

Oil and Natural Gas Stimulate Indiana

Economic and Job Growth



Oil and natural gas are driving the U.S. economy through a major energy boom and that boom is rippling through the economy of Indiana, supporting business activity across the state. This finding grows out of a new American Petroleum Institute survey of domestic oil and natural gas vendors,¹ which offers a glimpse into the job and business creation engine that is the current oil and natural gas industry. The survey shows that at least 133 businesses, located across all nine of Indiana's congressional districts, are part of the larger oil and natural gas supply chain.

The survey's snapshot of state-by-state activity reinforces the impressive level of industry success throughout the country that is documented in a recent PriceWaterhouseCoopers study conducted for the American Petroleum Institute.² That study found that the oil and natural gas industry in Indiana supports a total of 136,400 jobs, which is 3.8 percent of the state's total employment. The amount of Indiana labor income supported by the oil and natural gas industry comes to \$6.7 billion annually. That's 4.1 percent of the state's total labor income.

Although Indiana is not a top energy producer, these job and labor income figures demonstrate that the people of Indiana enjoy significant benefits from

energy development.³ The benefits show up in the state's salary statistics as well. Thus, while the average annual salary in Indiana across all industries and sectors is \$41,792, the average oil and gas industry salary (excluding gas stations) is substantially higher—\$80,512 annually.⁴ Overall the industry supports \$16.6 billion of the Indiana economy. That's 6.3 percent of the state's total economic activity.

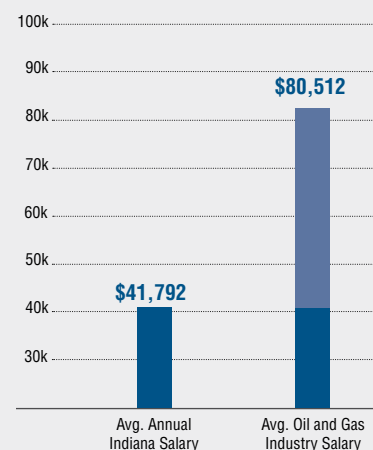
Indiana also benefits from the production of oil and natural gas from shales and so-called "tight formations," energy development that uses the proven engineering technologies of hydraulic fracturing, or "fracking," and horizontal drilling. Total jobs supported by these activities in Indiana reached 15,973 in

\$16.6 BILLION
THE INDUSTRY CONTRIBUTES
TO INDIANA'S ECONOMY

136,400
INDIANA JOBS

SUPPORTED BY OIL AND
NATURAL GAS INDUSTRY

AVERAGE ANNUAL SALARY COMPARISON



1. American Petroleum Institute, "API Onshore Oil and Gas Vendor Identification Survey," Washington, D.C., 2014. The survey was distributed to API members in January 2014 to collect information for the period October 2012 to September 2013. Included are companies that provide goods and services for onshore oil and natural gas development, whether as operators, contractors, service companies, suppliers, or vendors.
2. PriceWaterhouseCoopers, "Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy in 2011," Washington, D.C., July 2013. Prepared for API using the IMPLAN input-output modeling system, based on 2011 U.S. Bureau of Economic Analysis data.
3. Information cited in this paragraph comes from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages (preliminary data for 2013 accessed July 2014); and PriceWaterhouseCoopers, "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," 7/12/13 (based on 2012 IMPLAN database).
4. Data includes NAICS code 324, which may count some coal product manufacturing jobs.

State: Indiana

Vendors by Congressional District

| Congressional District | Total |
|--------------------------|------------|
| Congressional District 1 | 68 |
| Congressional District 2 | 8 |
| Congressional District 3 | 7 |
| Congressional District 4 | 4 |
| Congressional District 5 | 5 |
| Congressional District 6 | 6 |
| Congressional District 7 | 18 |
| Congressional District 8 | 10 |
| Congressional District 9 | 7 |
| Grand Total | 133 |

Vendor Profile⁷

Kaufman Global

Leveraging a process called "Lean Continuous Improvement," as well as proprietary change management techniques, Kaufman Global delivers structured implementation and transformation projects that result in sustainable operational and financial results. The company has driven enterprise-wide change initiatives and cultural transformations within organizations for 20 years. Work in oil and gas for the past nearly 10 years has taken the company around the world with projects on five continents.

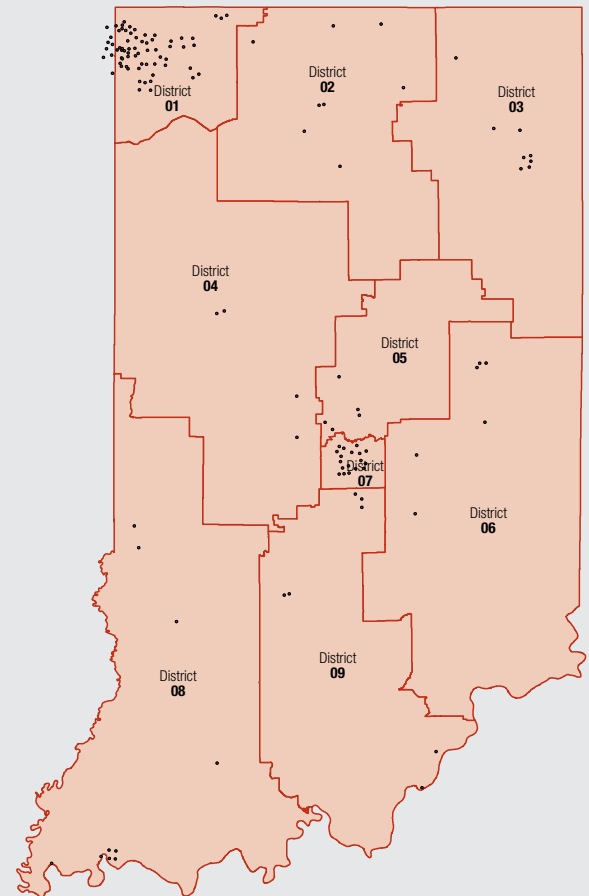
Recognized for its ability to develop sustainable, results-driven continuous improvement systems for large organizations, Kaufman Global focuses on issues critical to the oil and natural gas industry. There are a number of main issues. The first is Asset Utilization and Asset Velocity: Efficiently managing assets in the form of equipment, consumables, and people is essential to returning these to a revenue-generating position. Second is Service Quality Improvement: Effectively delivering value and reducing nonproductive time are all-important. Third is Organizational Engagement and Change Management: Not only describing and improving process, but getting everyone to participate in the process improvement—that is key. And last is Procedural Adherence: Improving efficiency and reducing the likelihood of catastrophic events grows out of adhering to procedures.

The company is very focused on the interface between people and process. The oil and gas industry tends to seek technological solutions first. When Kaufman Global gets involved, it delivers sustainable solutions by connecting people to the processes they control.

7. From the 2014 "API Onshore Oil and Gas Vendor Identification Survey" returns.

Indiana Vendors by Congressional District

District Location ●



Top Cities

Indianapolis = 18
Hammond = 17

Sources: Esri, DeLorme, NAVTEQ, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), and the GIS User Community

2012. That job total is expected to climb to 27,303 in 2020 and to 33,366 in 2035.⁵

And Americans, including the people of Indiana, get it. A telephone poll of 1,012 registered voters across the country,

conducted on behalf of the American Petroleum Institute, found that 77 percent of Americans, regardless of party affiliation, support increased production of oil and natural gas resources located in the United States.⁶

5. IHS Inc., "America's New Energy Future: The Unconventional Oil and Gas Revolution and the U.S. Economy," Washington, D.C., December 2012.
6. "What America is Thinking on Energy Issues." <http://www.api.org/news-and-media/news/newsitems/2014/july-2014/voters-say-us-should-do-more-to-develop-oil-natural-gas> the results of a national poll conducted by Harris for API July 10-13, 2014. Click on "national poll" to see how percentages of voters answered this and other questions.



AMERICAN PETROLEUM INSTITUTE

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INDIANA - VENDOR LIST

Congressional District 1

ACMS Group, Inc
 Acuren Inspection, Inc
 Adco Preventive Security Systems, Inc
 Aeromet Industries, Inc
 Allard Rental Corporation
 Austgen Equipment, Inc
 Blues Brothers of In, Inc
 Budget Maintenance & Construction Inc
 Calumet Blue Print, Inc
 Calumet Lumber, Inc
 Central Rent A Crane, Inc
 Chart Pool USA, Inc
 Christopher Linn
 Cintas Corporation #319
 Consolidated Fabrication
 Cornerstone Electrical Consultants
 Craig A. Martin
 Crown Corr, Inc
 Dillabaugh, Inc
 DLZ Industrial, LLC
 DocuTech Services, Inc
 Dwyer Instruments, Inc
 Dwyer Products Corporation
 Dyer Vault Company, Inc
 Edward Yinquez
 Elegan Sportswear
 Endustra Filter Manufacturers
 Flame Resistant Garments, Inc
 Fresh Apparel Printing, LLC
 George Odays, Inc

GM Safety & Supply, LLC
 Gregory Claussen
 Hessville Cable & Sling Co
 Indiana University
 Industrial Rents, Inc
 Industrial Tool & Mfg Co, Inc
 Insulation Fabricators, Inc
 Interstate Power Tools & Machining
 J&L Fasteners & General Maintea
 J&M Industries
 JV Crane & Engineering, Inc
 KM Plant Services, Inc
 Lithographics Communications, Inc
 Manta Industrial, Inc
 Marshall II Enterprises, Inc
 Masterlink Concrete Pumping, LLC
 Mcshanes, Inc
 Mersino Dewatering, Inc
 Northwest Industrial Specialists
 Pinkerton Oil Co, Inc
 Primet Fluid Power Company, Inc
 PWS Hammond Truck Wash, Inc
 Region Signs, Inc
 Ridge Cyclery, Inc
 Sargent Electric Company
 Security Industries, Inc
 Service Sanitation, Inc
 Simko Industrial Fabricators, Inc
 Solid Platforms, Inc

Steel Cities Steels, Inc
 Superior Construction Co, Inc
 Superior Engineering, LLC
 The American Group of Constructors
 The Pangere Corporation
 Tradebe Industrial Services, LLC
 Vidimos, Inc
 Vinzant Software
 Walsh & Kelly, Inc

Congressional District 2

3M Company
 AOP Village Concepts, LLC
 Indiana Air Power, Inc
 Madden Mfg, Inc
 New Energy Corporation
 North Central Electric Coop, Inc
 Topps Safety Apparel, Inc
 Torrent Engineering

Congressional District 3

Benjamin Francis Dattilo
 C&A Tool Engineering, Inc
 General Electric Company
 Hoseandfittings.com, Inc
 Kuntry Kustom RV
 Petroleum Traders Corporation
 Xena, LLC

Congressional District 4

Badger Daylighting Corporation

Geologic Timescale Foundation, Inc
 Pearson Education, Inc
 Purdue University College

Congressional District 5

Barbara Pesut Hanley Energy Services
 Infosys Technologies Ltd.
 Katherine Rosback Enterprises, Inc
 US Oilfield Company, LLC
 Wipro Ltd

Congressional District 6

Blue River Technologies
 Comnet, LLC
 Kelmar Safety, Inc
 Maxon Corporation
 Precious Technology Group, LLC
 Sherry Laboratories Louisiana, LLC.

Congressional District 7

Bmw Constructors, Inc
 Calumet Lubricants Co LP
 Cornerstone Controls, Inc
 Element Materials Technology
 Endress & Hauser, Inc
 Gilchrist & Soames
 Kaufman Global, Inc
 Pac-Van, Inc
 Polaris Laboratories, LLC

Rolls Royce Corporation
 Sherry Laboratories LA, LLC
 Stanley Security Solutions, Inc
 Too Tall Welding & Fbabrication
 US Oilfield Company, LLC
 Veolia Water North America
 Weidner & Associates
 Wheaton Van Lines, Inc
 Zee Medical Services Co

Congressional District 8

DXP Enterprises
 Energy Landmen, Inc
 Evergreen Drilling
 Glas Col, LLC
 Hydrocarbon Acquisitions, LLC
 Industrial Filter Manufacturers, Inc
 Lewellyn Technology, LLC
 Mcgeough Land Services, LLC
 Mountain Glacier, LLC
 Powell Systems, Inc

Congressional District 9

Chryso, Inc
 Cook Compression
 Cornerstone Information Systems, Inc
 Endress & Hauser, Inc
 Hetsco, Inc
 Indiana University
 Skyline Communications, Inc