

## Governor Warner Promotes Virginia Products in Mexico

Governor Mark R. Warner led his first trade mission to promote Virginia exports to Mexico November 9-12. The Governor was accompanied by representatives of 18 Virginia companies and agricultural concerns. Meetings were held with key business executives, agriculture product buyers and government leaders in Guadalajara and Mexico City, Mexico.

### Why Mexico?

The country is one of the United States' top trading partners, and Mexico purchases a majority of its imports from the United States. With the enactment of the North American Free Trade Agreement, over 85 percent of U.S. goods enter Mexico duty-free. This gives U.S. (and Virginia) companies a competitive edge when supplying the Mexican market. Ten years ago, Mexico did not rank in the top 10 Virginia export markets.

### Why should Virginia be proactive in marketing to Mexico?

Mexico was Virginia's sixth largest export destination in 2002 with exports valued at nearly a half billion dollars as of January 2003. Top exports from across the Commonwealth include electrical and industrial machinery, knit apparel, paper, plastics and pharmaceuticals.

Having Governor Warner as Virginia's #1 salesman for the state's products, the Virginia Economic Development Partnership (VEDP) was fortunate to coordinate his trip to Mexico. He spoke Spanish with ease, impressing the Virginia firms participating as well as Mexican buyers and government officials. He met with Mexican President Vicente Fox to promote mutual trade and investment, pitch increased tourism through non-stop service at Dulles Airport and discuss agricultural issues. Governor Warner participated in meetings with prominent Virginia exporters to assist them in expanding their Mexican business.

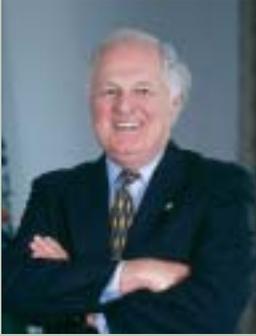
From the first days of his administration, Governor Warner has been personally involved in aggressively marketing Virginia as a business location and trading partner. In coordination with VEDP, he has conducted business recruitment meetings with companies in Detroit, New York, San Francisco, Washington D.C., and Western Europe.

For more details on the Mexico mission, read VEDP's perspective on page 12.



Appearing on the screen to the far right, Governor Warner (left) and Commissioner of the Virginia Department of Agriculture and Consumer Services J. Carlton Courter III (right) participate in a live video news conference from Guadalajara, Mexico. Local reporters, on the screen to the left, asked questions of the Governor and Commissioner from VEDP's Presentation Center. The video news conference marked the end of the Governor's four-day trade mission to Mexico, where he marketed Virginia agriculture, tourism and international trade.





From the Director

2003 was a good year that ended with great news: a thousand plus new jobs for Richmond and Henrico County when Wachovia Securities added to their mid-year decision that their corporate headquarters would be in Richmond. We cannot ask for a better Christmas present than that.

The economy in general is looking brighter, and Virginia was nationally recognized for its positive business climate and economic development performance by three separate rankings (see page 3). Governor Mark Warner traveled to Mexico to promote trade. Secretary Mike Schewel traveled to Asia to promote Virginia as a business location. Here at VEDP, we entertained along with the Greater Richmond Partnership some of the world's top CEOs at the Forbes CEO Forum held at the Jefferson Hotel in Richmond.

We also launched a new web site design and were pleased to see a packed house at our second Ally Meeting held in the historic city of Staunton.

Many impressive announcements occurred around the state this quarter. Highlights include ABB in Bland County, Lockheed Martin in Suffolk, RR Donnelley in Lynchburg, and MZM in Martinsville. Virginians should be "revved up" that CarMax has also decided to maintain its corporate headquarters in Virginia and to locate a new facility in Goochland County.

VEDP has plans for a full calendar of marketing activity throughout the world in 2004 and we anticipate a solid performance in the following sectors in Virginia: financial and business services; transportation/logistics; auto parts; homeland security/national defense; and in a variety of business-related health care and pharmaceutical operations. A pick-up of investment from foreign sources is also anticipated. Overall we expect healthy business investment, but with lagging employment growth.

I don't need to remind you of the importance of the 2004 legislative session. I encourage you to have your local boards and councils discuss the merits of economic development. Please express support to your legislators concerning our signature programs such as the Governor's Opportunity Fund, Workforce Services, and the extension of the Major Business Facility Job Tax Credit. These tools are valuable to our daily business.

As we begin a new year, I want to again express my special thanks for the support VEDP is receiving from you, our allies. You are a critical link in our quest to improve the economy in all sections of the Commonwealth. Competition remains fierce, and while the economy is improving, landing the prospect is still difficult work. I remain confident, however, that through cooperation, constant communications, and cleverness, we can achieve success.

Sincerely,

Mark R. Kilduff

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## Virginia Named #1 Business Location in USA

Governor Warner and VEDP hosted more than 80 corporate executives at the Executive Mansion on December 10. The purpose of the event was to thank all the companies that have recently located or expanded operations in the Commonwealth. The Governor also declared that more than 50,000 jobs and \$6.2 billion in new capital investment have been announced in Virginia since January 2002. In his speech, Governor Warner also highlighted three national rankings which placed Virginia among the best states for business in the nation.

*Plants Sites & Parks magazine (PS&P)* announced in December that Virginia ranked #1 in its annual

survey of top business locations. The Bizsites Survey is an analysis of recent office and industrial relocation and expansion activity based on various criteria, including the number of jobs created and the amount of capital investment in new projects. *PS&P* ranks the states as an indicator of where companies are thriving, growing and moving.

“Virginia has consistently made the *PS&P* top 10 for several years,” said *PS&P* Publisher/Editor-in-Chief Len Scaffidi. “Now that we’re adjusting the scores to reflect the economic impact based on population, I’m not at all surprised to see the state leading recent winners such as Texas, Michigan and California. Virginia has done an excellent job creating a business-friendly atmosphere, and the dividends are evident when you look at all the new projects throughout the entire state.”



Governor Warner (second from right) and Secretary Schewel (far right) address more than 80 corporate executives at a reception at the Executive Mansion on December 10.

Virginia also ranked #1 on the Pollina Corporate Top 10 Pro-Business States 2004 list. The study identifies 25 factors, including human resources, infrastructure, taxation and state economic incentive programs that can positively impact business and job development. “We have singled out 10 states that should serve as models for the rest of the coun-

*continued on page 8.*

## IT Decoded in Martinsville

MZM, Inc., a Washington, D.C.-based company that provides information technology services to the federal defense and intelligence community, has selected the City of Martinsville's Clearview shell building for a database and information technology operation. Through a \$4.4-million investment, the project will create 150 new jobs over three years. U.S. Congressman Virgil H. Goode, Jr. was instrumental in securing this project for Virginia.

MZM, Inc. President and CEO Mitchell J. Wade said that MZM is making a long-term commitment to the region by purchasing the building and the surrounding 12.9 acres. "We are extremely excited about bringing high-quality, highly skilled, good paying jobs to this facility, which will help make Martinsville a 21st century high-tech leader for the region. Not only is MZM spending millions to upgrade the site, but it is helping to create a state-of-the-art center of excellence that will bring more high paying jobs to Martinsville. Furthermore, this activity will play a very significant, leading role in protecting the nation's critical infrastructure."

Governor Warner approved a \$250,000 GOF loan to assist the City of Martinsville with the project. The city also obtained \$250,000 in Tobacco Region Opportunity Funds. VEDP and the City of Martinsville Economic Development Department assisted MZM with its

decision. The company is eligible for tax credits based on its location in an enterprise zone. ■



At the announcement event, Governor Warner presents a Virginia flag to MZM, Inc. President and CEO Mitchell J. Wade.

## Mecklenburg Boots Up

APT, INC (Advanced Polyurethane Technologies) has chosen to locate in Mecklenburg County's Boyd Warehouse, where it will manufacture and distribute its patented, low-cost polyurethane rubber boots. Through a \$1.26-million investment, the project will create 50 new jobs during the company's first year of operation, growing to 145 within 30 months and 180 employees within five years.

APT is America's first manufacturer of polyurethane rubber boots. The company plans to produce boots in Mecklenburg County's Town of South Hill for the United States and Canada, and to produce and license the technology to established protective footwear manufacturers overseas.

VEDP, the Lake Country Development Corporation and the Mecklenburg County Office of Economic Development assisted APT with its decision. The Virginia Tobacco Commission approved \$70,000 in Tobacco Region Opportunity Funds to support the project. DBA will provide workforce training services, as well as financing through the Virginia Small Business Financing Authority. ■

## Brunswick County Recycles Success

Atlantic Recycling Technologies will locate a facility in Brunswick County. The company will lease a 40,000 square-foot building owned by the IDA to house 25 new employees. Atlantic Recycling will invest approximately \$1.5 million in equipment in its new location.

Atlantic Recycling Technologies has operated a successful recycling/sorting operation in Burke, VA since 1994. The company will bring in approximately 250 bails of dry paper materials per week from the Burke facility to be processed into cellulose insulation that will be shipped to contractors.

DBA will provide workforce training for the company. Atlantic Recycling Technologies is eligible for tax credits through the enterprise zone tax credit program. ■



(Left to right) Gerald D. Vincent, Brunswick County Administrator; Michael Moorman, Brunswick County IDA Chairman; Deborah Farmer, Southside Planning District Commission Public Administration Specialist; J. Grady Martin, Brunswick County Board of Supervisors Chairman; Irby Jones, DBA Project Manager; Sherry Spring, Brunswick County IDA Executive Director; Craig Stuart-Paul, Atlantic Recycling Technologies President; Keith Oing, VEDP Project Manager; and Carrel Tuck, Brunswick County Board of Supervisors meet to discuss Atlantic Recycling Technologies' investment.

## Henry County Prefers Chenille

Globaltex Inc. will locate its U.S. textile manufacturing operations in Henry County. The project will create 154 new jobs in three years. Through a \$5.2-million investment, Globaltex plans to purchase a 77,000-square-foot facility previously occupied by VF. Virginia successfully competed with North Carolina and South Carolina for the project.

In business since 1994, Globaltex has become a premier provider of custom-ordered chenille yarns for the furniture upholstery industry. The company currently operates a corporate office in Davidson, North Carolina and manufacturing operations in Mexico. Globaltex plans to open this manufacturing location in the United States to better serve its U.S. customers and reduce shipping costs. The company is a key customer of Henry County-based Drake Extrusion. In Henry County, Globaltex will manufacture chenille and textured yarn.

Governor Warner approved a \$150,000 GOF grant to assist Henry County with the project. The county also obtained \$150,000 in Tobacco Region Opportunity Funds. VEDP and the Henry County Office of Commerce assisted Globaltex with its decision. Workforce training services will be provided by DBA. ■



Globaltex President and CEO Jose Antonio Diaz-Llaneza announces the company's plans to manufacture chenille in Henry County. In his speech, he cited the company's relationship with Drake Extrusion and the area's available pool of highly experienced textile employees among the company's many reasons for locating in Henry County.

## Roanoke County Clearly Lands Deal

Cardinal Glass Industries has selected Roanoke County for its first Virginia facility. Through a \$23.9-million investment, the project will create 200 new jobs. Cardinal Glass plans to locate the new facility in the Town of Vinton's Vinton Business Center. Virginia successfully competed with North Carolina for the project.

Headquartered in Minnesota, Cardinal Glass Industries is a privately owned company that has been servicing the residential window industry for over 40 years. The company is a major supplier to Integrity Windows, which announced a new plant location in the Roanoke Valley in February 2003.

Governor Warner approved a \$300,000 GOF grant to assist Roanoke County and the Town of Vinton with site preparation. VEDP, the Roanoke Valley Economic Development Partnership, Roanoke County and the Town of Vinton assisted Cardinal Glass with its decision. The company qualifies for VDOT road access funding. DBA will provide workforce training services. ■

## CarMax Maintains Speed in Virginia

CarMax, the nation's leading specialty retailer of used cars, will relocate its corporate headquarters, with almost 600 employees, to Goochland County's West Creek Business Park within the next two to three years.

CarMax, which recently announced plans to build 34 to 44 new stores between 2004 and 2007, had considered other locations in the Southeast as it searched for a site that could accommodate a gradually expanding staff to support the company's growth.

"It is only fitting that as we celebrate CarMax's 10-year anniversary, we announce we are staying in Virginia," said Austin Ligon, President and Chief Executive Officer of CarMax, Inc. "CarMax was created here, and thanks to the cooperation of state and Goochland County officials and the owners of West Creek, our decision to stay was an easy one."



VEDP and the County of Goochland Economic Development Authority assisted CarMax with its decision. DBA will provide workforce training services. ■

## State Makes Tracks for Trex

Trex Company, the nation's largest manufacturer of alternative decking products, has expanded its headquarters operations in Frederick County. Through a \$10.9-million investment, the company added a plastics recycling production line and created 36 new jobs. To support the expansion, Virginia's Department of Rail and Public Transportation (DRPT) approved a \$300,000 grant from its Railroad Industrial Access Program to bring more than 2,000 feet of rail track to the company's plant.

"This rail extension will help us maximize the use of our new plant expansion for both incoming and outgoing shipments," said Harry Monahan, Executive Vice President and General Manager of Trex Company. "It will improve service to our wholesale distributors by eliminating a middle party on both ends, as far as reloading. This will enable us to get product to our distributors more directly, and in many cases, save them on shipping costs."

VEDP, DRPT, Frederick County and the Winchester-Frederick County Economic Development Commission assisted Trex with its decision to expand. ■



A grant from DRPT's Railroad Industrial Access Program will bring more than 2,000 feet of rail track to Trex's Frederick County plant.

## Lynchburg Deal is Binding

RR Donnelley will expand its Lynchburg manufacturing facility. As part of the company's strategy to create the most effective, integrated and flexible printing platform for its customers, RR Donnelley plans to invest \$5 million in binding equipment and machinery. With the addition of the new equipment, RR Donnelley estimates that it will add approximately 50 new jobs.

RR Donnelley's Lynchburg facility produces over 700 million catalogs and retail inserts annually. RR Donnelley acquired the Lynchburg facility in 1990 and the facility currently employs 600 people.

Governor Warner approved a \$50,000 GOF grant to support the City of Lynchburg with the project. VEDP, Region 2000 Economic Development Partnership, the City of Lynchburg Office of Economic Development and the Lynchburg IDA assisted with the project. DBA will provide workforce training as well as retraining assistance for existing RR Donnelley jobs. ■

## Danville Firm Expands

Essel Propack America LLC will invest \$10.4 million to expand the company's existing operations in the City of Danville. The project will create 50 new, full-time jobs over 12 months, with higher-than-average salaries for the city.

Headquartered in Bombay, India, EsselPropack Ltd. is the world's largest laminated and plastic tube manufacturer. These tubes are used by the dental care, pharmaceutical, cosmetics, food, and household products industries.

A \$75,000 GOF grant was approved to assist the City of Danville with the project. The city also obtained \$100,000 in Tobacco Region Opportunity Funds. VEDP and the City of Danville Office of Economic Development assisted Essel Propack with its decision to expand. DBA will provide workforce training services. ■

## DuPont Chooses Chesterfield

DuPont Engineering Polymers will create 20 new jobs with a major new polymer plant in Chesterfield County. The plant will meet increasing demand for DuPont™ Zytel® HTN high-performance polyamide resins with 30-million pounds per year of capacity. Located adjacent to DuPont's existing Richmond site in Chesterfield County, the new facility is scheduled for startup by the end of 2004.

"The expansion will more than double our base polymer capacity for DuPont™ Zytel® HTN," said Clive Robertson, Global Business Manager for the material. "This move supports and enables ongoing development of expanding global markets for Zytel® HTN in components for automotive, electrical/electronic and various other consumer and industrial products."

Governor Warner approved a \$150,000 VIP grant that will assist DuPont Engineering Polymers with the Chesterfield County project. VEDP and the Chesterfield County Department of Economic Development assisted DuPont with its decision. Workforce training services will be provided by DBA. ■

## Lockheed Martin Simulates in Suffolk

Lockheed Martin will build and operate a computer-based modeling, simulation, and integration center in the City of Suffolk's Bridgeway Commerce Park. Through a \$30-million investment, Lockheed Martin will create 50 jobs with above-average salaries for the city and the region. Lockheed Martin technical experts at the Global Vision Integration Center will collaborate with customers, industry partners, and colleagues across Lockheed Martin to develop, visualize, and demonstrate complex operational system solutions.

"As a growing high technology hub with proximity to major defense, homeland security and other important customer installations, Suffolk is the ideal location for our new center," said Lockheed Martin Chief Executive Officer Vance Coffman.

Governor Warner approved a \$50,000 GOF grant to support the City of Suffolk with the project. VEDP and the City of Suffolk assisted Lockheed Martin with its decision. DBA will provide workforce training services. ■



VEDP Executive Director Mark Kilduff (third from left) joins local officials and company representatives at Lockheed Martin's groundbreaking in Suffolk.



Wearing a new Bland County jacket, Governor Warner (center) accepts a gift from John Sullivan, ABB President, Power Technologies Division USA (left) and Gerry Schepers, ABB Senior Vice President and General Manager (right) at the announcement event.

ment. Governor Warner discussed the expansion with senior ABB officials in Zurich, Switzerland during his trade mission to Europe in May 2003.

"I made a real case to ABB's senior management on my trade mission in May, urging them to stay in Bland County," said Governor Warner. "I'm pleased that, working with local leaders, they chose to do so. ABB's decision to expand in the Commonwealth not only creates 75 new jobs, but it secures the company's future in Bland County. With 220 existing employees at this facility, ABB is the county's largest private employer and a critical part of the local economy."

A \$100,000 GOF grant was approved to assist Bland County with the project. The county also obtained \$150,000 in Tobacco Region Opportunity Funds. VEDP, the Bland County Board of Supervisors and the Bland County IDA assisted ABB Inc. with its expansion decision. DBA will provide workforce training as well as retraining assistance for existing ABB jobs. ■

## ABB Generates New Jobs in Bland

ABB Inc. will expand its Small Power Transformer manufacturing operations in Bland County. The project will create 75 new jobs through a \$3-million invest-

## Wytheville Technologies Steers Investment to Virginia

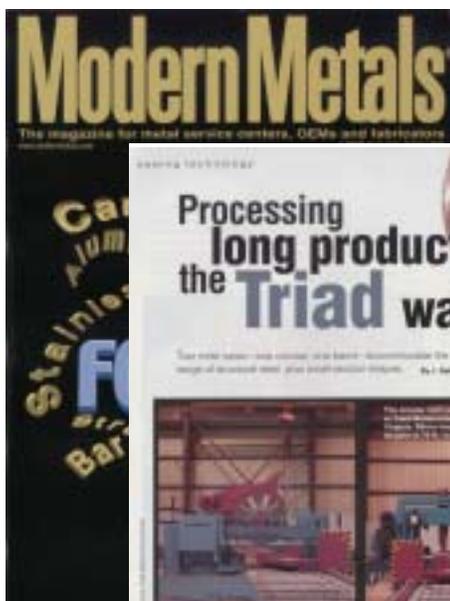
Wytheville Technologies, Inc., a manufacturer of automotive steering components, will create 102 new jobs in Wythe County.

Through a \$31-million investment, the company plans to expand its existing manufacturing operations with a new 150,000-square-foot facility in the Wythe County Progress Park.

Wytheville Technologies, a U.S. joint venture of four Japanese companies, led by Somic Ishikawa, currently employs 62 people in Wythe County. In October, Virginia Secretary of Commerce and Trade Michael J. Schewel met with Mr. Kozo Ishikawa, President of Somic Ishikawa, Wytheville Technologies' Japanese parent company, to discuss the Virginia expansion. The meeting took place as Secretary Schewel led Virginia's delegation to the Southeast U.S.-Japan Annual Joint Meeting in Osaka, Japan, October 26-October 28, 2003.

A \$150,000 GOF grant and \$250,000 in Tobacco Region Opportunity Funds were approved to assist the Crossroads Regional Industrial Facility Authority, comprised of Bland County, Wythe County, and the Town of Wytheville, with the project. VEDP, the Joint Industrial Development Authority of Wythe County, and Virginia's aCorridor assisted Wytheville Technologies, Inc. with its decision to expand. The company is eligible to receive further tax credits because it is locating in an enterprise zone. DBA will provide workforce training services. ■

ment. Governor Warner discussed the expansion with senior ABB officials in Zurich, Switzerland during his trade mission to Europe in May 2003.



## Virginia Steels the Spotlight



The October 2003 issue of *Modern Metals* highlights Triad Metals International's Petersburg facility – a 150,000-square-foot structural steel warehouse and processing center. Triad Metals' CEO Ron J. Hammond told the magazine that the company is prospering, even in a time of relatively low steel demand.

"The credit goes to our people who do a phenomenal job," said Hammond. "Combine the speed and accuracy of the equipment we have with the skill and dedication of our employees, and we can't lose."

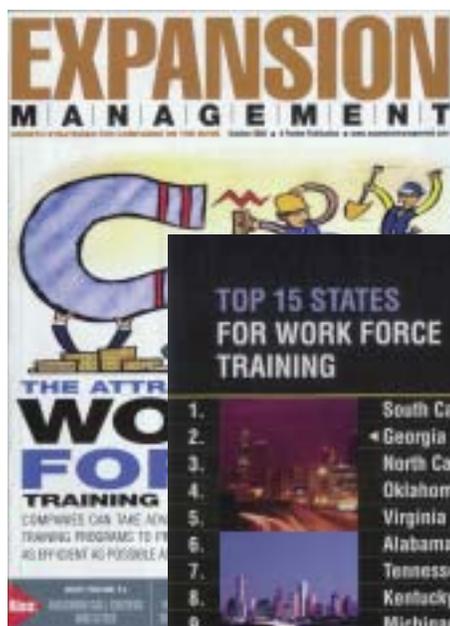
*Modern Metals'* Executive Editor, J. Neiland Pennington, visited Triad Metals' Petersburg facility on VEDP's Virginia Metals Media Tour. ■

## BioScience Brings Attention

*Trade & Industry Development* magazine spotlighted Virginia's bioscience industry in its fall 2003 issue. The article, titled "Virginia: A Top Choice for Bioscience Companies," reports that the Commonwealth is home to more than 200 bioscience companies that produce \$2.5 billion annually to Virginia's economy. Pharmaceutical giants including Eli Lilly, Merck, Wyeth and Boehringer Ingelheim have major facilities located in Virginia. ■

## Heralded as a High-Tech Haven

Virginia recently ranked sixth in *Expansion Management's* list of "High-Tech Havens." The article "What it Takes for High Speed Success" in the magazine's November 2003 issue discusses the Commonwealth's success in attracting technology companies. "In the case of Virginia, tech companies are able to easily access an educated workforce," said Michaela Platzer, Vice President of Research/Policy Analysis for the American Electronics Association. ■



## Trained to Top this List

Virginia's world-class workforce services program, administered by DBA, was profiled in *Expansion Management's* October 2003 cover story titled "The Attraction of Workforce Training Programs." The magazine reports that Virginia's program has played a major role in the state's efforts to attract and retain many companies. The Commonwealth ranks fifth in *Expansion Management's* list of the top 15 states for workforce training. ■

TOP 15 STATES FOR WORK FORCE TRAINING	
1.	South Carolina
2.	◀ Georgia
3.	North Carolina
4.	Oklahoma
5.	Virginia
6.	Alabama
7.	Tennessee
8.	Kentucky
9.	Michigan
10.	◀ Texas
11.	◀ California
12.	Kansas
13.	Delaware
14.	Wisconsin
15.	Mississippi

### Virginia Named #1

*continued from page 3.*

try and Washington," explains Dr. Ronald R. Pollina, founder and president of Pollina Corporate Real Estate and author of the Keeping Jobs in America study.

Virginia's economy is among the top three performers in the nation, according to the 2003 Development Report Card for the States. High technology industry employment plus federal research and development dollars flowing into the state bolster Virginia's high marks. The 17th annual report card, released by the Corporation for Enterprise Development, is a comparison of the economies of the 50 states. ■

# Commission on Military Bases Prepares for BRAC



October 10, 2003 marked the first official meeting of the Virginia Commission on Military Bases (VCOMB). Governor Warner met with the Commission to outline his goals and objectives for the group during the 2005 federal Base Realignment and Closure (BRAC) round. He announced funding of \$500,000 for BRAC related projects and activities and thanked the distinguished panel



Governor Warner outlines his goals and objectives for the VCOMB during the October 10 meeting.

of commissioners for their commitment to Virginia in this effort. The agenda included a briefing from a senior staff representative of the U. S. Senate Armed Forces Committee, outlining the BRAC process and timeline. The beginning step in the process was the announcement of “selection criteria” on December 31, 2003 which outlined the issues being examined to determine a military installation’s future standing and role in a transformed military structure.

Under the leadership of Co-Chairs Owen Pickett and Joe Reeder, the Commission’s work is fully underway with committees in place to address all aspects of the BRAC process for Virginia military bases and commands, as well as for the communities in which they reside. Work is being concentrated within three committees which include: Local Strategic Support, Military Value, and BRAC Strategy. The Local Strategic Support committee is chaired by Christine Kelly Cimko, a senior public relations executive. Ms. Cimko previously served as the spokesperson for the Office of the Secretary of Defense, was the Director of Communications and Public Affairs for the 1993 Defense Base Closure and Realignment Commission, as well as a former Director of Communications for the Senate Armed Services Committee. The Military Value committee is being led by General John Abrams, retired, U. S. Army and former Commanding General of the Army Training and Doctrine Command. The chair of the BRAC Strategy Committee is Admiral Harold W. Gehman, Jr., retired, U. S. Navy, the former Vice Chief of Naval Operations and Chairman of the Space Shuttle Columbia Accident Investigation Board. Under their leadership, Virginia will be well positioned to examine the federal selection process and respond to opportunities for retention and expansion.

A briefing was held in November for regional organizations supporting bases to outline the process for obtaining funding for their efforts. Commission members, along with staff, are actively attending local meetings and making on-site visits to installations and commanders. Future commission meetings will be held around the Commonwealth in military communities

to allow greater participation and receive input from those potentially being impacted by BRAC decisions. The Commission is actively engaged in a participatory manner with Virginia’s Congressional

representatives to support their fact-finding efforts, to share economic impact information, and to communicate with other decision makers at the federal level. The commission will also work hand-in-hand with the long-established Virginia Military Advisory Council to ensure that the Commonwealth provides every advantage possible to its military installations and to the military families that call Virginia home.

For additional information on Commission members, activities, meeting dates and locations, as well as general information on the federal BRAC process, please visit the VCOMB website at [www.virginiaallies.org/VCOMB.html](http://www.virginiaallies.org/VCOMB.html). ■

Governor Warner greets Admiral Harold Gehman at the October 10 VCOMB meeting.



## Metals Industry Highlighted on Media Tour

VEDP recently hosted five journalists from national metals trade magazines on the Virginia Metals Media Tour. The tour showcased the Commonwealth's metals industry in Virginia's Gateway Region and the Fredericksburg region. The journalists - from Miami, Chicago, New Jersey, Pennsylvania and New York - toured Service Center Metals in Prince George County, ALSCO Metals in Chesterfield County, TXI Chaparral Steel in Dinwiddie County, Triad Metals in Petersburg, and SMI Rebar in Spotsylvania County. The group also visited John Tyler Community College and learned about its nationally-accredited precision machining programs in Chesterfield County. Editors that attended represented *Modern Metals*, *Iron & Steelmaker*, *Modern Machining*, *Coil World* and *Welding Journal*.

After the tour, Phil Colaicovo, editor of *Coil World* wrote, "I just want to express my sincere appreciation to VEDP for inviting me to spend three very educational and entertaining days in Virginia. The plant tours were very informative and I will be developing articles. The rich history of the Richmond, Petersburg and Fredericksburg areas was also very impressive." ■



VEDP staff, trade journalists and allies from the Fredericksburg Regional Alliance pause for a photo after lunch at the Kenmore Inn.

Metals industry journalists observe a demonstration at Triad Metals in Petersburg.

## Virginia Hosts Forbes CEO Forum

*Forbes* held its ninth annual *Forbes* CEO Forum at The Jefferson Hotel in Richmond October 1-3. "This was an impressive conference of business leaders and first-rate speakers, that helped us spotlight Virginia's pro-business climate," said Governor Mark Warner. More than 100 CEOs from around the globe attended the Richmond conference. VEDP used the event to showcase Virginia's pro-business assets as economic development leaders networked with CEOs in attendance. Governor Warner and First Lady Lisa Collis hosted more than 65 guests at the Governor's Mansion at the event's conclusion. ■



Governor Warner welcomes *Forbes* CEO Forum guests to the Governor's Mansion.

## Allies Gather in Shenandoah Valley

More than 140 Virginia economic development allies attended the second VEDP/Ally Meeting in Staunton on November 20. Attendees got a taste of “Shenandoah Shakespeare” at the city’s Blackfriar’s Playhouse— the interesting and impressive meeting venue.

After VEDP Executive Director Mark Kilduff kicked off the event, VEDP Deputy Director Gary McLaren provided follow-up results from the May meeting. Economist Brian Kroll, representing VEDP’s Research Division, gave an upbeat snapshot of economic trends. He provided several tips on how to best track the economy and effectively use the data in marketing regions and communities. VEDP Research Director Rob McClintock and VEDP Business Development Director Liz Povar outlined the Partnership’s site proposal process as well as Virginia’s return on investment procedure. The meeting concluded with a town hall question and answer session.

VEDP thanks Old Dominion Electric Cooperative’s David Hudgins for sponsoring the lunch. The Shenandoah Valley Partnership and the City of Staunton provided great assistance in planning the meeting.

If you are a professional economic developer but were unable to attend the second VEDP/Ally Meeting, you can visit [www.VirginiaAllies.org](http://www.VirginiaAllies.org) and click on the Economic Development Resources tab to view the presentations. The third VEDP/Ally meeting will be held in May 2004 in the Richmond region. ■



VEDP staff and economic development allies listen to a speaker at the second VEDP/Ally Meeting at the Blackfriar’s Playhouse in Staunton.

## Virginia’s First County-wide Wireless System Connects in Dickenson

The Dickenson County Wireless Integrated Network “DCWIN” provides wireless service to enhance local government services to citizens, enhance small business’ ability to compete in world markets, and offer citizens affordable high-speed data transmission and Internet services.

DCWIN serves as a catalyst to improve infrastructure within Dickenson County. The utilization of DCWIN was designed to enhance economic development throughout the entire coalfield region. Dickenson County will create a “backbone” for services to be expanded beyond its boundaries providing regional opportunities for neighboring counties and Southwest Virginia as a whole. As the transition from a natural resource economy to a technology-based economy continues, Dickenson County looks to the future of joining the technology corridor within the Commonwealth of Virginia.

This effort has been spearheaded by local, state, federal government agencies, and especially the Dickenson County Board of Supervisors. DCWIN was created in response to the limited availability of high-speed Internet access at competitive rates. ■

## Governor's Missions Just One Item on Trade Menu

As the cover story of this CQ discussed, VEDP successfully coordinated Governor Warner's trade mission to Mexico in the fall. VEDP's Division of International Trade, led by Director Paul Grossman and VALET Program Coordinator Kim Weir, participated in the trip, as did Margo Galvan, VEDP's full-time trade manager based in Mexico City. The entire trade division worked hard behind the scenes arranging numerous matchmaking meetings for Virginia companies— their customers.

"Having the Governor attend our meeting was extremely beneficial," said Michael R. Newman, Vice President of International Sales for Roanoke-based Optical Cable Corporation. "Our customer asked us to provide them with over \$6 million in product for next year in addition to the current business we have with them."

While the business conducted in Mexico was extremely positive, VEDP's Trade Division had the opportunity to promote their many valuable programs to participating Virginia firms. For example, five of the companies on the trip currently participate in the VALET (Virginia Leaders in Export Trade) program, and five firms have completed Global Market Research (GMR) projects with VEDP. Several companies involved in the Mexico mission witnessed first-hand the competitive edge these VEDP program veterans had in exporting. Many of them were not aware that VEDP employs six full-time trade managers around the world that provide personal trade counseling day in and day out.

"Most importantly, the exchange of ideas about the international marketplace and past experiences among the Virginia exporters was priceless," said Grossman. "We will continue spreading the word to Virginia companies that VEDP offers a wealth of trade opportunities, from Governor's missions to trade shows to matchmaking meetings."

For more information on VEDP's trade opportunities, visit [www.ExportVirginia.org](http://www.ExportVirginia.org).



Governor Warner and VEDP's VALET Program Coordinator Kim Weir pause for a photo on the Mexico trade mission. Five of the companies that participated in the mission are current VALET Program participants.

## Taskforce Targets Business Opportunities in Iraq

To help Virginia firms do business in Iraq, the state formed the Virginia Taskforce for Business Development with Iraq in September 2003. Established by Secretary of Commerce and Trade Michael J. Schewel, the taskforce is committed to assisting Virginia firms form sound partnerships and identify reliable distributors for products and services.

For more information on the Virginia Taskforce for Business Development with Iraq, contact Saba L. Shami, director of the taskforce, at 703-313-6630 or [dmvsls@dmv.state.va.us](mailto:dmvsls@dmv.state.va.us).

## Mexico Mission Control

Where did the exporters hail from?

Richmond (4), Fredericksburg (1), Roanoke (2), Abingdon (1), Dublin (1), Northern Virginia (3), Waynesboro (2), Harrisonburg (1), Charlottesville (1)

What do they export?

Forklifts, trucks, printers, software, heat exchange coils, testing equipment, spa supply and consulting, information technology design, fiber components, fiber optic cable

How many used VEDP's Mexico office while there?

9 companies

How many business meetings were held?

Average of 8 meetings per company during the trip

What was the scope of new contacts generated?

Receptions were attended by 250 people, many from the Mexican business community



## Overseas Economic Missions Benefit Commonwealth and its Businesses

By Morris F. DeFeo, Jr.  
Principal, Miles & Stockbridge P.C.

Every other year, business and political leaders from Virginia travel to Japan to promote trade, investment, understanding and friendship. In an economic environment that has been challenging for so many, such trips may seem ill timed. But the benefits of these meetings are many – for both the Commonwealth and for the delegation members and their businesses. I suspect that many in the business community may not be aware of these growth opportunities, so as a member of this year's delegation, please allow me to share my perspective on why our state's business leaders must continue to support and participate in these exchanges.

By way of background, I'll start by sharing the particulars of this year's meeting. In October, my colleague at the law firm Miles & Stockbridge, Mitch Shapiro, myself and 30 other delegation members appointed by Governor Mark Warner traveled to Osaka, Japan for the 27th annual joint meeting of the Southeast U.S.-Japan Association (SEUS). Since it was created, SEUS has brought together more than 600 top business leaders and government officials from Japan and the seven southeastern states: Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee, and the Commonwealth of Virginia, to promote trade, investment, understanding and friendship.

**So why did we take the time to go, and more importantly, why should your companies?**

First, we believe in Virginia's business potential – and our own. As Virginia lawyers and participants in Virginia's business community, we are committed to helping the Commonwealth grow existing businesses and to attract new ones. We recognize that what's good for our state's economy is inevitably good for our own business. If we invest our own time and money, our law practices and our firm, Miles & Stockbridge, will ultimately benefit. We consider ourselves partners with the Virginia Economic Development Partnership and the Commonwealth in this endeavor, and believe that we can and should use our knowledge and expertise for the Commonwealth's greater good – and our own.

Second, Virginia had an opportunity to shine. The annual trade meeting enhances the visibility of the Virginia business community among Japanese corporate leaders, highlighting the resources and potential partnerships that the Commonwealth offers. Each delegation participant acts as an ambassador to promote investment in Virginia and also to aid Virginia businesses interested in expanding in Japan. Both scenarios are good for our state's economy.

Third, we established new relationships in Japan and strengthened old ones. My law firm, Miles & Stockbridge, has a long history of representing Japanese and other international companies in the United States, as well as representing U.S. companies in their interests

abroad. By participating in the trade conference, we further demonstrated that we are interested in and serious about doing business in Japan. In fact, I have lived and practiced law in Japan and consider it my second home.

Following the conference, we visited our clients in Japan and found our participation to be a contributing factor in further developing business with them. It can only help our interests, and our clients' interests, to have spent quality time with senior executives from some of Japan's leading com-



Virginia Secretary of Commerce and Trade Michael J. Schewel addresses the delegates.



Opening session of the Southeast U.S./Japan meeting.

panies, including Canon, Fuji, Hitachi, Honda, Kikkoman, Mitsubishi, Mitsui, Sony, Sumitomo, Toshiba and Toyota.

Fourth, we created new relationships with our Southeast neighbors. While the conference gave us a chance to connect with Japanese business and political leaders, it also introduced us to our like-minded neighbors from the other participating states who may one day contact Miles & Stockbridge for our legal or local market expertise. Among this year's participants were Virginia and North Carolina's Commerce Secretaries, the Governors of Alabama, Georgia, Tennessee and South Carolina, as well as the Secretary of

*continued on page 15*



## King William County Logs a Grand Opening

On October 25, Augusta Lumber held an open house to celebrate its new King William County facility. Guests were able to tour the plant, where they could see this hickory log used by the company to make hardwood flooring. Since May 2003, Augusta Lumber has hired more than 25 full-time employees in King William County.

## Expansion Powers New Jobs

AES Corporation, a leading independent power company, has selected Arlington County as the location for its new, expanded global corporate headquarters. The headquarters will create space for 115 new jobs. Through a \$5-million investment, AES will build out a new corporate headquarters location to accommodate growth in the company. Virginia successfully competed with Washington, D.C. and Maryland for the project.

“As a growing Fortune 500 company, we believe that Virginia will afford us strong opportunities for the continued strengthening of our corporate functions and a strategic location from which to interact with our global operations,” said AES President and Chief Executive Officer Paul Hanrahan.

Governor Warner approved a \$207,500 GOF grant to support Arlington County with this project. VEDP and the Arlington County Department of Economic Development assisted AES Corporation with its decision. Workforce training services will be provided by DBA. ■

## Loudoun Lasers in on Deal

WaveLight Laser Technologie AG of Erlangen, Germany has selected Loudoun County for its U.S. headquarters. Through a \$5-million investment, the company will create 30 new jobs. Virginia successfully competed with Illinois and Maryland for the project.

WaveLight Laser Technologie AG, listed on the Prime Standard since January 2003, develops, produces and markets laser systems in the fields of ophthalmology, aesthetic surgery, urology and industrial applications.

VEDP and the Loudoun County Department of Economic Development assisted WaveLight Laser Technologie AG with its decision. DBA will provide workforce training services. ■

## Chesterfield Welcomes a Healthy Expansion

HCA will expand operations at its Patient Account Services Center in the Boulders office complex in Chesterfield County. The expansion will bring 160 new jobs with an annual payroll of \$4.8 million. Virginia successfully competed with Georgia and Tennessee for the project.

When the expansion is complete, the Richmond Patient Account Services Center will employ 670 personnel who provide billing, customer service and collection services for 30 HCA hospitals in five states. The new positions include accountants, customer service representatives, and other business office positions.

VEDP and the Chesterfield Department of Economic Development and its IDA assisted HCA with its decision. The company qualifies for a Major Business Facility Job Tax Credit. DBA will provide workforce training as well as retraining assistance for existing HCA jobs. ■

## Overseas Economic Missions

*continued from page 13*

the State of Florida. These contacts will enable us to better represent the interests of our clients in Virginia, across the southeastern United States and in Japan, which ultimately will create more business opportunities for our state in the future.

Finally, we positioned ourselves as one state. We can win new business for Virginia, but we must compete as one, unified state. We cannot support a mindset that divides the Commonwealth into "Northern Virginia" and the "rest of the state." The strength of our state lies in the whole. The Japanese see us as a single entity and so should we.

Virginia is rich in economic potential, making us one of the most fertile areas for international business development. The Commonwealth possesses the unique combination of proximity to the nation's capital, a technology corridor that is second to none, a strength in manufacturing, a well-educated workforce, a region populated with forward-thinking companies, first-class amenities to entice executives and state and local governments which understand and support business and economic growth.

But for the larger world to recognize our competitive advantages, Virginia businesses must continue to play their part by sending their leaders as delegates, to serve as ambassadors for Virginia, and, yes, to advance their own business interests. It's a winning proposition all around.

*Morris DeFeo is a principal in Miles & Stockbridge's Tysons Corner, Virginia, office, specializing in corporate, securities, mergers and acquisitions, joint ventures and international transactions. During the 1990s, Mr. DeFeo practiced law with the Tokyo, Japan firm of Yuasa and Hara where he worked on joint ventures, corporate and finance transactions on behalf of US and European companies in Japan and Japanese companies doing business in the United States and in Europe. ■*

# Quarterly Calendar

Date	Contact	Event
January 8-11	JB	International Consumers Electronic Show – Las Vegas, NV
January 12-16	CR	Carolinas Marketing Mission
January 12-15	KM	Automotive News World Congress – Detroit, MI
February 2-6	CR	Florida Marketing Mission
February 6-16	SK	International Trade Mission to India
February 23-26	KM	National Manufacturing Week – Chicago, IL
March 8-11	JB	Pittcon 2004 – Chicago, IL
March 8-12	SK	International Trade Mission to Virginia from Mexico
March 8-12	CR	Metro New York Marketing Mission
March 15-19	SK	International Trade Mission to Brazil and Chile
March 18-24	KM	CeBIT – Hannover, Germany
March 22-24	VB	CTIA Wireless – Atlanta, GA
April 1-2	JB	Northwest Industrial Woodworking Expo – Seattle, WA
April 5-9	SK	International Trade Mission to Canada
April 19-23	CR	Canada Marketing Mission
April 12-21	SK	International Trade Mission to Korea and Japan
April 19-23	CR	New Jersey Marketing Mission
April 26-30	SK	International Trade Mission to Mexico
	<b>VB</b>	Vince Barnett VEDP (804) 371-8265
	<b>JB</b>	Jerry Broadway VEDP (804) 371-8194
	<b>SK</b>	Scott Kennedy VEDP (804) 371-0052
	<b>KM</b>	Kevin Miller VEDP (804) 371-0372
	<b>CR</b>	Chuck Rogers VEDP (804) 371-8189



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**VEDP Visits Virginia Tech**

VEDP Business Development staff members had the opportunity to meet Virginia Tech faculty and learn more about the university's outreach and research efforts during a recent visit. The December trip, organized by Virginia Tech's Office of Economic Development, included tours of the Virginia Tech Corporate Research Center, the Ware Lab and the university's world-renowned supercomputer cluster. Meetings were also coordinated to introduce VEDP Business Development Managers to the extensive resources Virginia Tech can offer to the Commonwealth's new and expanding companies.

VEDP staff members had the opportunity to see Virginia Tech's groundbreaking supercomputer cluster. Composed of 1,100 Apple Power Mac G5 computers, it is currently the world's third fastest supercomputer.



VEDP Business Development staff members tour Virginia Tech's Ware Lab, a 10,000-square-foot advanced engineering laboratory where undergraduate students research, design and construct their own projects. The hydrogen-powered Ford Explorer (left) is one current project in the lab.

