but it matters.

That said, you no doubt need to size up the city from as many objective angles as possible. So let’s begin a tour of five key reasons Chicago is right for your company.

**A City with Economic Momentum**

Last year more than 600 companies either expanded in or relocated to Chicago, helping it win *Site Selection* magazine’s Top Metro Area award for the second straight year. The area added more than 21,000 new jobs and $6.8 billion in investment. Chicago-area companies accounted for a collective $8 billion in IPO and M&A activity in 2014, and the region’s unemployment has fallen steadily and is now below 6 percent.

But numbers don’t tell the entire story. To better gauge Chicago’s thriving economy, scan the headlines. One month global agribusiness Archer Daniels Midland is opening its new global headquarters in Chicago. At nearly the same time, online review site Yelp was signing a lease for more than 50,000 square feet of space at the city’s famed Merchandise Mart. Meanwhile, the city was also putting the finishing touches on a deal with Chinese investment firm Wanda Group to build a 93-story, mixed-use tower on a prime piece of lakefront property.

“The facts speak for themselves,” says Jeff Malehorn, president and CEO of World Business Chicago, a public-private partnership chaired by Mayor Emanuel that’s designed to drive economic growth in and around the city. “We have very pro-business political leaders at both the city and state level; very collaborative partnerships between business,
“As an owner, the possibilities are endless.”

— DAVID GONZALEZ
Allstate Agency Owner since 2003

Fifteen years ago, David skipped buying a new car and, instead, invested in being an Allstate Agency Owner. A good choice that’s paid off.

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Hear more of David’s story at AllstateAgent.com
academia, government, non-profits, and other organizations; and tremendous assets that make Chicago a great place to do business for companies of all sizes.”

A City Powered by Diversity

One of those assets is economic diversity. “Unlike many other urban areas, we’re not a one-industry town,” Malehorn says. In fact, no single industry accounts for more than 14 percent of Chicago’s workforce. When Sandburg wrote his ode to Chicago a century ago, he made a similar observation, describing the city as a “Tool maker, stacker of wheat, player with railroads, and the nation’s freight handler....”

A City Transformed by Innovation

While that diversity of ownership matches the breadth of industries that are thriving in Chicago, increasingly, there is a common thread uniting many if not most of these enterprises, and that’s an embrace of new technologies that are redefining how products are made and services are delivered. “There is an innovation explosion underway in Chicago,” Malehorn says.

That diversity remains a vital part of the city today, and is reflected, among other ways, in business-ownership statistics: of the quarter million businesses operating in the city (based on 2007 U.S. Census data), 23 percent are owned by African-Americans, 9 percent by Hispanics, and 7 percent by Asians. Women-owned firms account for more than a third of all business in the city.

Chicago Mayor Rahm Emanuel cited the decision of Kraft Heinz to relocate its headquarters to downtown Chicago as yet another big win for the city.
Some like to call us the Second City. Second to whom? Anyone that lives here knows we're second to no one. We're actually a city of firsts: Chicago is home to the first skyscraper, The Home Insurance Building, completed in 1884. The original Ferris Wheel was built here as the centerpiece of the 1893 World’s Columbian Exposition. The first concept of a U.S. blood bank began in Chicago with Dr. Bernard Fantus who thought to store blood for later use. In 1872, Aaron Montgomery Ward changed the way we shop, with the first company to provide mail-order retail. The first wireless remote control was invented in Chicago in 1955 and Chicago-inventor Martin Cooper is credited as one of the first to file a cellular phone patent in 1973. Chicago is even home to the world’s first self-sustaining, controlled nuclear reaction and the first open-heart surgery. This is a city of innovation, of invention, of beginnings. These are just some of this city’s long list of firsts.

Wintrust is not the first bank, (we're actually the second largest bank headquartered here) but we are Chicago’s Bank. And, we’re here to help Chicago businesses achieve the next round of firsts.

We are nearly 3,500 community and commercial bankers, home loan officers, financial advisors and specialty lenders focused solely on our customers and the communities in which they live. We all have the same mission: to provide best-in-class financial services to all of our customers, be the local alternative to the big banks, and improve the communities we call home.
major force in transforming the Chicago area into a digital powerhouse, “but the angle of ascent of our technology ecosystem is probably steeper than that of any other major city. And technology is now so pervasive that every company is a technology company.”

Consider ComEd, which delivers power to about 70 percent of Illinois residents. As part of a grid modernization program begun in 2011, it co-founded Energy Foundry, a cooperative effort that “allows nimble, small firms to leverage our Smart Grid in ways that spark innovation and create new services,” says Fidel Marquez, ComEd’s SVP for Legislative and External Affairs and Chief Governmental and Community Affairs Officer. A start-up called Root 3, as one example, is developing new software to power the “cleantech” movement toward new levels of energy efficiency. “We’re also working with another company that is developing new electric-battery technology that is 10 times denser than current standards,” Marquez says. “This will allow for more power in a much smaller battery, which can have many applications, for anything from electric vehicles to back-up power products.”

What’s particularly notable about Energy Foundry is that, as Marquez says, “Our involvement goes beyond funding. We’re engaged in this. We have a ComEd executive-in-residence at Energy Foundry, who in turn invites entrepreneurs-in-residence to spend time at Energy Foundry to learn how the latest advances can have an impact on their businesses.”

That spirit of cooperation, that cross-pollination of ideas and disciplines, is a hallmark of Chicago’s approach to innovation. And perhaps nowhere is that more apparent than at 1871, the famed tech incubator named in honor of the Great Chicago Fire (or, more accurately, what came after the fire, when engineers, architects and inventors united to build a new city). Occupying 75,000 square feet in the city’s Merchandise Mart, 1871 is a non-profit community of communities, uniting member companies, universities and schools, sponsors and donors, technology partner organizations, incubators and accelerators, volunteer mentors, early-stage VC funds, college start-ups, and other entities in a
When Northwestern University creates a space to inspire entrepreneurship and innovation, we go beyond the traditional classroom. A combination of our research excellence with a startup twist, The Garage is designed for collaboration across multiple disciplines. If you are interested in opportunities to discover and interact with the next generation of thinkers and doers, visit thegarage.northwestern.edu
vibrant entrepreneurial ecosystem that CEO Howard Tullman says has created more than 2,400 jobs in just the past three years.

Its success comes in large part, he says, from targeting the "sweet spots" in the area's diverse B2B economy: rather than shooting for the huge (and massively rare) success of, say, a Facebook, "We focus on building sustainable products and services that help larger corporations save time and money and increase productivity, by incorporating new, proven technologies to improve how they run their businesses." 1871 is helping to create hundreds of new companies that support core industries, from logistics to tourism to insurance to the auto sector, even as it also does something equally important: it gives these companies a chance to help one another, by placing them all under one (massive) roof.

The headlong rush to innovate is not limited to the start-up world. Large companies throughout Chicago are doing their part to fuel this boom. When Grainger was launched nearly a century ago, as a motor sales and distribution company, it came up with what Jim Ryan, the company's Chairman, President and CEO, notes was, at the time, "an innovative way to give customers efficient access to its products: an eight-page, 41-product catalog that was called the Motor Book."

With purchasing behaviors changing, Grainger is adapting. Now, in addition to a robust catalog, Grainger's more than 2 million customers can order more than 1.2 million products online. To accommodate this digital demand, which now accounts for 36 percent of the company's revenue, Grainger established a new e-commerce unit in the city in 2012, one that has quickly grown from 50 employees to 320. "We could have opened this office anywhere," Ryan says, "but we chose Chicago for its world-class IT talent."

Similar sentiments lie behind Mead Johnson Nutrition's plans to move its global headquarters from nearby Glenview into Chicago's downtown area sometime in the first half of 2017. President and CEO Kasper Jakobsen says that, "Our new location will offer us advantages in terms of access to resources, employee and visitor amenities, and also our ability to attract and retain the very best talent. We will be pleased to add the Mead Johnson name to Chicago's already impressive list of responsible corporate citizens and to become even more a part of the fabric of this great city over time. We've been based in the area since 2009, and in that period we've found local government and civic leaders to be committed to maintaining a positive business environment."

—Alicia Löffler, Associate Provost, Northwestern University

"Things have changed a lot over the last five years, particularly in terms of what the most entrepreneurially-minded students do. They no longer head off to Silicon Valley or Boston; now, they stay. And the effect is autocatalytic: Talent attracts more talent, and that drives economic growth."

—Alicia Löffler, Associate Provost, Northwestern University
Chicago
A Human City
Proud to do business here
A City Brimming with Talent

The supply of such talent owes much to the city’s many colleges and universities, which not only provide a constant flow of well-educated graduates but also partner with tech incubators, large companies, and research centers of all kinds throughout the Chicago metro area. “We are the country’s second-largest college town, behind only Boston,” Malehorn says. “The amount of talent we have locally is huge, and it’s growing.”

Alicia Löffler, Executive Director, Innovation and New Ventures, and Associate Provost at Northwestern University, says that while the students who fill the talent pipeline arrive from all over the world, increasingly they prefer to stay in Chicago once they graduate. “Things have changed a lot in that regard during the last five years,” she says, “particularly in terms of what the most entrepreneurially-minded students do. They no longer head off to Silicon Valley or Boston; now, they stay. And the effect is autocatalytic: talent attracts more talent, and that drives economic growth far better than throwing money at problems. And fortunately, it’s possible for anyone who wants to stay to find a place here, because the demand for good people is outpacing the supply.”

That autocatalytic effect is not limited to the workplace, Löffler says. As more young people decide to work and live in Chicago, “the entire city just feels different. The cultural ecosystem has improved a lot, from music and art to food. Chicago is now a cool place to be.”

Alan Weiss, Vice President, Central Region, for CDW, a $12 billion distributor of IT solutions and services, agrees that the cool factor plays a big role in recruiting talent—and he also sees a big advantage beyond that. “Chicago has a unique blend of work ethic, innovative spirit, art and entertainment, sports, universities, and natural beauty,” he says. “That makes it a great place for younger people to grow and advance. And while those cultural attractions play a big role in attracting people, it’s also important to note that people who come usually stay. That creates a stable workforce, a stable customer base, and ultimately a stable way of life.”

Chicago’s expanding cultural attractions (the city has more than 200 galleries and
In today’s digital economy, consumers want to do business with companies that are always on and are available at the touch of a finger. It’s an economy in which technology and the constant flow of data are critical.

The electric grid that powers an economy like this has the potential to power not just the lights—but a true competitive edge.

And that’s exactly what ComEd is doing in Chicagoland and all across northern Illinois.

At ComEd, we’re creating a modern, digital smart grid to give our 4 million customers greater access to cleaner, greener energy choices, increased reliability and more control over how they power their lives and businesses.

This transformation is driving economic growth, creating new business opportunities and thousands of jobs in the third-largest economic region in the nation. Our investments in a smarter grid are already paying dividends, delivering record power reliability over the last two years and ranking ComEd among the top-performing utilities in the United States.

ComEd is helping to drive a Chicagoland future that looks brighter, smarter, and more resilient. We’re enabling the technologies of smart cities—giving local communities control over streetlights that can be wirelessly dimmed, brightened, or even used to signal emergencies—and partnering with other businesses to offer smart thermostats and energy management tools to our customers.

We also know how important the bottom line is to our business customers. ComEd’s Smart Ideas Energy Efficiency Program has saved customers more than $1 billion in energy costs. These and other innovative solutions have helped establish Chicago as a leading hub for data centers, as well as for logistics, healthcare and growing high-tech sectors. Commercial and residential customers benefit from a competitive energy supply market in Illinois, and ComEd’s residential rates are well below both the national average and those of the nation’s top 20 cities.

ComEd is setting the stage for the innovation and value of tomorrow. Our Future Energy Plan, newly proposed legislation before the Illinois General Assembly, focuses on enabling the region to realize the full potential of the digital smart grid. The plan brings more energy savings, green innovations like electric vehicle charging stations and microgrids, and greater access to clean energy options like solar power. This legislation will create an even greener and more resilient grid—and it will do so affordably and equitably, so everyone can reap the benefits.

At a time when the modern power grid is the backbone of the 21st century economy, you can count on ComEd to continue delivering power reliably, affordably and innovatively—providing businesses big and small with a competitive edge.

ComEd.com/smartgrid
museums, more than 7,300 restaurants, and its theater and music scenes are as rich as they have ever been) are matched by other less glamorous but no less essential facets of livability, such as a good mass transit system, affordable housing, numerous parks and recreational areas, and greatly improved use of both its river and lakeshore frontage. Next year the city’s popular Riverwalk is expected to be completed, linking downtown to the lakefront with a pedestrian-only series of spaces or “rooms,” each one with a unique focus (boating, theater, and more). For those looking to burn off some of the calories they may ingest along the Riverwalk, 19 miles of lakefront bicycle paths should do the trick.

A City with Global Reach

While “City of Infrastructure” is hardly as catchy as, say, “Toddlin’ Town,” it’s nonetheless true that Chicago has unparalleled logistical and transportation assets. For business leaders worried less about being able to bike to the nearest tech incubator and more about getting goods to (and from) every corner of the globe, Chicago’s status as the crossroads of America provides an advantage no other large city can match. “Right out my window I can see O’Hare Airport and two major interstate highways,” says Wehmer of Wintrust. “The volume of commerce is incredible. Air, rail, roads, and sea; it all converges here. If you ship anything, this is a great place to do business.”

Increasingly, companies are realizing that Chicago’s location puts it not only at the center of the country, but makes it a convenient gateway to the world. For example, consider Archer Daniels Midland’s new global headquarters, which opened last year on two floors of the glittering downtown tower formerly known as the United building. The company’s U.S. headquarters is in nearby Decatur, but CEO Patricia Woertz said it chose Chicago for

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Learn more at CDW.com/solutions
We’re Making Big Plans in the City of Big Shoulders

Every day, millions of families rely on Mead Johnson Nutrition to provide the nutritional products that help give infants and children their best start in life.

This is why we are proud to call Chicago our home. Because, despite its stature as an economic and cultural powerhouse, at its heart Chicago is a city of families; families that give this city its drive, energy, and spirit to succeed.

Together, Mead Johnson Nutrition and Chicago are building a stronger future. For each other. And for the families around us.

Learn more at www.MeadJohnson.com
AkzoNobel, a $15.8 billion maker of paints, coatings, and specialty chemicals, can relate. "Our North American headquarters and two of our global business units, Polymer Chemistry and Surface Chemistry, are based in Chicago," says Johan Landfors, President of AkzoNobel North America (and Managing Director of the company's polymer chemicals business unit), "in part because it's easy for our people to travel in and out to destinations around the globe. It's also easy to find people who have global business expertise, which is very important for us."

In fact, the company has added about 100 jobs in the Chicago area as it builds out its North American Shared Services Center, which provides centralized finance, HR, legal, IM, and other services to 5,000 employees in the U.S., Canada, and Mexico. "The great talent available in Chicago across all these disciplines is a major advantage of basing the center here," Landfors says. He's also a big fan of Chicago's livability. "I'm now in my second period of living here," the Sweden native says, "and I love the city. You can walk down Michigan Ave. or through Grant Park and feel like you're in Europe; the culture and diversity are both very rich."

AkzoNobel knows a thing or two about great cities: it recently launched its "Human Cities" initiative, which highlights the company's commitment to energizing and regenerating urban communities around the world. As part of that initiative, AkzoNobel supports two strong, local programs in Chicago, Year Up and Mercy Home, both of which provide training, development, and opportunity to underserved youth in the Chicago area. The company has also partnered with the "100 Resilient Cities" program (pioneered by the Rockefeller Foundation), which focuses on helping cities around the world become more resilient to the physical, social, and economic challenges that are a growing part of the 21st century. Chicago was recently accepted to the program, one of only seven cities in North America to make the cut.
Those initiatives and others like them are emblematic of the atypical way that Chicago addresses virtually every issue a large city will face, be it economic, social, educational, environmental, or political. “I know that the mayors of other cities are envious of us in that regard,” says Pritzker. “We have a very unusual symbiotic relationship between the private sector and the government. People don’t say, ‘That’s a political problem’ or ‘That’s a business problem’ and leave it to someone else to fix. Companies here have a real sense of corporate responsibility toward the city, and in turn the political leaders do all they can to help businesses thrive. Everyone works together to find solutions.”

Given all that, no wonder more companies are deciding that Chicago is the solution they’ve been searching for.

For more on the companies and organizations cited in this special section, please visit the following:

- Allstate Insurance
  www.allstate.com
- AkzoNobel
  www.akzonobel.com
- CDW
  www.cdw.com
- ComEd
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FOR THE ONES WHO GET IT DONE

Founded in Chicago by William W. Grainger in 1927, Grainger proudly shares a rich history with our great city.

And what better place to build and grow a company than in this city of hard work, industry and innovation? Even today, the history, technology and teamwork inspired by Bill Grainger drives us to serve every customer with the same dedicated service, from contractors to corporations.

**Grainger is proud to call Chicago home.**