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RTI Found Right Facility at Right Time

If you want to be successful, you need to be prepared for it.

Martinsville-Henry County put that theory into practice and successfully found the ultimate tenant for its Patriot Centre shell building in 60 days. The buyer is RTI International Metals, and the tenant brings with it 150 new jobs and a $100 million investment.

But the success didn't happen in only three months. It began 11 years ago when Henry County bought land, now known as Patriot Centre industrial park, and partnered with the City of Martinsville to get the site ready—including all the necessary infrastructure—for a potential tenant.

When Mark Heath took over two years ago as Economic Development Director for the Martinsville-Henry County Economic Development Corporation, a feasibility study was done to examine every building transaction in the last five years in about a half dozen competing states. The study also analyzed Martinsville-Henry County's existing space and found 3.5 million square feet of available space, but a number of factors, including low ceiling heights, limited their viability for modern manufacturing. "We were selling from an empty wagon," Heath said. "We determined what was selling and compared it to what Martinsville-Henry County had and none of our [property] fit the needs of modern manufacturing."

Governor Kaine visited Martinsville-Henry County to announce the project.

(Story continued page 3)

from the director

The speed of business is becoming lightning-fast. Prospects are approaching economic developers already armed with many of the facts and alternative opportunities in other states. Combined with the speed of the project is its increased complexity. Oftentimes, projects are internationally based, multi-phased and may include both service and manufacturing components that are technologically driven.

These project attributes require economic development solutions that are targeted and can be delivered within the contracted timeframes required by our clients.

The RTI International Metals project, highlighted on the cover of this issue, underscores opportunities that exist when communities are prepared. For Virginia to win projects, we must have the assets to separate our state from our competitors. That means sites and buildings that are publicly controlled, a strong, skilled labor force, advanced training programs, and a financial solution to lower prospects' up-front costs. In the case of RTI, Martinsville-Henry County wasn't only at the right place at the right time; the community did its homework, focused on a plan, and provided RTI with the Patriot Centre shell building—a solution that immediately met the company's needs.

Another example of great planning that resulted in great product is Wytheville's Progress Park. Since the business park's inception in 2000, Progress Park has attracted $300 million in investment and nearly 600 jobs.

Greensville County is another example. They partnered with CSX to provide an identified megasite that has brought attention to the Commonwealth. An article on page 16 highlights the County's 1,500-acre site, located on Interstate 95 near the Virginia-North Carolina border that was certified in January for automotive assembly operations and other major advanced manufacturing facilities. The site received certification from McCallum Sweeney Consulting. It is Virginia's first industrial site to receive the certification and only one of eight sites throughout the southern United States that have met the program's high standards. These pro-active measures are models we encourage other Virginia communities to follow. If we wait for prospects to come before a site is ready, we will wait a long time.

Just as important—if not more important—is the retention of existing Virginia companies. There is no greater indicator of Virginia's success at providing a business-friendly environment than a company's decision to remain and grow here, and there is no greater ambassador for the Commonwealth. We have three such ambassadors in Dominion Power CEO Tom Farrell, MeadWestvaco CEO John Luke and Norfolk Southern CEO Wick Moorman. These business leaders worked with us on a promotional advertisement that touts Virginia's Forbes.com and CNBC "Best State for Business" accolades. The television spot can be seen on CNBC, Meet the Press, the Golf Channel and Forbes.com. We thank these business leaders for their continued support and appreciate Governor Kaine's efforts to partner with these companies to present why Virginia is the best state for business. If you have not had the opportunity to see the advertisement, check it out on our home page at www.YesVirginia.org.

Finally, we want to welcome new faces at VEDP. Hugh Keogh, President and CEO of the Virginia Chamber of Commerce, and Julien Patterson, President and CEO of OMNIPLEX World Services Corporation, recently joined VEDP's Board of Directors. Both are Governor-appointees to our at-large seats and we welcome their insight and leadership.

Twyla Powell and Jackie Hudson are new Project Managers in the Business Development Division, and Ralph Torning and Knox Hubbard join the International Trade Division as its newest Trade Managers.

We would be remiss if we did not recognize the passing of Randolph Jones, retired Mecklenburg Economic Development Director and VEDP board member. His death is an enormous loss for Virginia's economic development community, and his legacy of honesty, integrity and commitment to the Commonwealth will never be forgotten.

Sincerely,

Jeffrey M. Anderson

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Right Facility at Right Time continued from cover

But not for long. The Martinsville-Henry County Economic Development Corporation funded the engineering and guaranteed the interest on a construction loan for the first year. The city and county agreed to split the interest in years two through five, and The Harvest Foundation, a charitable foundation focusing on the needs of Martinsville and Henry County, guaranteed the loan.

The Patriot Centre shell building was born. The 75,000-square-foot building, boasting 30-foot ceilings, separated the community from its competition, Heath said, "because at the end of the day, we looked like every other community. What made us different is a quality structure that few communities had."

For RTI International Metals, the Patriot Centre shell building was ready at the right time. The company was considering a building in another state. When the other building sold, the company needed a building and needed it fast.

Mark Heath pushed to get the Patriot Centre shell building built.

Heath got the call in August. Six months later, the deal was done.

"If you invest in yourself and do everything up front, it will pay off in the end," he said.

Shell buildings that are well-conceived, well-planned, and well-constructed are a useful strategy in economic development, said Rob McClintock, VEDP's Research Division Director. It is important, however, that the planning and design of these facilities, as well as the parks they are in, match the business development goals, objectives, and industry targets of the community, McClintock said, adding it was clearly evident in the case of Martinsville-Henry County. The product matched market needs.

"In Virginia we find that about 70 percent of business prospects start their location search seeking an existing facility," he said. "It allows a business to get in start-up mode much quicker than building from scratch, and the Patriot Centre building is of sufficient size to appeal to many of the more significant projects that appear in our project pipeline."

Shell buildings are proven prospect traffic generators, providing tremendous exposure to the community and the state. Nestlé, Shorewood Packaging and Essel Propack all located in shell buildings in Danville where they operate today with hundreds of employees. The Highlands shell building is another success story. Gates Corporation, the largest non-tire rubber manufacturer of automotive and industrial products in North America, moved into the building in the Smyth-Washington County community in May 2007.

In the late 1990s there were more than 30 shell buildings waiting for a tenant in Virginia. Today, there are only two remaining publicly owned shelled buildings available: Kenbridge shell building in Lunenburg County and the Westmoreland shell building in Westmoreland County.

Soon there will be three if Martinsville-Henry County has anything to do with it. The county has closed on 1,800 additional acres at two locations, with plans to build another shell building at the Patriot Centre. This one is slated to be 100,000 square feet.

"We can't let this momentum get away from us," Heath said.

McClintock agreed, adding that continuous development helps the locality and the Commonwealth as a whole. "Shell buildings give Virginia more than a simple green field to sell—and they become a real facility solution for the right company."

But it's not just buildings that sell Virginia, said Rich Vandegrift, Vice President of Capital Projects for RTI International Metals. "The available physical resources must be complemented by an energetic, motivated team that demonstrates to potential business they are truly welcome in the area," he said. "The Martinsville-Henry County team went a long way in demonstrating just that."

Aspen Products to Open Richmond Facility

The City of Richmond is the chosen destination for Aspen Products Inc.'s first Virginia manufacturing facility. The major supplier of white paper plates, design plates, cups, bowls and lunch bags will invest $12 million to open a paper goods manufacturing operation, creating 190 jobs.

Headquartered in Kansas City, Missouri, Aspen Products is a privately held company that has met disposable plate needs for more than 30 years.

Virginia Deputy Secretary of Commerce and Trade David Smith announces Aspen Products' plans to open a manufacturing facility in Richmond.

From left: Carthan Currin, City of Richmond Economic Development Authority Executive Director; Willie Lanier, former Kansas City Chiefs middle linebacker; City of Richmond Mayor Douglas Wilder; Tom Biggins, Vice President, Aspen Products Inc.; Shannon Walls, Aspen Products Inc. Plant Manager; and David Smith, Virginia Deputy Secretary of Commerce and Trade pause for a photo after the announcement.

Virginia Distillery Company Flows into Nelson County

A new company has formed in Nelson County. The Virginia Distillery Company will invest $5 million to produce their new Eades Distillery brand Scottish style malt whiskey. The project will create 19 jobs.

EADES
Anticipation Series
Premium Double Malt

Chris Allwood, Joe Hungate and Brian Gray have spent more than two years developing the launch of The Virginia Distillery Company. The company will handcraft malt whiskey under the Eades brand name on 95 acres near Lovingston in Nelson County.

New Company Begins Operations in Louisa County

Louisa County is 65 jobs richer thanks to its new corporate partner. Argonaut Biofuels, a wood pellet manufacturer, will invest $16 million to begin operations in Louisa County. The company, which purchased an existing wood chip mill, will expand the plant to manufacture wood pellets for fuel, animal bedding and paper mills.

Argonaut BioFuels, to be headquartered in Bumpass, will take over operations of an existing wood chip mill currently making wood chips for the pulp and paper industry. Once the new plant is completed in July 2008, the company will also manufacture wood pellets used for energy production and horse bedding.

Barr Laboratories Expands in Bedford County

One of Bedford County's largest and strongest companies continues to grow. Barr Laboratories, Inc., a subsidiary of Barr Pharmaceuticals, Inc., plans to invest $62 million to add production and packaging capacity at its facility in Bedford County to augment its current line of products. In addition, Barr plans to add equipment to incorporate a new timed-released technology for solid dosage pharmaceuticals. This new technology will allow the company to enhance its current product line as well as add new products to the marketplace. The project is expected to create 220 new jobs.

Barr Pharmaceuticals, Inc. is a global specialty pharmaceutical company that operates in more than 30 countries worldwide and is engaged in the development, manufacture and marketing of generic and proprietary pharmaceuticals, generic biologies and active pharmaceutical ingredients. A holding company, Barr operates through its principal subsidiaries: Barr Laboratories, Inc., Duramed Pharmaceuticals, Inc. and PLIVA d.d. and their subsidiaries. The Barr Group of companies markets more than 120 generic and 27 proprietary products in the U.S. and approximately 1,025 products globally outside of the U.S. Barr has nine offices/facilities in the U.S. and several facilities in Europe. Annual sales currently exceed $2.5 billion.

New Venture for Montgomery County

Inorganic Ventures, a leading manufacturer of custom inorganic chemical blends, will invest $3.025 million to move its operations from New Jersey to Falling Branch Corporate Park in Christiansburg. The project will create 46 jobs for Montgomery County.

Inorganic Ventures is the leading custom inorganic chemical standards manufacturer in the United States, preparing custom and conventional chemical standards for companies around the world. Privately held and founded in 1990, Inorganic Ventures can prepare almost any inorganic chemical blend and can tailor the chemical blend to fit its customers' specifications.

Danville Wins Again

Danville continues its extraordinary economic rebound with the announcement that Com.40 Ltd, a major manufacturer of mattresses and upholstered furniture, will invest $36.3 million to open a manufacturing facility in the City of Danville. The project will create 813 jobs.

Com.40 Ltd, established in 2000, is a private company headquartered in Nowe Skalmierzyce, Poland. Com.40 is a high-performance manufacturer of mattresses and upholstered furniture in Poland and is a key supplier to Swedish home furnishings retailer IKEA. This Com.40 project in Danville will help supply mattresses and upholstery to IKEA stores in North America. The company currently has 1,750 employees in Poland.

VEDP Senior Project Manager Mike Sexton (left) presents a Virginia flag to Bogdan Kaczmarek, Com.40 CEO and owner.

Martinsville-Henry County Wins National Award

Expansion Solutions magazine awarded the Martinsville-Henry County Economic Development Corporation with a 2007 Award of Excellence in Food Processing. Martinsville-Henry County was one of only five localities nationwide to receive the award for "exceptional progress in economic development by successfully recruiting and retaining businesses."

Commonwealth Ranks Among Top of the Class

Virginia received the top score in the Government Performance Project's "Grading the States 2008" report, the nation's only comprehensive, independent analysis of how well each state performs in serving the public.

In the first such rating in three years, Virginia achieved an overall grade of A- for performance. Two other states—Utah and Washington—received an A-, and the national average was B. Virginia also received an A- ranking in the 2005 "Grading the States" assessment.

VEDP Meeting Covered in National Trade Publication

Plastics industry leaders gathered in Richmond in November to get updates on the industry in Virginia and examine trends moving forward. The meeting, hosted by VEDP as part of its plastics initiative, also attracted a *Plastics News* reporter, who covered the meeting in the December 14 trade magazine online. The article covered the group's discussion about the education gap among potential workers nationwide, as well as cost reduction methods and recycling.

Virginia Education Deemed Best Value

Seven Virginia colleges and universities were among the "100 Best Values in Public Colleges" by *Kiplinger's Personal Finance*, the nation's first personal finance magazine. The schools were judged on academic quality, cost and financial aid.

The University of Virginia ranked third on the list, with the College of William & Mary right behind it in fourth place. The University of Mary Washington came in at No. 14, followed by Virginia Tech in 17th place. James Madison University ranked 22nd, George Mason University ranked 77th and Longwood University ranked 91st.

Virginia Company Weighs in on Manufacturing Success

Staunton's own Specialty Blades was among companies highlighted in a March *Popular Mechanics* article titled, "Made in the USA." The article examines a rebound in manufacturing success in the United States thanks to American speed, flexibility and workforce.

Specialty Blades CEO Peter Harris was quoted as saying, "U.S. engineering is flat-out way more developed than in China…" The article also discusses the Virginia company's use of computerized equipment to sharpen blades, an operation that would be done by hand in some overseas factories.

Remembering Randolph Jones

Randolph Jones was a man of few words but many actions.

Whether it was coming to the aid of someone with a leaky roof, donating family heirlooms to create the Tobacco Farm Life Museum, or working nights and weekends to promote the Lake Country Region to prospects, Jones put his whole heart into his work.

His heart grew tired March 12 and Jones suffered a fatal heart attack.

"Randolph Jones…..caring, compassionate, dogged, faithful, honest, committed, knowledgeable, inquisitive, competitive, humorous….and a leader," said Liz Povar, VEDP Director of Business Development. "These are words that describe my mentor, friend, and a true professional in the world of economic development. Johann Wolfgang von Goethe said, 'Whatever you can do, or dream you can do, begin it: boldness has genius, power, and magic in it.' Quietly bold is the sum of Randolph's life. His vision led to companies like Jones Apparel, Carlisle Motion Control, and Lawson Mardon Wheaton, creating hundreds of jobs for the citizens of the region, and his vision led to preparation for the future that will sustain Mecklenburg County for years to come. He began. He accomplished. He began again. His legacy lives forever in those of us most fortunate to have known him."

For more than 11 years, Jones was the region's biggest cheerleader—promoting the southern region of Virginia to business prospects as Mecklenburg County's Economic Development Director. He worked to establish the Mecklenburg-Brunswick Regional Airport (the airport terminal building was named in his honor), laid the groundwork to develop a regional enterprise zone, and conquered many obstacles on the road to making the Roanoke River Regional Industrial Park a reality.

"Randolph was my hero," said Joyce French, Executive Director of the Lake Country Marketing Council. "Thanks to his many efforts, Lake Country is experiencing great success in its regional marketing efforts."

His efforts went far beyond those of a traditional economic developer. French recalled a project the region was notified of on December 23. Jones worked through Christmas without hesitation. "He could have easily said, 'It's Christmas and I'm on vacation,'" French said, "but not Randolph. Whatever it took and whenever, that was his way. He was like the Energizer Bunny—he kept going and going and going—giving and giving and giving."

Prior to becoming the County's "official" Economic Development Director, Jones honed his marketing skills for 40 years as a serviceman, District Manager and Regional Manager for Commonwealth Propane, Inc—all the while volunteering on the local economic development team.

His volunteer work—much of it until the day he died—also included serving as Chairman of the Mecklenburg-Brunswick Regional Airport Commission, the Mecklenburg County Industrial Development Authority, and the Mecklenburg County Planning Commission. He served as President of South Hill Community Development Association, and participated on the Southside Planning District Commission and the Lake Country Development Corporation Board of Directors. Jones was honored with the Unsung Virginian Award in January 2000.

"Randolph worked every day to provide opportunity for the people of this area," said Angie Kellet, whom Jones trained to take over as economic development director when he retired in 2005. "He was one of the most respected, honest, loyal and caring men I've ever known. He had a way with people that let them know he meant what he said and would never waiver from it. No one will fill the loss this area has suffered."

Memorial contributions may be made to either the Farm Life Museum or the Colonial Theatre, Jones' two favorite community initiatives. Make checks payable to: South Hill CDA, 201 South Mecklenburg Avenue, South Hill, VA 23970

Allies Equipped for 2008 with Lessons Learned

James Aylor, Dean, UVa. School of Engineering and Applied Sciences, discussed the university's role in the Rolls-Royce project and encouraged future partnerships to bring projects to Virginia.

Lessons learned during 2007 were the focus of January's VEDP/Ally Meeting, held at the Dominion's Innsbrook Technical Center in Henrico County, which attracted more than 100 allies from across the Commonwealth.

Secretary of Commerce and Trade Pat Gottschalk kicked off the biannual meeting with a discussion of legislative priorities for the 2008 General Assembly session.

The formidable partnership between Virginia and its partners in higher education was highlighted during a presentation on the success of the Rolls-Royce project by Dean James H. Aylor, School of Engineering and Applied Sciences, University of Virginia. Lessons learned from the Rolls-Royce project have prompted closer interaction with the higher education community, more collaboration on general workforce development efforts, cultivation of higher education relationships with national and international industry, and increased effort to build on the success of the Rolls-Royce project.

In addition to tips offered by VEDP Project Support Manager Jay Langston on responding to a consultant's RFP and VEDP Economist Brian Kroll's economic update, VEDP Deputy Director Gary McLaren reported that ExecutivePulse, a business retention software program that VEDP will subsidize, is ready to be rolled out to localities that wish to participate.

VEDP Executive Director Jeff Anderson closed the meeting with a discussion about winning projects and why VEDP believes it won projects such as Rolls-Royce and Volkswagen in 2007. It comes down to identifying the appropriate value proposition and finding viable solutions to meet the company's needs.

The Art of the Consultant Response

By Jay Langston, Ph.D., VEDP Project Support Manager

The involvement of site consultants in economic development projects continues. Knowing how to work with consultants effectively has proven beneficial for Virginia. Several reasons are behind this upward trend in site consultant usage, not only by corporate America, but internationally based firms. Most major corporations have shed internal real estate functions in the past decade, providing traditional consulting firms the opportunity to expand their operations to include real estate and site location services. As a result of these dynamics, the complexity of projects has risen. Projects from consultants are more frequent, increasingly complex, have multiple phases, are often international in scope, require tight project schedules and stringent response criteria.

Fortunately, Virginia has been successful working with consultants. Through state, regional and local efforts, the Commonwealth has cultivated relationships with consultants and, more importantly, delivered on the promises made. Success has bred success.

A common misperception of consultant-driven projects is that VEDP selects the geographic areas that consultants consider. This is rarely the case. Part of the value-added service consultants sell to the client is the narrowing of location choices to a final list of candidates the client should consider. As a result, by the time a consultant contacts a locality or VEDP, two or three rounds of eliminations have already occurred. The good news is, by the time the notice or request is received, the recipient is a finalist. The downside is the time constraints forced on finalists to respond. When finalists are notified, the consultant generally wants the information request returned in two to three weeks—at the most. There is no time to start thinking about how to develop a site, deliver the necessary infrastructure, plan the proper ingress and egress to the site and determine how to finance the development. Time

continued on next page

The Art of the Consultant Response continued

and time again, consultants ask for prepared sites with all appropriate geotechnical and environmental studies, wetlands delineations, site engineering, infrastructure and other site items already quantified.

How to respond to a consultant's request is as much an art as it is a science. Read through the consultant's information completely. Many of the items that are important to the client and the project are often described in the Request For Information (RFI) or in the questions asked. Reading between the lines is also important! Follow the consultant's format AND answer what is asked. Failure to do either can result in elimination by the consultant from the project.

Don't be afraid to ask questions or ask VEDP for help. VEDP has the opportunity to see a greater number of RFIs and can provide guidance. Conversely, others may ask a question from a perspective that VEDP has overlooked, and a clarification might provide everyone a better chance at responding positively. Don't be afraid to decline. All of the consultants VEDP works with appreciate knowing that a finalist would rather not respond, for whatever reason, than to respond with inadequate information or a site/building that doesn't meet the criteria. A poor response makes everyone look unprofessional.

Although not often thought of in this way, an RFI can be used as a marketing opportunity. The RFI is the opportunity for the Virginia team to make its value proposition to the consultant and client by stating why Virginia's solution satisfies the client's needs.

The RFI is also an opportunity to define the local win-win perspective. If Virginia is willing to offer certain incentives for a particular type of project, it can be stated in the RFI. Conditions of performance and incentives can be stated early in the process rather than having them dictated later in the process. This also offers a bit of a hedge if there isn't enough information available when filling out the RFI. It can clearly be stated that a locality will entertain certain incentives if the project represents certain sectors of interest to the community. If it turns out the project does not, an expectation has been set that the locality will not be as aggressive in terms of incentives.

Finally, think like the client. Ascertain from the RFI what seems to be important and provide the answers that offer the best solution. As simple as it sounds, present solutions, not obstacles. A good example of this is related to ownership or control of land. Often, localities do not own the land, but they do have an option, first right of refusal or some other legal instrument that affords some control of the property. So to the question of, "Is the land publicly owned?" the answer is, "No, the land is not publicly owned. However, there is an option on the property that can be exercised within 60 days on behalf of the client." This is much more informative than "No" and provides opportunity for further dialogue.

While working with consultants can present challenges, it also offers opportunities. Keep some of these basics in mind and consultants will continue to be a source of high-value, qualified projects.

VEDP Welcomes New Project Managers

Jackie Hudson joined VEDP's Business Development Security and Services Team in February. She will call on information technology companies and focus on the modeling and simulation industry.

For the past nine years, Hudson worked for the Virginia Employment Commission in business consulting and workforce compliance. She also worked in business development as a Senior Client Manager for CIGNA Healthcare, and as a Health Insurance Consultant for Sedgwick, Inc. She has a degree in business administration and a certificate in management from James Madison University. Hudson can be reached at 804-545-5719 or jhudson@yesvirginia.org.

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Mike Kaestner is no stranger to the Capitol steps in his role as VEDP's Legislative Research Analyst.

Mike Kaestner—VEDP's Legislative Guru

Whether it's playing racquetball or having to solve three work crises in just one hour, Mike Kaestner thrives on action. VEDP's Legislative Research Analyst, Kaestner is not only in close contact with Virginia legislators during the General Assembly session, he also works with companies and other state agencies crafting legislation to help projects for the Commonwealth come to fruition.

When Volkswagen North America announced that its U.S. headquarters would move from Michigan to Herndon, Kaestner worked with the company's legal counsel to make sure legislation matched the company's requirements and met Virginia's commitment. He also collaborated with state agencies to hammer out the logistics and usher the company through the legislative process. His role in the Rolls-Royce project involved translating a complex contract into legislative language and then working with the company and legislators on a bill that met everyone's needs. Sometimes he even testifies before committees to make sure legislators are properly educated on a piece of legislation before they cast their vote.

In his past life as a Program Coordinator for a bi-partisan advocacy organization, Kaestner is no stranger to legislators. He lobbied during the legislative season and did campaign work during the election season.

So what does he like best about his days at VEDP?

"It's intense, high-level thinking in a fast-paced environment," said Kaestner. "I enjoy unraveling this complex and arcane process so that everything goes as planned for the company and our economic developers know what is going on."

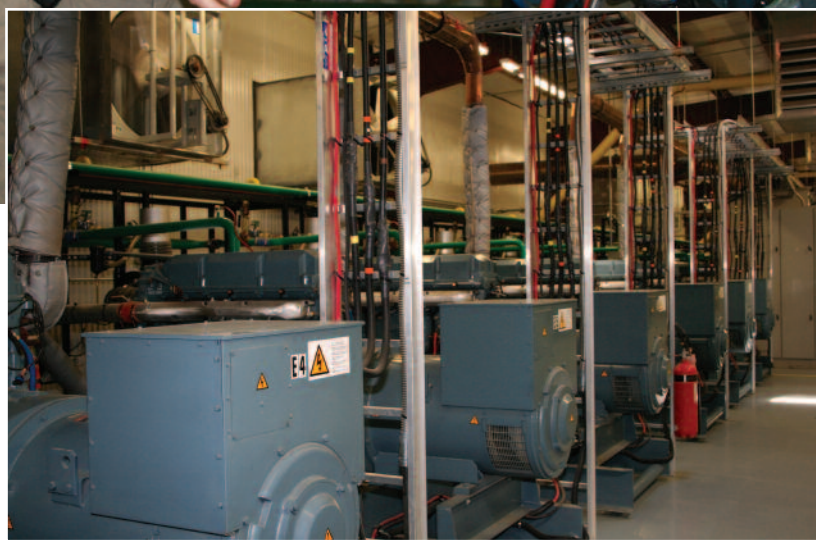
When Kaestner is not up at the Capitol or translating the legislative process, he can be found playing sports, cooking or improving his historic home in Church Hill. A native of Richmond, Kaestner graduated magna cum laude from VCU with a degree in urban planning.

VEDP Welcomes New Project Managers continued

Twyla Powell joined VEDP's Business Development Science and Research Team in February. She will concentrate on the life science (medical devices) and nanotechnology tracks.

The Richmond native spent 15 years with IBM in Richmond in national account sales, marketing and project management positions. She graduated from William and Mary with a B.S. in biology, and graduated from VCU with an M.B.A. Powell, her husband and son reside in Montpelier. Powell can be reached at 804-545-5723 or tpowell@yesvirginia.org.

Alan Petersen (right) explains INGENCO's conversion process at the company's King and Queen facility to VEDP Project Manager Mike Carruth. All six of the company's Virginia facilities employ similar processes.



Virginia Company Turns Trash to Energy

Did you know that the trash you toss helps to turn your lights on at night? A company called INGENCO makes sure of it.

INGENCO, A Richmond-based company that operates six facilities in Virginia, turns landfill-produced methane gas into power. The company is developing projects nationwide. The most recent was with Allied Waste Services last year in King and Queen County. The facility, which opened for business in January, employs nine people. INGENCO has other Virginia landfill methane facilities in Amelia, Brunswick, Charles City and Chesterfield counties, and Virginia Beach.

Landfills are required by current EPA regulations to collect and combust methane gas, which is created when organic waste in landfills decomposes. If allowed to escape into the atmosphere, it is 21 times more damaging than carbon dioxide, according to the EPA. Collecting the waste and extracting the methane minimizes the escape and provides a substantial energy resource for INGENCO. The amount of energy available from the King and Queen landfill is roughly equivalent to 6,400,000 gallons of gasoline annually.

"We turn a problem into a product," said Alan Petersen, Vice President of Development for INGENCO, during a recent visit to the King and Queen facility. "The landfill is already required to capture the gas. We pay them to collect it, maximize it and turn it into a valuable product. We're all very interested in creating ways to offset the import of foreign energy."

Instead of flaring the gas, INGENCO pays the landfill to capture the gas. Once the gas is captured, the company runs it through power-generating equipment and generates power that is used by local homes and businesses. The King and Queen facility is a 12-megawatt facility, which is capable of providing power to about 10,000 homes.

Petersen said that INGENCO did not pioneer new technology, but the company designs, builds, owns, and operates facilities that are unlike any other alternative energy company. "It is a unique application of the best known technology and it is well-suited for this purpose."

"INGENCO is not only invaluable to the County with its additional jobs and revenue, but it also is extremely compatible with the rural nature of the County," King and Queen Director of Economic Development Robin Worth said.

In addition to reducing air pollution and providing tax revenue to King and Queen County, the project also provides $300,000 in payroll and $1.5 million in utility upgrades. ■

New Managers Join International Trade Team

After more than 30 years with Bank of America (and its predecessor banks), Knox Hubard joined VEDP's International Trade Division in February as a Trade Manager covering the Harrisonburg region.

His previous responsibilities included management of bank officers engaged in trade sales, product development, foreign correspondent banking and foreign direct investment in multiple states from his Virginia office. He also has had trade development responsibilities covering companies in Midwest and Mid-Atlantic states, including Virginia. Hubard's diverse clients ranged in size from less than $10 million in sales to more than $10 billion.

Hubard, who also served in the U.S. Army, received a B.A. in Economics from Virginia Military Institute and a Master of Commerce (now M.B.A.) from the University of Richmond. Hubard may be reached at 804-545-5758 or via e-mail at khubard@yesvirginia.org.

Ralph Torning joined VEDP in January 2008 as a Trade Manager representing the Lynchburg region. The Germany native's past employers include General Electric Company, Colt's Firearms, Jacobs Manufacturing, Safeway Products—all in Connecticut—and TVI Corporation, a defense contractor in Maryland, where he served as Vice President of engineering, production and purchasing.

In late 1985, Torning started his own international business consultancy in Connecticut until he was recruited by Forkardt GmbH, a major German manufacturer of machine tool accessories, to manage their U.S. sales and service office in Connecticut. In 1996, when the German parent company acquired the manufacturing operations of an American competitor in Michigan, Torning was chosen to manage the Michigan operation. In 2000, he was hired by Wexco Corporation of Lynchburg as Vice President of Sales and Marketing.

Torning's diversified professional career includes substantial "hands-on" import and export activities, including foreign market research, and direct sales and marketing activities in Europe and throughout North America. Torning may be reached at 434-582-5182 or via e-mail at rtorning@yesvirginia.org.

Virginia Companies Explore Canadian Opportunities

What do you get when you combine an automotive care franchise company, a major furniture manufacturer, a peanut grower, and a grower and processor of fine wool? You get the delegation for VEDP's trade mission to Toronto and Montreal. This group of diverse Virginia businesses traveled in fall 2007 to Canada to investigate business opportunities in Toronto and Montreal. Two of the companies, Cestari, LTD and Royal Oak Peanuts, were making their inaugural international business trip.

The assistance provided by VEDP and its partner in Canada, Grow Trade, proved invaluable. In addition to being companies new to the Canadian market, both Cestari and Royal Oak Peanuts are family owned businesses that produce consumer products. Cestari, located in Churchville, is grower and processor of fine Merino wool from Merino sheep and a wool mixture of Merino and Columbia sheep that Cestari breeds on its farm. In addition to wool yarns, the company manufactures finished knitted products such as socks, stocking hats and scarves. Royal Oak Peanuts, located in Drewryville, grows the world-famous Virginia jumbo peanut, prized by gourmets everywhere for its impressive size and flavor.

Diane Thomas, VEDP Trade Mission Leader, organized a conference call with Grow Trade to discuss each company's individual goals regarding Canada. Grow Trade worked to set up a full week of meetings with end-users as well as possible distributors and representatives for each company.

Stephanie Pope of Royal Oak Peanuts participated in the Canada trade mission for her company. She had a total of 13 meetings and met with a wide range of potential partners. She also had the opportunity to conduct first-hand research regarding the Canadian gourmet foods market as she attended the Grocery Innovation Show and visited a number of specialty shops and Loblaws, Canada's largest grocery retailer.

Francis Chester of Cestari also participated in the trade mission. Cestari's products were well received in both Toronto and Montreal. Chester had meetings with 14 prospective partners and buyers and made immediate sales to many of the businesses with which he met.

"This was my first trade mission and I cannot say enough about the professionalism and spirit of all involved in this trip," Chester said. "It has resulted in several immediate sales and will further result in having a distribution company on board for representing our company throughout Canada. We made a solid impact in Canada as a result of the assistance I received from VEDP."

For more information on VEDP trade missions, contact Terri Noll at 804-545-5764.

From left: Nancy Ward and Miranda Brunet of Grow Trade Consulting, Francis Chester of Cestari Ltd., Roger Porter of Vaughan Furniture Company, Diane Thomas of VEDP and Stephanie Pope of Royal Oaks Peanuts comprised the Virginia delegation to Toronto and Montreal last fall.

Fourteen Virginia Companies—Ready for Export

A combined 14 companies from across the Commonwealth acquired the tools to successfully export products and services overseas, graduating from two state export programs in January.

VEDP's Accessing International Markets (AIM) program honored seven graduates; Blue Crab Bay Co. of Melfa, Identification International Inc. of Blacksburg, Inovex Industries Inc. of Sterling, PARI Respiratory Equipment, Inc. of Midlothian, Pragmatic Environmental Solutions of Roanoke, Robert Bryan Ltd. of Port Royal, and Speedtech Instruments of Sterling.

During the year-long program, the seven graduates made 17 trips to their AIM target markets. In return, they received extensive export support, including funding, research, training and counseling from private-sector experts. As a result, five reported signing new representatives, six reported making new sales in their target markets and two added 11 new jobs as a result of their increased exports. Their collective exports to their AIM target markets are on-track to reach $8.5 million and their total exports should exceed $77 million by year-end.

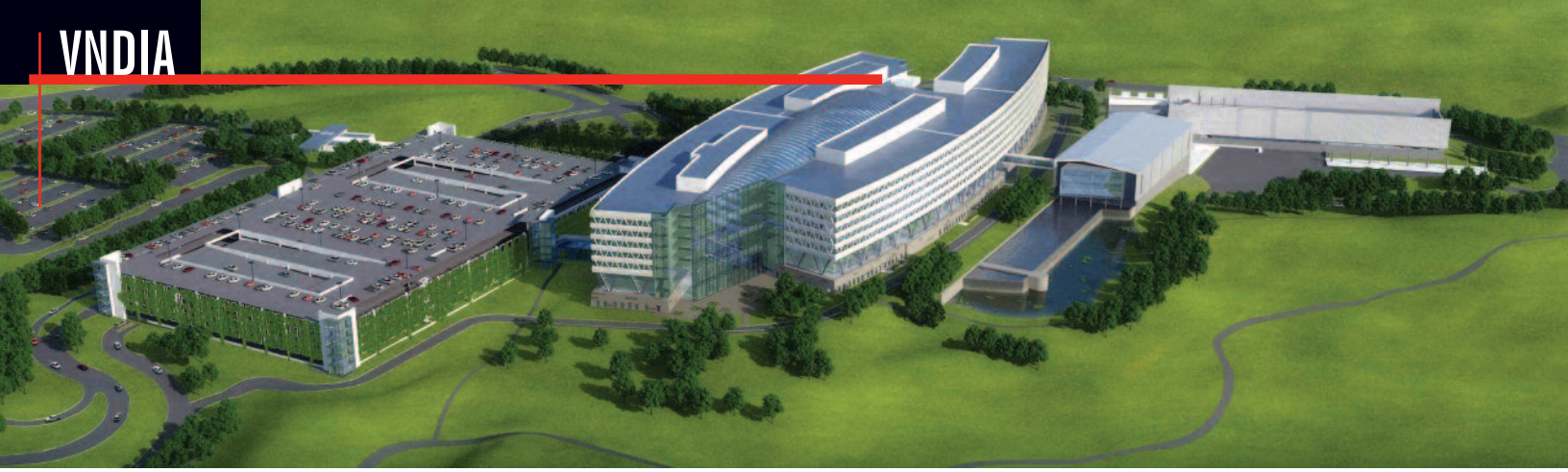
The most recent VALET graduates pose with Paul Grossman, VEDP Director of International Trade, and Leslie Parpart, VALET Program Manager.

The AIM program accepts five new companies each quarter for year-long classes beginning the first of March, June, September and December. Since its inception in December 2005, AIM has accepted 45 companies and congratulated 20 graduates across the Commonwealth of Virginia.

Seven companies also will graduate from VEDP's Virginia Leaders in Export Trade (VALET) program; CHEMetrics, Inc. of Fauquier, Core Engineered Solutions of Herndon, Franklin Equipment of Franklin, Sleepmate Technologies of Midlothian, VFP, Inc. of Scott County, Virginia Transformer Corporation of Roanoke, and WEXCO, Corp. of Lynchburg. Collectively, these companies have increased their international sales by more than 100 percent during their two years in the program. These companies began the program with a reported $12 million in international sales and graduated with a reported $26 million in international sales.

Launched in January 2002, the VALET program assists exporters in the Commonwealth that have firmly established domestic operations and are committed to international exporting as an expansion strategy. Participating firms are chosen based on their dedication to growth through export. The VALET program now has 50 graduates and 31 current participating companies.

The proud AIM graduates and VEDP's AIM Program Manager, Elizabeth Morgan, pause for a photo following the graduation ceremony.



Fort Belvoir's new $1.4 billion, 2.4-million-square-foot National Geospatial-Intelligence Agency (NGA) at the Engineer Proving Ground, is expected to open in 2010.The NGA develops imagery and map-based intelligence solutions for U.S. national defense, homeland security, and safety of navigation.

Credit: Courtesy of Fort Belvoir Public Affairs

Virginia Military Communities Address Growing Pains

The Office of Economic Adjustment (OEA) is the Department of Defense's primary source for assisting communities affected by defense program changes, including base realignments. Based on the 2005 Base Realignment and Closure (BRAC) process, the OEA identified 20 locations nationwide that have a significant amount of planned growth and brought them together in December for the 2007 Growth Summit. The summit provided workshops and networking opportunities for localities, many of which were dealing with unprecedented growth.

Three of the OEA-identified areas are in Virginia: Fort Belvoir, Marine Corps Base (MCB) Quantico and Fort Lee. In January, representatives from each presented to the Virginia National Defense Industrial Authority (VNDIA) Board of Directors. Presentations by Mark Canale (Fairfax County), Jim Wahl (Quantico Growth Management Committee) and Denny Morris (Crater Planning District Commission) showed that while each area faces specific hurdles, there are several challenges all share, including transportation issues and the communities' ability to ramp-up infrastructure in response to the expansions.

All three areas are tied to Interstate 95, splitting Fort Belvoir and MCB Quantico and passing just west of Fort Lee. Part of Eisenhower's Cold-War-era defense plan, I-95 has become one of the most important commercial and commuter arteries in the Commonwealth. The first role of the installations, like the road, is national defense, but over time they have become important economic drivers. While growth brings additional jobs and people and builds the tax base, it also brings more congestion and anxiety and a need for acutely careful planning and balance.

Located further from the nation's capital, Fort Lee's transportation challenges seem relatively manageable, but 19 improvements have been identified in order to handle the near-doubling of the post's workforce. Crater Planning District Commission is also working closely with Fort Lee and its six surrounding communities to address other issues, such as housing, schools, water, sewer and other infrastructure, that may prove to be more vexing than the roads.

All three communities are working directly with installation leaders and several state and federal agencies on planning and funding sources. OEA grants have helped to fund a regional growth plan in the Fort Lee area, and are being used to support dedicated BRAC planning personnel in Fairfax, Prince William and Stafford counties. Each locality is working through the Army or Marine Corps to request federal Defense Access Road Program funding when applicable. Other funding sources, from the Federal Highway Administration to the Department of Labor, are being used to augment state and local funds in preparation for the necessary transportation, housing, education and other infrastructure changes.

BRAC growth alone at Fort Belvoir, MCB Quantico and Fort Lee will result in 30,250 jobs and almost $5.5 billion in construction, and more jobs and investment are planned through other Army and Marine Corps growth. There is much to be done before the September 2011 BRAC deadline, but Virginia's strong history of working closely with our military partners suggests that, though challenging, this will be the most rewarding growth spurt yet. ■

Quarterly Calendar

DATE	CONTACT	EVENT
March 30-April 3	VB	Data Center World Spring Conference—Las Vegas
April 19-26	SK	China Trade Mission
April 28-May 2	SK	England Trade Mission
May 1	VB	DoD Modeling & Simulation Conference—Orlando, FL
May 1	VB	Kitchen Cabinet Manufacturers Association Convention—Palm Coast, FL
May 4-6	VB	ANTEC—Milwaukee
May 5-7	VB	Food Marketing Institute Trade Show—Las Vegas
May 5-9	CR	Marketing Mission—Maryland
May 12-16	SK	Mexico Trade Mission
June 1-4	VB	7x24 Exchange Spring Conference—Boca Raton, FL
June 1-4	VB	Wind Power Conference—Houston
June 8-10	VB	Management of Change Conference—Norfolk
June 9-13	SK	Brazil & Chile Trade Mission
June 10-12	VB	Itec Trade Show—Stockholm, Sweden
June 16-20	SK	Czech Republic & Hungary Trade Mission
June 18-21	VB	Bio International—San Diego

VB	Vince Barnett, VEDP	804-545-5815
SK	Scott Kennedy, VEDP	804-545-5754
CR	Chuck Rogers, VEDP	804-545-5808

VALET Receives Global Award

The Virginia Leaders in Export Trade (VALET) program has once again been recognized as a premier export program. At its annual conference March 7, NASBITE International, a multi-national professional trade organization, awarded its Program Excellence Award to VEDP's Division of International Trade for its VALET program. The Program Excellence Award is given to recognize the program that shows innovation and originality in international trade education, counseling, training and research. According to NASBITE officials, the VALET program stood out because of its successful pairing of resources, state funding and private-sector support to promote and expand international sales for Virginia companies.

Each company selected to participate in VALET's two-year export acceleration program receives reimbursement of up to $10,000 for export-related expenses and is eligible for pro bono professional services from VALET Program Partners. These partners form an extensive network of service providers who can assist with a variety of issues that exporters encounter when doing business internationally.

NASBITE International is a professional organization for the global business community. Formerly known as North American Small Business International Trade Educators, its members include global business educators and trainers at academic institutions; trade specialists at federal, state and local trade assistance organizations; and practitioners who engage in or facilitate global business activity.

NASBITE's Program Excellence Award is the second recognition the VALET program has received. The VALET program was honored as a national model in November 2004 by the National Council for Public-Private Partnerships (NCPPP) for VALET's innovation in bringing the public and private sectors together to achieve a benefit for the public. The VALET program was the only winner of the 2004 NCPPP Public-Private Partnership Award in the Innovation category.

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Greensville Site Gets Thumbs Up for Major Manufacturing

Charles McSwain, CSX Assistant Vice President of Regional Development (left), congratulated Jeff Anderson, VEDP Executive Director, on the site certification.

Greensville County now has what many major manufacturers are looking for—lots of land that comes stamped with a seal of approval.

A 1,500-acre site in Greensville County was certified in January as suitable for automotive assembly operations and other major advanced manufacturing facilities. The site received certification from McCallum Sweeney Consulting, a consulting firm that performs site selection and develops and implements certified site programs for corporate clients worldwide.

"Companies face intense pressure to bring product to the market," said Ed McCallum, Senior Principal, McCallum Sweeney Consulting, Inc. "Competition demands this. The first step in this process is to find a site that adds to, and does not detract from, project timing and execution. It is not enough to have good transportation access, an adequate labor force, or an excellent business climate; instead, you have to have all these things plus a site that can be developed in a timely manner."

CSX hired McCallum Sweeney to identify suitable sites for major manufacturing in several states that CSX services. The Greensville County location, located on Interstate 95 near the Virginia-North Carolina border, is the first industrial site in Virginia to receive the megasite certification. It is one of eight sites throughout the southern United States that has met the program's high standards. Criteria considered during the certification process include size, access to CSX rail service, adjacency to an interstate, utility infrastructure and satisfactory environmental assessment.