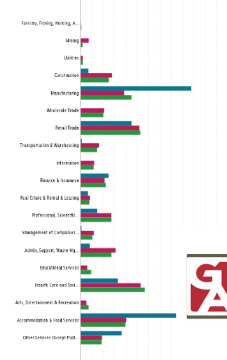


Bringing Big City Economic Development Capacity to Smaller & Mid-Sized Communities

About DrillDown 2.0™

Virtually every economic development organization's strategic plan contains a business retention and expansion component. Over 90% of the plan objectives involve identifying companies that may be experiencing serious downturns or that are doing well and may be recruited to another community.

2010 Employees by Industry Type from North American Industry Classification System (NAICS) for Jacksonville, TX



Employment by NAICS Code

2010 Employee Statistics by NAICS Code	Jacksonville, TX	Texas
Employees, Total (by Place of Work)	1,165	8,796,027
Forestry, Fishing, Hunting, and Agriculture Support	0	0.00%
Mining	0	0.00%
Utilities	0	0.00%
Construction	20	1.72%
Manufacturing	284	24.38%
Wholesale Trade	0	0.00%
Retail Trade	131	11.24%
Transportation and Warehousing	3	0.26%
Information	0	0.00%
Finance and Insurance	72	6.18%
Real Estate and Rental and Leasing	19	1.63%
Professional, Scientific, and Technical Services	43	3.69%
Management of Companies and Enterprises	2	0.17%



DrillDown Business Alert

Geneva Analytics DrillDown makes it possible for elected, appointed and economic development officials to have current business intelligence about local firms. For more information about this service contact: fdburkhardt@genevaanalytics.com

Strip away all of the professional terminology and there are three basic objectives:

- Identify at risk firms and, where possible, assist them
- Identify firms that are likely to expand and assist them
- Develop and retain relationships with current companies that might be vulnerable to being recruited to another community

BUSINESS WATCH

BOB EVANS FOODS, INC.

Internal pressures with in the Bob Evans Board may cause the company to sell off its real estate holdings. This action would have significant impact on the City of Xenia and the workforce associated with the Xenia (Township) operation.
Local Action: Stay in close touch with local management and look for indicators that may signal a slowdown or a redirection of production to other facilities. NOTE: The local facility's production line is aging which may increase the risk of its closure and/or its consolidation into a more modern facility.

At least six state investment firms are interested in buying the property assets of restaurant and packaged food company Bob Evans Farms Inc, the Wall Street Journal reported, citing people familiar with the matter.

The bidders include Spirit Realty Capital Inc, American Realty Capital Properties Inc, Store Capital and National Retail Properties Inc, the

and a leveraged balance sheet investors are being very hesitant to buy into the recovery story with activist investors already onboard.

Difficult Start To 2015

Bob Evans posted first quarter sales of \$326.3 million which is a 0.9% drop compared to the year before. Restaurant sales were down by 1.8% to \$242.2 million which was largely the result of a 2.0% decline in comparable store sales. The BEF Foods business posted a 1.5% increase in sales to \$86.2 million amidst its quest to boost the number of stock keeping units and points of sale. Adjusted for a sold production facility, sales at BEF were up by 5%. The company posted a GAAP loss of a million, for a loss of \$0.08 per share. This compares to last year's earnings of \$8.4 million.

Adjusted for certain items, earnings came in at just \$2.9 million, or \$0.10 per share. Adjusted earnings fell sharply as well compared to the \$15.2 million reported last year.

A modest positive result of the restaurant business was offset by a small loss at BEF Foods, while the profitability of both segments fell compared to the year before.

August Presentation

In accordance with the first quarter earnings release, Bob Evans presented itself to the investment community.

quarters amidst activist investor pressure, the equity in the business is valued at around a billion. Note that the company has some \$463 million in debt, and holds just \$3 million in cash which results in a rather sizable net debt position.

The \$1 billion equity valuation values the business at roughly 0.7 times anticipated sales for the upcoming year and \$1.22 times adjusted non-GAAP earnings. Given the discrepancy in the first quarter already, the valuation multiples based on GAAP metrics will be much higher.

The debt position is rather high, especially in relation to net earnings and trailing EBITDA, of about \$100 million. Earnings are especially on the high side if earnings continue to be under pressure.

Long Term Challenges

The company has seen a great deal of challenges in recent years with sales improving from \$1.5 billion in 2009 to peak at \$1.75 billion in 2009, to fall to little over \$1.5 billion on a trailing basis.

Earnings have been very volatile, ranging from anything between a tiny profit and peak earnings of \$70 million in 2010, although trailing earnings total just \$35 million by now.

It should be noted that the business has retired a third of its shares outstanding over this time period while leverage has risen a lot. Worse, much of this debt is of a shorter term nature posing significant

We Get Results: Given the speed with which the business environment can change, the tools needed by economic development staff must keep pace: They must be cost effective, timely and produce reliable information. The DrillDown 2.0™ process involves identifying and tracking industry segments, markets and unique local predictive indicators so that response can be strategic and immediate.

Full Range of Products and Services:



Social and Economic Stability are the Results of a Successful Retention and Expansion Program

Programmatic results requires that the local economic development organization overcome several major challenges.

The most common are:

- Access to reliable sources of target company information
- Access to industry trends for key sectors of a local economy
- Cost of conducting direct mail surveys, tabulations and reporting
- Adequate levels of staffing and volunteers for follow-up

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DrillDown 2.0™ is not based on a company's credit scores or history. The process involves identifying and tracking industry segments, markets and unique local predictive indicators.

WHAT DO WE PROVIDE?

Acquisition/Sale Activity

- Assessment of local firm has acquired a new company
- Assessment of impact if merger
- Assessment if local firm is sold
- Contact info on acquired firm

Regulatory Action

- Assessment of violation/penalties
- Assessment on local operations
- Scan for similar industry violations and their impact
- Follow-up calendar

WHERE DO WE GET OUR INFORMATION?

Federal/State Govt. Agencies

All companies subject Federal oversight and/or reporting are scanned on a monthly basis for notices of acquisitions, sales, notices of layoffs, etc.

Print & Trade Journals

Over 100 trade journals, site selection publications are scanned on a weekly basis.

Internet & Social Media Sources

- Key social media sites are monitored for indicators of company movements, layoffs, expansions.
- Commercial Real Estate Listings on LoopNet, Co-Star, Xceligent.



About Geneva Analytics, LTD:

Geneva Analytics, LTD. was founded in 2009 by Fred D. Burkhardt. The concept emerged while working in Wisconsin, where it was discovered that many smaller communities, understanding the importance of economic development, had virtually only two options:

1. Fund their own department with the limited resources available, which left little to implement and maintain programming after staffing and overhead costs.
2. Join a regional partnership that is comprised of a collaborative vision, often overlooking the needs of the smaller and mid-sized communities, and allocating preferences to the bigger, more influential partners within the consortium.

Fred D. Burkhardt, MBA, IOM, has been providing business management and economic development services and counseling for more than 35 years. The commitment to provide various services to aid communities with revenue enhancement, job generation and tax base diversification has been, and continues to be, Fred's primary objective.