

# VIRGINIA CQ Commerce Quarterly

A Publication of the Virginia Economic Development Partnership  
Fall 2006, Vol. 11, Issue 4

## Virginia Best State for Business

# #1

Ranking by  
Forbes.com

There's no better than best—and Virginia is it, according to a new ranking of the "Best States for Business" by Forbes.com that placed Virginia in the lead ahead of the other 49 states.

The review considered multiple objective measurements. Virginia ranked in the top 10 in all six major categories that included business costs, economic climate, growth prospects, labor, quality of life and regulatory environment. No other state scored in the top 10 in more than three categories.

"The data produced a clear No. 1. The Commonwealth of Virginia takes the crown in our first ever ranking of Top States for Business," Forbes.com reported.

Forbes.com examined 30 metrics within the six major categories and the Commonwealth scored in the top half of all but three, which included high school attainment, five-year income growth and cost of living.

*(continued page 7)*



Virginia is the “Best State for Business” according to a Forbes.com ranking based on multiple objective measurements, including business costs, regulatory climate, workforce and recent economic growth. It should come as no surprise that Virginia placed well ahead of Texas (2), North Carolina (3), Utah (4) and Colorado (5). Idaho, Nebraska, Delaware, Florida and Georgia rounded out the Forbes.com top ten list released in August. This accolade is something we all should be proud of. It is big payoff for the hard work each of you does every day to bring jobs and investment to

Virginia. It also speaks volumes to our collaboration at all levels and the strength of Virginia’s workforce. Congratulations on a job well done.

Virginia also was touted in a special advertising section in the Sept. 18 issue of *FORTUNE* magazine. VEDP worked with Governor Kaine, *FORTUNE* and some of the state’s corporate partners and economic development organizations to share Virginia’s story with about 4 million readers—65 percent of them corporate decision-makers. This coverage by prestigious business brands like *Forbes* and *FORTUNE* will go a long way toward Virginia’s successful marketing efforts in the year ahead. VEDP will use the Forbes.com ranking in all of its marketing materials, and the *FORTUNE* special section is available on VEDP’s Web site.

Companies continue to place the Commonwealth first on their list by choosing our state for their location or expansion project. In this issue you will read about several recent announcements, including ABB’s expansion plans in Bland and Halifax counties that, combined, bring 157 new jobs and a \$28.3 million investment to Virginia. Another recent expansion announcement by AVID Medical Inc. in James City County brings another \$7.9 million investment and 303 new jobs. Virginia also welcomed several new corporate partners, including Jennmar Corporation, which plans to invest \$6 million to build a new facility in Tazewell, creating 70 new jobs, and Oran Safety Glass, an Israeli company that will invest \$4.1 million to open its first U.S. facility in Greensville County, creating 50 new jobs.

While being dubbed the “Best State for Business” is exciting, it also challenges each of us to work even harder to keep the No. 1 title. VEDP continues to reflect and evaluate how we can continue to improve our approach to marketing the state.

In the summer issue of *Commerce Quarterly* and during the spring VEDP/Ally meeting, time and ink were devoted to some of the restructuring changes that are taking place at VEDP. Those changes have led to new focuses in the VEDP’s marketing strategy and several new faces around VEDP’s Richmond office. One significant change that is highlighted in this issue is our new comprehensive international strategy being undertaken by the International Trade and Investment Division. VEDP would like to welcome Roy Dahlquist, Peter de Lorme, Jumpei Morimoto, Terri Noll, Leslie Parpart and Jenee Stankosky to VEDP. Each of these folks brings with them a wealth of experience. We look forward to working with them.

Research continues to work closely with our partners in education. Thanks to their efforts, VEDP offers new resources that include marketing sheets for many of Virginia’s colleges and universities on YesVirginia.org, as well as the new occupational data Web tool on Virginiaallies.org, created as a result of the industry-occupational cluster study released last summer. We hope you find this new information useful. Let us know if there is anything else we can do to help.

Sincerely,

Jeffrey M. Anderson

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[www.YesVirginia.org](http://www.YesVirginia.org)

## Virginia's Story Shared with Millions

Virginia's story hit newsstands across North America in September. The issue will be read by nearly 4 million people.

To have Virginia's story told, VEDP partnered with *FORTUNE* magazine and 17 of Virginia's corporate partners and economic development agencies to create a special advertising section. In addition to reaching an audience that is 65 percent corporate decision-makers, the section will play an integral role in Virginia's business development materials.

The section also will appear on the *FORTUNE* special sections page of CNNMoney.com and [www.YesVirginia.org](http://www.YesVirginia.org).

Virginia's story, highlighting the many benefits of doing business in the Commonwealth, is framed with historical references that underscore Virginia's founding as a business venture. The 29-page profile discusses Virginia's diversity—from its successful modeling and simulation niche in Hampton Roads to its unique global logistics assets and high-tech achievements that span the state. It notes Virginia's college and university system and strong public-private partnerships working across the Commonwealth.

To see it is to believe it, so VEDP hosted *FORTUNE* writer Heidi Ernst on a two-day tour of Virginia to get a firsthand look at the state. She also talked to everyone from the Governor to historians to Virginia business leaders across the Commonwealth.

A reception was held Sept. 7 for corporate partners and economic development officials to celebrate the release of the section hot off the presses. The reception, hosted by Governor Kaine, was held at the Executive Mansion.

If you missed the Sept. 18 issue of *FORTUNE* magazine, Virginia's story is posted at

[www.YesVirginia.org](http://www.YesVirginia.org) ■



Virginia's *FORTUNE* special section would not be possible without help from some of Virginia's leading corporate citizens and economic development organizations:

- BB&T Corporation
- Dominion Resources
- Ferguson Enterprises, Inc.
- Greater Richmond Partnership
- Hampton Roads Economic Development Alliance
- Henrico County Economic Development Authority
- LCC International, Inc.
- Martinsville-Henry County Economic Development Corporation
- MeadWestvaco Corporation
- Norfolk Southern Corporation
- Northrop Grumman
- Philip Morris USA
- Sprint Nextel
- USA Mobility, Inc.
- Virginia Commonwealth University
- Virginia Port Authority
- Virginia Tourism Corporation

# Jennmar Generates 70 New Jobs for Tazewell County

Tazewell County residents beat the heat to attend Governor Kaine's announcement that Jennmar Corporation of Virginia, Inc., a subsidiary of Frank Calandra, Inc. & Subsidiaries and a provider of quality roof and standing support products for the mining and tunneling industry, will invest \$6 million to build a new facility in Tazewell County. The project will create 70 new jobs.

The plant will manufacture corrugated metal products and other steel-related roof control products for the mining and construction industry. The new facility will be located in Wardell Industrial Park, near an existing Jennmar facility that manufactures roofing support products for the coal industry.

"Jennmar's decision reflects the company's positive business experience in Virginia and the rejuvenated domestic coal industry," said Governor Kaine. "Tazewell County offers Jennmar an excellent business climate and a strong, motivated workforce, and this announcement is a direct result of Jennmar's success at its existing facility in Tazewell."

Jennmar originated as a proprietorship in 1922 by Mary and Frank Calandra, Sr., parents of Jennmar's two common stockholders, Jack Calandra and Frank Calandra, Jr. Headquartered in Pittsburgh, Pennsylvania, Jennmar Corporation offers coal and hard rock producers a technologically advanced line of roof control products. Currently, Jennmar has sales offices and plants in Virginia, West Virginia, Kentucky, Pennsylvania, South Carolina, Utah, Australia and China. ■



## M.C. Dean Expands in Caroline County



**M.C. DEAN**<sup>TM</sup>  
BUILDING INTELLIGENCE

Less than two years after M.C. Dean announced plans to build an operation in Caroline County, the company will expand. M.C. Dean, Inc., one of the nation's leading systems engineering and integration firms, will break ground on a fabrication and logistics complex. The project has the potential to create 100 new jobs for the area, and represents an investment of \$8.3 million to create 260,000 square feet of manufacturing, logistics and office space. The facility will support M.C. Dean, Inc.'s worldwide security, communications, advanced networking, and critical power systems engineering and integration efforts.

This development is in addition to the firm's 2004 investment of \$6.7 million, which created 40 jobs and a 100,000-square-foot facil-

ity. When all phases of the property development are complete, the investment will represent approximately \$15 million in investment and 140 new jobs.

Headquartered in Dulles, M.C. Dean, Inc. is a leader in the engineering, integration, operation, and maintenance of complex electronic, telecommunications and electrical systems for public and private sector clients. The firm employs nearly 2,000 technical and support staff in 16 offices worldwide. M.C. Dean currently provides services to more than 1,000 clients, including the U.S. Department of Defense and civilian federal agencies, state and local governments, universities and hospitals, high-tech and biotechnology companies, and *FORTUNE* 1000 firms. ■

## Gildan Activewear Creates 135 Jobs in Henry County



Just think—the athletic socks you wear may soon come from Henry County. An activewear company will invest \$7 million to open a 400,000-square-foot distribution facility in Henry County. Gildan Activewear Inc., based in Montreal, Quebec, plans to create at least 135 new jobs.

Gildan Activewear is a vertically integrated marketer and manufacturer of quality branded basic apparel. The company is the lead-

ing supplier of activewear for the wholesale imprinted sportswear market in the U.S. and Canada, and also an important supplier to this market in Europe. In addition to continuing its growth within the wholesale channel, Gildan is implementing a major new growth initiative to sell socks, underwear and activewear to mass-market retailers in North America. ■

## Israeli Company's First U.S. Facility Lands in Greenville County

The addition of a new international company in Virginia is cause for celebration. Greenville County will be home to Oran Safety Glass (OSG), Israel's leading flat and curved glass processing company, which will invest \$4.1 million to open its first U.S. facility, creating 50 new jobs. The facility will supply bullet-proof glass for U.S. military vehicles.

OSG creates numerous types of glass products for various sectors, implementing some of the most advanced technologies available today. Since 1979, OSG has been providing international clients with a wide range of products for numerous industries and applications. ■

## Arrow Truck Sales Pulls Into Floyd County

Floyd County residents will have 25 new job opportunities, thanks to Arrow Truck Sales. Arrow Truck Sales is one of the largest sellers of heavy-duty and medium-duty pre-owned trucks in North America. The company will use its facility in the Branwick Center to disassemble trucks, recondition the parts and distribute them. ■

## ABB Inc. Expands at Two Virginia Locations

June 26 was a day of economic success for Bland and Halifax counties. Governor Kaine announced that ABB Inc., a provider of power and automation products, systems, solutions and services, will expand its plants in Bland County and Halifax County. Combined, the projects bring 157 new jobs and a \$28.3 million investment to Virginia.

ABB will invest \$3 million to expand its plant in Bland County. The facility, which produces dry and vacuum cast transformers used by industrial manufacturing plants, hospitals, universities, the military and utilities, will create 30 new jobs. The Halifax County expansion involves a \$25.3 million investment and will create 127 new jobs. The facility manufactures liquid-cooled transformers for large utility, industrial and government users. ■

## Tosoh America Announces First Virginia Facility in Manassas



Tosoh America, Inc. will invest \$4 million and create 27 jobs at a new facility in Manassas. The investment relates to Tosoh's Electronic Materials Division, a provider of high purity materials and services to the semiconductor industry.

Headquartered in Tokyo, Japan, Tosoh's Electronic Materials Division is part of the Tosoh Group, a manufacturer of industrial and specialty chemicals. Founded in 1935, the company has expanded its reach into high-value-added businesses such as fine chemicals, scientific instrumentation, thin film materials and quartzware. Tosoh employs more than 9,000 people worldwide, and the company is listed on the Tokyo Stock Exchanges. ■

## James City County Scores More Than 300 New Jobs



AVID Medical Inc. will invest \$7.9 million to expand its facility in James City County, creating 303 new jobs. The company manufactures custom procedure-ready trays for the healthcare industry and will expand by doubling its existing 90,000-square-foot facility in the Stonehouse Commerce Park.

Founded in 1998, AVID Medical Inc. sells custom procedural trays for surgical, cardio catheterization and labor-and-delivery procedures to about 800 hospitals, ambulatory surgery centers, government medical facilities, and organ and tissue procurement agencies. ■

## The Virginia National Defense Industrial Authority: Supporting Military Efforts

The Virginia National Defense Industrial Authority (VNDIA) may be a new agency, but Dave Dickson is not new to the business. Previously Executive Director of the Virginia Commission of Military Bases at VEDP, Dickson's new role as Executive Director of VNDIA fits him like a glove.

Funded by the 2006 General Assembly session, VNDIA came to be when the General Assembly determined that a need existed for the provision of technical assistance and coordination between the Commonwealth, its political subdivisions and the United States military. Led by a 16-member board of directors, VNDIA's official task is to support the mission, execution and transformation of Virginia-based, U.S. Military and National Defense activities. This new authority will collaborate with Virginia communities to identify and maximize opportunities that meet the needs of the military, local partners and associated industries.

"VNDIA's overall mission is important to the retention of military in Virginia," said

Dickson. "Military spending in Virginia is more than \$40 billion each year, second only to California in aggregate funding. VNDIA and its interface with committees on the local level will help ensure that the military remains a strong player in Virginia's economy."

VNDIA is a proactive approach, Dickson said, as Virginia cannot afford to wait until the next base realignment and closure to comprehend the needs of the Commonwealth's existing military bases and take the necessary steps to adapt to evolving national security requirements. ■



(continued from cover)

Texas was ranked second, followed by North Carolina, Utah and Colorado. Idaho, Nebraska, Delaware, Florida and Georgia rounded out the top ten.

“This best-in-the-nation designation by a respected business publication such as *Forbes* validates all of our hard work to diversify our economy, educate the workforce, provide support for existing businesses, and our constant efforts to strike the appropriate balance with low taxes and responsible regulations,” Governor Kaine said.

*Forbes.com* touted the fact that Virginia’s business costs are 9 percent below the national average and highlighted the state’s tax and energy costs, which are the seventh and ninth lowest in the country. Also mentioned were the corporate income tax, which has remained unchanged at 6 percent for more than 30 years, worker compensation costs that rank fourth lowest in the country and 47 percent below the national average, and Virginia’s AAA bond rating that “keeps the government’s borrowing costs down, preventing it from nickel and diming its corporate constituents.”

When *Forbes.com* delivered the news to Governor Kaine, the reporter added, “Not only is Virginia first, there’s not even a close second.”



Governor Kaine attributes much of the state’s success in economic development to the teamwork of Democrats and Republicans.

“There has been a real bipartisan tradition in Virginia of wanting to have a strong business climate,” he said. “That political consensus has helped the legal and regulatory climate.”

Virginia’s No. 1 ranking has spread like wildfire. Every major Virginia daily placed the accolade in their headlines in the days that followed the Aug. 15 announcement. VEDP Board Chairman Charles Majors was invited to write a letter in the *Richmond Times-Dispatch* discussing the importance of the ranking to Virginia. The letter was published Aug. 27.

The Virginia Economic Development Partnership intends to build on Virginia’s success. A new graphic was rolled out Sept. 12 that incorporates the state’s No. 1 title.

Now that Virginia has captured the top spot, the challenge will be to keep it.

“We have a strong team looking out for Virginia’s economic development interests,” Governor Kaine said. “I’m confident that this accolade will only fuel our efforts to make sure Virginia is No. 1 for years to come.” ■

## VEDP Board Graced With Royalty

Look out Queen Mother. VEDP has royalty on its board.

John F. Malbon, a VEDP board member representing Hampton Roads, was crowned King Neptune XXXIII March 18 by the Neptune Festival Committee, which solicits nominations from the general public. King Neptune is the ceremonial leader of the Neptune Festival.

Malbon’s success in business, coupled with his contributions to the Virginia Beach community, captured the crown. Malbon is CEO of PAPCO, Inc., which markets fuels and lubricants to customers that include industrial, residential and governmental users.

King Neptune was appointed to the VEDP Board in January 2002 by former governor Mark Warner.

“I’ve enjoyed learning about the economic development process at this level,” he said. “It has given me a better understanding of the challenges and successes of the other regions of the state.”

In addition to the VEDP Board, Malbon serves on the Hampton Roads Partnership, the Virginia Beach Vision, the Resort Area Advisory Commission, and now serves as chairman of the Neptune Festival Board. He also was recently named Chairman of Sentara Healthcare.

Malbon said he’s having fun and looks forward to presiding over the Neptune Festival activities held throughout the year, including Boardwalk Weekend in September. In his role as king, Malbon also will serve as an ambassador for the City of Virginia Beach.

When he’s not fulfilling his royal duties, his career obligations or his civic responsibilities, Malbon enjoys golfing, duck hunting and boating with his queen, Harriet, and two heirs to the throne, Joshua and Clara. ■



John Malbon and wife, Harriet.



## Six MSAs Receive Five Stars

Six Virginia metropolitan statistical areas (MSAs) were awarded a “Five-Star Business Opportunity Metros” designation in the July-August 2006 issue of *Expansion Management* magazine. The designation was part of the 4th annual Mayor’s Challenge rankings of the overall business climate and attractiveness to growing companies from around the globe.

The five-star MSAs include Blacksburg-Christiansburg-Radford, Charlottesville, Harrisonburg, Richmond, Virginia Beach-Norfolk-Newport News, and Washington-Arlington-Alexandria.

The results are ranked using the seven major research studies that *Expansion Management* has conducted during the last year to come up with a list of states that are strong across a wide spectrum of areas important to businesses considering a facility or operational expansion into a new geographic location. ■

## Virginia Wins Silver Shovel for New Digs

Competition in today’s economic development is played on a global field, and playing against overseas competitors has proven to be a tough game. But Virginia is proving itself as a powerful opponent, recently recognized by *Area Development* magazine’s “Silver Shovel” award.

In the “3 to 10 million population” category, Arizona, Tennessee and Virginia were the Silver Shovel award recipients. Alabama was the Gold Shovel award recipient.

Virginia competed against all 50 states for success in gaining investments in 2005 for projects that broke ground. Each state was rated based on direct job creation numbers; new jobs per capita; amount of company investment; number of new facilities (either new to the state or at new locations within the state); and the number of projects creating high-value-added jobs.

Notable projects that contributed to Virginia’s win included Philip Morris USA’s research and technology center in Richmond, ITT Industries’ Night Vision Roanoke County expansion, and Wolseley’s North American headquarters facility in Newport News. ■

## Jobs Easy to Come by in Two Virginia Cities

Two Virginia cities made the Forbes.com “Top 25 Best American Cities to get a Job.”

The City of Richmond came in at No. 6 and Virginia Beach followed at No. 10.

The list, released in June, ranked cities based on each metropolitan area’s unemployment rate, cost of living and median household income, as well as job and income growth factors. Washington, D.C.; Phoenix, Ariz.; Las Vegas; Orlando, Fla.; and Bethesda, Md., held the top five positions.

Richmond landed in sixth place due to its low cost of living, low unemployment rate and its proximity to Washington, according to Forbes.com. Richmond also was ranked as having the sixth best unemployment rate among the 100 chosen cities.

Forbes.com attributed Virginia Beach’s 10th place ranking partly to a recent move by corporations to set up back-office operations in the city to take advantage of military spouses who are available for part-time work. ■

## Reston, Chesapeake Make MONEY’s Best Small Cities List

Reston (43) and Chesapeake (59) landed on *MONEY* Magazine’s “America’s Best Small Cities” list of locations that offer “ample job opportunities, good schools and lots to do on safe streets.”

“This year we set out to find small livable cities that had the best possible blend of good jobs, low crime, quality schools, plenty of open space, rational home prices and lots to do,” said *MONEY* executive editor Craig Matters. “These places reflect the qualities that most Americans want when it comes to a place to live and raise a family—the opportunity for themselves and their children to prosper, and a quality of life that lets them enjoy the fruits of their work.”

Check out the story in *MONEY* Magazine’s August issue. ■

# International Division Adds to its Portfolio

## What's in a Name?

For the Virginia Economic Development Partnership's International Trade and Investment Division, the addition of "Investment" to its name has altered more than its identity. The change has brought with it new faces, new skills and added responsibility.

This Division has gained four international investment managers to tackle the task of marketing Virginia to internationally owned companies. Once the company hits Virginia's soil, the project will be transitioned to the industry-appropriate project manager in VEDP's Business Development Division.

With its new role as recruiter, the International Trade and Investment Division can now put its philosophy into practice: Trade precedes investment. International companies have to do export business and establish a market in the United States before they will consider making a capital investment.

"The best strategy for identifying investment prospects is to look at trade relations," said Division Director Paul Grossman.

## International Division Comes Full Circle

Marketing Virginia to international prospects is not really new to the International Division. In fact, Virginia was the first state to open an investment office in Europe in 1967. The state opened another international investment office in Tokyo in 1981. In 1984, then-governor Gerald Baliles created the Virginia Department of World Trade, comprised of a staff of about 20 employees in Norfolk.

When the Department of World Trade was dismantled, many of its employees joined VEDP's Trade Division. Under VEDP's leadership in the mid-'90s, the international marketing function was moved to the Business Development Division as "Global Business Development."

Moving the international marketing function back to the International Division "brings 100 percent focus to international marketing," Grossman said, adding that the international investment managers will have ownership of the responsibility and will be evaluated on it. "If you want to achieve results, you have to assign accountability."

## Four Managers Tackle Investment

Roy Dahlquist now covers Asia as International Investment Manager. He joined VEDP following a successful 30-year career with Alcoa (formerly Reynolds Metals). For the past 12 years, Dahlquist served as Alcoa's Director of International Business Development. In that capacity, he established and was Managing Director of Reynolds Metals Shanghai, Ltd. in Shanghai, China. He managed



Asia regional sales, marketing and logistics that supported distributors in China and Southeast Asia, and has conducted business activities in 40 countries, including Brazil, Mexico, the United Kingdom and China.

"He has an understanding of corporate strategy, and his understanding of building a brand is stronger than anybody's at VEDP," Grossman said. "Virginia is an unknown in Asia, and Roy has all the skills we need in that market."

For marketing Virginia to European companies, look no further than Peter de Lorme. The new International Investment Manager for Europe joins VEDP with a career of international marketing throughout Europe. He has owned two companies over the past 12 years, and was an International Account



Manager for Getronics, where he managed and directed distributors throughout Europe and appointed new distributors in Finland, Sweden, Poland, France and the Czech Republic. Peter is fluent in Dutch, English, German and French.

"Peter's experience in European markets and business development equips him with a dual European-American perspective that will be a great asset to VEDP," Grossman said. "He has experience being European and moving to Virginia. He has been in their shoes and can tell other Europeans how rocky or smooth their path in Virginia will be."

The third new International Marketing Manager, who will handle the Americas and other English-speaking countries, is familiar to many. She's Kim Weir, former VALET Program Manager. In addition to managing Trade's marquee VALET program, Kim has led trade missions involving dozens of Virginia companies to Mexico, China, Australia and



Singapore. Most recently, she established the Trade Division's European Network, a consortium of pay-as-we-use consultants in Sweden, Finland, Spain, Germany, Poland, Russia, the Czech Republic and the U.K. She has worked as Director for Latin America at PromiseMark, Inc. and as Senior Manager in the International Private Banking Division, Latin American Group, for Riggs Bank in Washington, D.C. Kim is fluent in Spanish.

"Kim has developed business plans for companies across Virginia. She has an extraordinary understanding of the Latin mindset and she's been a star performer at VEDP," Grossman said. "During her five years here, she has worked with more than

(continued page 13)

## Arel Breaks the Language Barrier

Language has led Martina Arel down a career path that—a little over one year ago—landed her in VEDP's Research Division as a project research specialist.

It was English that propelled her first leap from Öhringen, Germany, to the United States into a job as an au pair. In addition to experiencing the excitement of living in a different country, Arel wanted to polish up on her English-speaking skills. Her time in the United States with a Richmond family was to last only one year—until Bill Arel came along—and now she makes Chesterfield County her home.

Following a year-long stint as a nanny and three years in college classes, Arel moved to South Carolina to conduct acquisition and customer satisfaction studies for Otis Elevator. But it wasn't long before her native language guided her to the Central South Carolina Alliance, a regional economic development group in Columbia, S.C.

"I found their Web site while looking for German companies to work for," she said. Before long, she found herself using her German fluency to help recruit German companies for the Palmetto State.

While working for South Carolina she met VEDP staffers who helped bring her back to her original U.S. home.

Arel laughs when she thinks about how little she knew about Richmond before her arrival seven years ago. She knows quite a bit about the state capital now. As a VEDP project research specialist, she's also learning a thing or two about Virginia. In addition to conducting research and writing grant proposals, Arel has worked with the university-based economic development group to coordinate the information universities have on VEDP's Web site.

"I really like the variety," Arel said of her post. "I enjoy the different projects and working with all the different localities and companies—especially the international companies."

Arel has worked on several international projects, including Wolseley in Newport News and McAirland's in Franklin County.

"It's rewarding to see the announcement happen and know that you did something to help with the project," she said. "You get to see the results of your work and that's nice."

When she's not working on projects for Virginia, Arel enjoys getting an up-close-and-personal view of the state while hiking Old Rag Mountain and White Oak Canyon in the Shenandoah Valley and camping in areas like Hampton Roads' First Landing, which she says is Virginia's hidden gem. Athletic is an accurate description of Arel, who also plays on a volleyball team, has swung a bat on VEDP's softball team and enjoys working out regularly at lunchtime.

Arel also recently embarked on a new adventure that involves books instead of sneakers—earning her MBA.

The 27-year-old decided to take the plunge with VEDP Economic Research Assistant Holly Allen.

She looks forward to adding the master's degree to her résumé that already includes a bachelor's degree in business administration (and a minor in French).

"I want to learn more and gain a better understanding of business," she said. "It has never been a question that I would do it, just a question of when." ■



# Gottschalk Gets Southern Virginia Introduction

By Liz Povar, VEDP Director of Business Development

“To successfully market Virginia, I need to understand the regional assets and challenges...I need to know your product.”

With that mantra, Secretary of Commerce and Trade Pat Gottschalk spent three days traveling 624 miles to participate in 15 separate roundtable discussions involving more than 125 local and regional leaders in southern Virginia. In a series of intimate roundtable sessions designed for “listening,” Gottschalk learned firsthand about the region—its hard assets, its people and its leaders’ vision for the future.

Southern Virginia leaders showcased their sub-regions and individual communities, each of which presented an overview of their area, outlined their assets and challenges and identified their current target business clusters. Session participation was well-rounded, including representatives from local governing bodies, local foundations, educational institutions, business and tourism.

The informal sessions, which allowed for great give-and-take questions and answers, gave the Secretary an understanding of the “themes” of southern Virginia, and gave the attendees the opportunity to understand the Governor’s policy goals and where their regional goals might align.

The rural landscape was dotted with creative venues that are unique selling features in the region, beginning with the restored and elegant Norfolk & Western passenger train station in Farmville, to the Marshall Field & Company Clubhouse in Martinsville, and the Virginia International Raceway in Halifax County. Showcasing the region through these and other facilities, such as the Institute for Advanced Learning and Research (IALR) in Danville and the Southern Virginia Higher Education Center and Prizery in South Boston, the region clearly exhibited a blend of tradition and innovation in its physical characteristics.

A cadre of active higher education resources is evolving as significant partners in the economic development foundation of the region. In addition to the traditional engagement of the Virginia Community College System and its many campuses, other institu-

tions such as Longwood College and its Small Business Development Center; the IALR in Danville; the Southern Virginia Higher Education Center in Halifax; the Lake Country Advanced Knowledge Center in Mecklenburg; St. Paul’s College in Brunswick; and the New College Institute in Martinsville/Henry County are now actively seeking ways to work with local leaders to align their resources and support the economic viability of the region.



Secretary of Commerce and Trade Patrick Gottschalk (right) visits with David Parrish, founder and CEO of Buentec, an Internet services company at the Dan River Business Development Center in Ringgold. Pictured are (from left) Jackie Stevens with DVF Food Service; Linda Hutson Green, President of the Dan River Business Development Center; Sherman Saunders, Chairman of the Board of Directors of the Dan River Business Development Center; and Dr. Ron Moffitt with the Advanced and Applied Polymer Processing Institute.

The region’s focus on creating product for diversification of its economic base was also evident. Technology-infrastructure parks and buildings are available and include the Riverstone Technology Park in Halifax; Dan River Business Development Center and the Cyber Park in Danville; and Virginia Lakeside Commerce Park in Mecklenburg. Localities have also identified their vision and strategic goals in thoughtful ways, as evidenced in the 2005 Emporia-Greenville Strategic Plan.

Another asset of the region is the investment and partnership opportunities with local civic foundations, which have financial resources that can support strategic investments that help strengthen the regional economy. Members of these institutions were involved in the meetings and sent the clear signal that they are willing partners.

Across the region several themes that unfolded included workforce, infrastructure, education, quality of life and existing industry base. The Secretary noted that part of Governor Kaine’s charge to his Cabinet is to share and leverage across Cabinet lines. In that spirit Gottschalk plans to follow up with the appropriate secretariats to share the information he learned about the region.

VEDP southern Regional Liaison Steve Bridges, with the assistance of Associate Catherine Pack, will work with each of the sub-regions of southern Virginia as a follow-up from this tour. In particular, helping to align the region’s business targets and marketing strategies with those of VEDP will be a key step in building success.

The tour certainly gave Secretary Gottschalk the grounding needed to effectively market the region as part of Virginia’s solution to business needs. He met the leaders, understands the strengths and challenges, and is moving forward with enthusiasm. ■

## VALET Graduates Increase International Sales

July marked another graduating class of Virginia Leaders in Export Trade (VALET) program participants. And the VALET Class that began in July 2004 was successful—the companies' success in the program led to 30 percent increase in annual international sales in just two years.

“Go for it! It is worth the time and effort—do it as quickly as you can and use it as much as you can,” said Steve Cahoon, Gala Industries, of his VALET experience. “Gala’s past experiences with government programs have not been all that positive, and our experience with VALET is much better than anything else we’ve ever been offered by the state—we were so impressed by all of the efforts of the VEDP to help us.”

The July graduates included American Hofmann Corporation of Lynchburg; Gala Industries, Inc. of Eagle Rock; Language Analysis Systems, Inc. of Herndon; Morphix Technologies (formerly K&M Environmental, Inc.) of Virginia Beach; Midwesco Filter Resources, Inc. of Winchester; PEMCO Corporation of Bluefield; Power Systems & Controls, Inc. of Richmond; and Remarque Manufacturing Corp. of Hampton.

Kimberly Weir, former VALET Program Manager, congratulated the graduating companies at a July 20 luncheon held at the Omni Hotel in Richmond. Also welcomed were the 10th class of VALET companies into the program. The eight companies that make up the July 2006 class include Base-X, Inc. of Rockbridge; Bihrl Applied



The July VALET class graduated with a 30 percent increase in annual international sales in just two years.

Research, Inc. of Hampton; F.R. Drake Company of Waynesboro; i411, Inc. of Herndon; MapTech, Inc. of Blacksburg; Old World Prints of Richmond; and UXB International, Inc. of Blacksburg.

Launched in 2002, the two-year VALET program assists exporters in Virginia that have firmly developed domestic operations and are committed to international exporting as an expansion strategy. VALET’s 22 program partners include attorneys, Web designers, bankers, translators and freight-forwarders who contribute essential skills for expansion into international markets. To participate in VALET, each eligible business must meet several quantitative criteria and complete an application process.

To learn more about the VALET program, visit [www.ExportVirginia.org](http://www.ExportVirginia.org). ■

## New Faces in International Division



Jence Stankosky is the new trade manager in VEDP’s Northern Virginia office. Stankosky spent four years working in Russia

as Program Manager for AP International Finance Corporation, where she promoted U.S. exports. After earning a B.A. in international affairs and French from Mary Washington University, she completed a master’s of international affairs from George Washington University. She is fluent in Russian and French and has basic proficiency in German and Spanish.



Terri Noll joins the team as Client Services Manager. After earning a B.A. in German from Virginia Commonwealth

University, Noll studied Czech at the Karlov University in Prague. Fluent in both German and Russian, Noll comes to VEDP from Piascik & Associates, where she handled international client issues as the Client Relations Manager.



Leslie Parpart is the new VALET Program Manager. Prior to joining VEDP, Parpart served as a labor and employment

attorney with Troutman Sanders LLP. After earning a B.A. in government, an M.T. in education from UVA and teaching for three years in Atlanta, she earned her J.D. from UNC and returned to Richmond.

## China Mission Sparks Success for Lee Tennis

Trade missions have a way of stirring the pot.

Just ask John Welborn, Director of Business Development for Charlottesville-based Lee Tennis. The tennis court manufacturer shipped five 20-foot containers to Shanghai in August, thanks to relationships he built as a result of his participation on a China trade mission in April. The trip, hosted by VEDP Trade Managers Tom Garnett and Haley Fong, led to the contract worth \$18,000.

“Sales just don’t happen that simply,” said Welborn, whose company already has 10 courts in China. “The lead popped up as a result of the trip. As with life, business is a fine web of networking. The trip inspired and started the activity rolling.”

VEDP’s International Trade and Investment Division hosted 14 trade missions in FY06 to destinations including Turkey, Canada, Mexico, Russia, Ireland and the Czech Republic. More than 70 Virginia-based companies participated in the visits overseas. ■



Lee Tennis Director of Business Development John Welborn (top right) discusses the tennis court business with prospects in Beijing with help from an interpreter.

## New Trade Award Recognizes Excellence

In recognition of the significant and ever-growing contribution of international commerce to Virginia’s economy, the Governor’s Office approved the creation of a new award. The “Commonwealth of Virginia COMPASS Award for Excellence in International Trade” recognizes Virginia companies that are successfully selling into the global economy.

The creation of this award is part of the comprehensive international strategy for Virginia, which has as its purpose positioned Virginia to compete successfully in international commerce. Administered by VEDP’s International Trade and Investment Division, the award will be presented to companies in industries statewide that demonstrate notable achievements in marketing Virginia-made products and services abroad.

The inaugural award was presented at the 58th Virginia

Conference on World Trade held October 3-4 at the Hotel Roanoke and Conference Center in Roanoke. The event, at which Governor Tim Kaine was the keynote speaker, focused on the important role that international trade plays in the continued growth of Virginia’s economy.

The winner of the award, Optical Cable Corporation, also located in Roanoke, has accompanied the VEDP on trade missions to Mexico, China and Australia. They export to more than 70 countries worldwide and contribute positively to their community, providing 225 jobs to local residents. Optical Cable manufactures high-quality indoor/outdoor tight buffer fiber optic cables for “high bandwidth” transmission of data, video and audio communications for campus and private network applications. Visit them on the Web at [www.occfiber.com](http://www.occfiber.com). ■

*(continued from page 9)*

70 companies who wanted to go overseas. She has seen companies’ issues on the outbound side; now she can help on the inbound side.”

In Japan, Jumpei Morimoto will handle international investment. Morimoto joins VEDP following a career with Obayashi Corporation, one of the world’s top 10 largest general contractors. He gained experience in the manufacturing company’s international location development process while working on the Canon Virginia plant in Newport News, Toyota’s Kentucky plant, and the Matsushita Battery plant in Columbia, Ga.

“The extensive experiences and organization networks Jumpei possesses will be a great asset to our International Investment organization in Japan,” Grossman said. “I’m confident he will have great success bringing new projects to Virginia.”

### Moving Forward

The International Trade and Investment Division is also experiencing change in its other overseas offices. The Sao Paulo and Mexico City offices will continue to focus on trade, and the Hong Kong office will handle trade and investment responsibilities. The European office is being relocated to Brussels and the resulting cost savings will be used toward the Division’s renewed marketing efforts. The retirements of managing directors in Europe and Japan will also mean new faces in the overseas offices.

Grossman regards FY07 as a transition year. While his growing staff of 30 adjusts to their new responsibilities, their director looks forward to adopting a new approach to international marketing.

“What we will be doing will be different from years past,” he said. “We will pursue investment with an entirely different approach.” ■

# Bristol Company Makes the News



A local Bristol company has grabbed a major headline. According to the 2006 Annual Economic Forecast edition of *Hispanic Business*, Prime Choice Foods, Inc. (PCF), a manufacturer of organic corn products, is ranked No. 2 on the list of “The 2006 Hispanic Business 100 Fastest-Growing Companies.” The company’s sales growth from 2001-2005 increased 8,085.21 percent, and gross sales in 2001 were \$1.27 million compared to \$10.42 million just four years later.

And the growth shows in more ways than one—in April, Prime Choice Foods announced plans to consolidate warehouse operations and add manufacturing capacity to its current facility in Bristol. The \$4.5 million investment also created an additional 35 new jobs.

“For us, Bristol has been an absolute blessing,” said Jose Gomez, President and CEO, Prime Choice Foods. “Who would have thought that we would grow and become a leading manufacturer in what has become one of the fastest growing segments in the organic foods retail industry? Bristol has not only been a great place for our business to grow, but for all of us to raise our families. The residents of Bristol

have all opened their doors and welcomed us with open arms and we owe great thanks. None of our growth would be possible without the help of our employees who have worked tirelessly to grow our business, and the city for its efforts in helping us find a larger site to continue our growth.”

“Jose Gomez has been great to work with since he first came to Bristol in 2001,” said Jerry A. Brown, Director of Economic Development, City of Bristol. “He, his family and the employees of PCF have all worked extremely hard to produce quality organic products. PCF and other snack food companies are a major part of Bristol’s manufacturing sector.”

Founded in 2000, Prime Choice Foods, Inc. is a family-owned and operated, approved and certified manufacturer of organic snacks. The company sells its product under the brand name Go-Mex, and produces private-label products for the following companies: Hain Celestial, Utz, Publix and Kroger. ■

# Motorsports Headlines Roll In

Virginia’s motorsports industry has been popping up in trade publications across the United Kingdom since the Virginia Motorsports Media Tour held in April.

The media tour, organized by VEDP’s Communications & Promotions Division, garnered two stories in the UK-based *Professional Motorsport World* magazine’s July-September issue. One story discusses how NASA Langley’s 14x22 tunnel and the Virginia Institute for Performance Engineering and Research’s eight-post shaker rig at Virginia International Raceway (VIR) will make the most of track and rig time. The second story highlights InCar air filter, technology used to remove carbon monoxide from the driver’s air supply while racing, developed by Penske in collaboration with NASA Langley.

Virginia International Raceway (VIR) in Halifax County is splashed across the front page of the June issue of UK-based *Motorsports Professional* magazine. The magazine highlights VIR’s transformation

from its opening in 1957 to the success the historic track experiences today. Connie Nyholm, VIR co-owner, discusses the track’s collaboration with state, university and NASA officials to offer third-party research.

VIR and Martinsville Speedway were given some ink in the July 2006 issue of *Performance Business* magazine that discusses the motorsports industry’s impact on Virginia’s economy.

*Racecar Engineering*, another UK publication, gives VIR a thumbs up in its July issue, stating that, “Compared to the business-park architecture of modern venues, VIR is a breath of fresh air.” ■



# Quarterly Calendar

DATE	CONTACT	EVENT
Oct. 10-11	VB	2006 Mid-Atlantic Bio Conference – Washington, DC
Oct. 15-18	VB	Graph Expo and Converting Expo – Chicago
Oct. 15-18	VB	Council of Supply Chain Management – San Antonio, TX
Oct. 17-19	VB	National Business Aviation Association Annual Meeting – Orlando, FL
Oct. 18-20	VB	Composites & Polycon – St. Louis, MO
Oct. 23-27	SK	Trade Mission to Spain
Oct. 29-Nov. 2	VB	FABTECH International & AWS Welding Show 2006 – Atlanta, GA
Oct. 29-Nov. 2	VB	Pack Expo & Process Expo – Chicago
Oct. 30-31	VB	Serious Games Summit – Arlington, VA
Oct. 30-Nov. 3	SK	Trade Mission to Canada
Nov. 1-3	VB	Medical Automation Conference – Loudoun County, VA
Nov. 4-13	SK	Trade Mission to Saudi Arabia & Jordan
Nov. 13-17	CR	Marketing Mission – Arkansas, Oklahoma, Tennessee
Dec. 4-6	VB	Interservice/Industry Training, Simulation and Education Conference (I/ITSEC) – Orlando, FL
Dec. 4-8	CR	Marketing Mission – Florida
Dec. 9-16	SK	Trade Mission to China
Dec. 14-16	VB	Performance Racing Industry 2006 – Orlando, FL
Dec. 14-16	VB	FlexPackCon – Orlando, FL
	VB	Vince Barnett, VEDP (804) 545-5815
	SK	Scott Kennedy, VEDP (804) 545-5754
	CR	Chuck Rogers, VEDP (804) 545-5808

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## College and University Information on **YesVirginia.org**

Member universities of the “University Based Economic Development (UBED)” group have created summary marketing sheets that can be found at [http://www.yesvirginia.org/Virginia\\_Advantage/University\\_Based\\_Resources/Default.aspx](http://www.yesvirginia.org/Virginia_Advantage/University_Based_Resources/Default.aspx).

Information on 11 four-year institutions and all 23 Virginia community colleges is

available. These summaries serve as a resource for site visitors as an overview of Virginia’s higher education asset portfolio, which is important given the heightened sensitivity by companies to workforce skills and research from universities.

Created in fall 2003, the UBED initially focused on economic development efforts within Virginia universities. Over time,

group discussions and the number and type of members have expanded to include state agencies such as VEDP, the Department of Business Assistance, and the Department of Housing and Community Development. The vision of the group is to fully integrate public higher education into the overall economic development system in Virginia. ■