

## Portsmouth Lands History-Making Deal with APM Terminals

For years, Virginia has been a leading location for distribution centers and international trade, due in large part to its Mid-Atlantic location supporting one of the busiest port systems on the East Coast. In April, APM Terminals gave Virginia's prominence in this industry an even bigger boost when it announced plans to invest \$450 million to build the first major, privately developed container terminal in the U.S. on the Elizabeth River in the City of Portsmouth. The project will create 210 new jobs and is the single largest private dollar investment in Hampton Roads and one of the largest on record in Virginia.

"Our present terminal in Portsmouth, Va., has been operating at near full capacity for several years. We have no room for expansion so it was necessary to look elsewhere for a site capable of meeting our future goals," said Nick Taro, Senior Vice President for U.S. East Coast and Gulf Ports for APM Terminals. "This container facility adds to Maersk's significant presence in Virginia which includes the headquarters for Maersk Line, Ltd. and Hudd Distribution."



### Virginia as a Leading Gateway to the World

Trading with more than 100 nations and as one of the largest and most successful ports on the East Coast, the Port of Virginia consists of four general cargo terminals – Newport News Marine Terminal, Norfolk International Terminals, Portsmouth Marine Terminal and the Virginia Inland Port in Warren County – and a cruise terminal in Newport News.

As the largest intermodal facility on the East Coast, the port's general cargo tonnage exceeded 13.9 million tons in 2003. Leading imports received include crude oil, salt and sulfur, non-crude oil, machinery, auto parts and furniture. The port's top import partners include Brazil, Canada, mainland China, Norway and Germany. Leading exports include coal, wood, plastic, iron and steel, tobacco, machinery, autos and auto parts. Top export partners include Italy, Belgium, Brazil, Netherlands, France and the United Kingdom.



Above: Governor Warner joins state and local officials as well as APM Terminals executives for a memorable photo.

Right: Governor Warner (right) presents a Governor's Opportunity Fund check to Portsmouth Mayor James Holley.

Headquartered in the Netherlands, APM Terminals is the third largest container terminal operator in the world with more than 30 ports worldwide. These facilities generated a total throughput of more than 22 million TEU (twenty-foot equivalent units) in 2003.

Construction of the new terminal is expected to be completed in 2007. The facility will feature 4000' (1219 meters) of deep water berth space (four times the current amount), and will serve as a Mid-Atlantic platform for future growth. The terminal's economic impact is estimated to include \$269 million in local tax revenues and \$260 million in state tax revenues during the first 15 years of operation.

Because of their proximity to this leading East Coast port, many high-profile companies have recently established or expanded their distribution center operations in the Hampton Roads region – including Cost Plus, Hudd Distribution, Jensen Activewear and Target. Due to the area's attraction as a major distribution center, the amount of cargo through

*continued on page 15*



Virginia is heating up as summer has arrived in full force. Our second quarter at VEDP was a memorable one. In this issue, you will read in-depth articles on APM Terminals in Portsmouth, Luna Innovations in Danville, and Infineon Technologies in Henrico County. All three deals will create an impetus of change in their local and regional economies. They will also contribute greatly to the Commonwealth's reputation as an ideal business location.

Our Chief Economic Development Officer, Governor Mark Warner, helped us spread that message recently in China. The Governor was accompanied by key VEDP leadership and staff on an eight-day trip to Beijing, Shanghai and Ningbo. Look for in-depth coverage from this trip in the September issue of CO.

In the business development arena, last quarter's prospect activity continued to improve; new inquiries were slightly up with visits at a strong level. With a focus on lead generation, Business Development staff logged many hours on the road and crisscrossed the world. We were present in every corner of the U.S.: the west - California, Washington, Arizona; the mid-west - Illinois, Ohio; the east - New Jersey, New York, Massachusetts, Washington DC; the southeast - Atlanta, Florida; and internationally in Korea, the United Kingdom, and Canada. A major marketing event aimed at hot prospects and consultants was particularly successful.

In legislative news, the General Assembly has appropriated \$21 million to the Governor's Opportunity Fund for the next biennium. Thanks go to Governor Warner and Secretary of Commerce and Trade Mike Schewel for strongly supporting this increase from \$17.5 million. I remind you that budget constraints continue and that VEDP remains "in the dark" regarding major image advertising aimed at executives. I am pleased to report, however, that we will be funding a limited program of industry sector advertising in fiscal year 2005. The Virginia Motorsports Initiative will receive \$250,000 per year in the next biennium. I am also pleased that \$500,000 per year was allocated to VEDP to assist with distressed area marketing.

Our Board held a very productive retreat and meeting in Abingdon at the end of May. Among other things, the Board expressed a strong desire to hear on a regular basis from you, our allies. I encourage you to keep our Board Members from your area informed about your activities.

I enjoyed seeing many of you at our Ally Meeting in May. I hope you are benefiting from the ongoing updates we have added to [www.virginiaallies.org](http://www.virginiaallies.org). Please contact us if we can offer any assistance. Have a safe and prosperous summer.

Sincerely,  
  
 Mark R. Kilduff

**BOARD OF DIRECTORS**

**Chair:**  
 J. Thomas Fowlkes, Managing Director  
 Bankstreet Partners LLC  
 Bristol, Va.

**Vice Chair:**  
 Steve DelBianco, Vice President for  
 Public Policy  
 Association for Competitive Technology  
 Fairfax, Va.

Mary Rae Carter, President  
 MRC Enterprises  
 Stanleytown, Va.

George B. Cartledge, III, President  
 Grand Home Furnishings  
 Roanoke, Va.

Lawrence A. Davies  
 Fredericksburg, Va.

John A. Mahone  
 Richmond, Va.

John F. Malbon, President and COO  
 PAPCO, Inc.  
 Virginia Beach, Va.

Charles Henry Majors, President and CEO  
 American National Bank and Trust  
 Company  
 Danville, Va.

Richard F. Neel, Jr., Esquire  
 Alexandria, Va.

Ike Prillaman, Vice Chairman and  
 Chief Marketing Officer  
 Norfolk Southern Corporation  
 Norfolk, Va.

James E. Rich, Jr., Senior Washington  
 Counsel  
 Shell Oil Company  
 Middleburg, Va.

John W. Roberts  
 Richmond, Va.

James E. Ukrop, Chairman  
 First Market Bank and  
 Ukrop's Super Markets, Inc.  
 Richmond, Va.

**Ex-Officio Members:**  
 The Honorable Michael J. Schewel  
 Secretary of Commerce and Trade

The Honorable John M. Bennett  
 Secretary of Finance

*Commerce Quarterly* is published by the Virginia Economic Development Partnership to keep our readers up to date on current events in the economic development community.

Executive Director: Mark R. Kilduff  
Virginia Economic Development Partnership

Editor: Jill Vaughan

Designer: Frances Elliott

Contributors: Rick Richardson, Vince Barnett, Dave Henderson, Chuck Rogers, Paul Grossman, Jerry Broadway, Cynthia Arrington, Kevin Miller, Elizabeth Morgan, Sarah Castro, Holly Allen, Trent Park, Neal Barber, Rob McClintock, Windy Campbell

Write to *Commerce Quarterly*  
Virginia Economic Development Partnership

P.O. Box 798

901 East Byrd Street

Richmond, VA 23218-0798

(804) 371-8100

*Commerce Quarterly*, Volume 9, Issue 3 is published by the Virginia Economic Development Partnership. Mark R. Warner, Governor; Michael J. Schewel, Secretary of Commerce and Trade; Mark R. Kilduff, Executive Director; Jill Vaughan, Editor; Frances Elliott, Graphic Designer.

*Commerce Quarterly* is a quarterly publication of the Virginia Economic Development Partnership. Copyright © 2004. Contents of the publication may not be reproduced without written permission. Letters, ideas, articles, award announcements or other items for inclusion in the publication may be submitted in writing to the editor in care of the Virginia Economic Development Partnership. [www.YesVirginia.org](http://www.YesVirginia.org)

## VEDP Ally Meeting Held

The Spring VEDP Ally Meeting was held on May 20 at the new Philip Morris USA (PMUSA) headquarters facility in Henrico County. PMUSA President of Operations and Technology Jack Nelson welcomed the group and discussed factors leading to the company's relocation from Manhattan. He also detailed what its transferring employees have found upon their arrival in Richmond.

Mark Kilduff, VEDP Executive Director, reviewed changing trends in the economic development process and the resulting need for states, regions and communities to reposition themselves to take advantage of these changes. Other speakers reviewed recent updates to the Ally Information Exchange Website, announced the Virtual Building Demonstration Grant Program, and discussed updates to community and regional data profiles used by VEDP. Speakers also reviewed the recently adopted Prospect Handling Protocols and provided an assessment of economic conditions. Copies of the speakers' presentations are posted on the AIE website at [www.virginiaallies.org](http://www.virginiaallies.org).



Philip Morris USA President of Operations and Technology Jack Nelson welcomes Virginia's Allies as the first group to meet in the company's renovated auditorium.

If you are the top local economic developer for your community or region, please mark your calendar for Thursday, November 18, 2004, for the next semi-annual meeting. A specific venue and time have not yet been selected. •



VEDP staff network with local economic developers before the meeting's lunch break.

## VEDP Board Meets in Southwest Virginia

VEDP's Board of Directors participated in a board retreat on May 25 and 26 at the Martha Washington Inn in Abingdon. The retreat allowed the members, representing different legislative districts, to get to know one another better and learn the skills and talents that each person brings to the board. Members discussed VEDP project case studies and focused on the board's mission and purpose.

Board members also had the opportunity to meet local economic developers from Southwest Virginia at a networking reception. At the conclusion of the retreat, the board held its quarterly meeting. •



Charles Yates (left), Executive Director of the Virginia Coalfield Economic Development Authority, explains to the VEDP Board the opportunities and challenges of marketing Southwest Virginia to business prospects.

## AOL Spreads its Web in Virginia

America Online, Inc. (AOL) will open two new offices here in the Commonwealth with Virtus Marketing managing the sales and customer service operations. Through a \$500,000 investment in Southwest Virginia, the project will create 67 new jobs in the City of Norton. In Greater Richmond, the project will create 40 new jobs through a \$250,000 investment. The office will be located in Henrico County's Innsbrook Corporate Center.

America Online is a wholly owned subsidiary of Time Warner, Inc. Based in Dulles, Va., AOL is the world's leader in interactive services, Web brands, Internet technologies and e-commerce services. •



Secretary of Commerce and Trade Mike Schewel traveled to Norton to make the AOL announcement.

## Windsor Mill Helping Mold Surry

Windsor Mill, one of the largest manufacturers of high-quality specialty lumber, molding and millwork in the United States, will locate its new facility in Surry County. The project will create 70 new jobs through a \$6-million investment. The company plans to double the size of the existing 60,000-square-foot shell building it will be moving into.

"Virginia is the perfect location for our business. We are excited about the opportunity and look forward to commencing operations later this year," said President of Windsor Mill John Hankins. Founded in 1972, the Surry County announcement marks the first new manufacturer to locate there in 30 years. •

## Isle of Wight Finds Uncommon Treasure

Cost Plus, Inc. has decided to double the size of its distribution facility at the Shirley T. Holland Commerce Park in Isle of Wight County. With an investment of

more that \$24 million, the company will add an additional 500,000 square feet and create 190 new jobs.

Cost Plus, Inc., headquartered in Oakland, California, was founded in 1958. The company operates 212 stores in 26 states under the names "World Market" and "Cost Plus World Market." Cost Plus' product categories have expanded to include: furniture, pillows, lamps, floor and window coverings, frames, baskets, garden, collectibles, and tabletop and kitchen accessories, along with gourmet foods and wines. Imported from more than 50 countries, many of the items are unique and exclusive to Cost Plus World Market. •

## NASCAR Truck Team Races to Henry County

The NASCAR Craftsman Truck team HT Motorsports will relocate from Harrisburg, North Carolina, to Henry County creating 75 new jobs through a \$400,000 investment. The project is the first result of the Virginia Motorsports Initiative launched in August 2003.

The first phase of the project includes HT Motorsports partnering with Patrick Henry Community College (PHCC) and Arrington Manufacturing to construct the \$1.2-million, 50,000-square-foot Virginia Motorsports Technology Center (VMTC) which will house the race team as well as an expanded PHCC motorsports workforce development program.

HT Motorsports operates the No. 59 Dodge truck in the Craftsman Truck Series. Its driver is Mark McFarland, the 2003 NASCAR Dodge Weekly Racing Series champion. •



Secretary Mike Schewel welcomed HT Motorsports at the Martinsville Speedway on race weekend.

## Aerojet at Orange County's Defense

Aerojet, a GenCorp, Inc. company, will locate a manufacturing facility in Orange County. The \$6.9-million investment will create 149 new jobs and acquire the propulsion business assets of Atlantic Research Corporation (ARC), including a 3,200-acre testing and technology operation that currently employs 25 people. Aerojet plans to construct additional facilities at this site to perform research and development activities, test product performance and manufacture propulsion systems.

Aerojet is a world-recognized aerospace and defense leader principally serving the missile and space propulsion and defense armaments markets. •

## Telvista Supports Danville

Telvista, Inc., specializing in technical support, sales and customer service contact centers, will locate its first Virginia operation in the City of Danville. The project will create 400 full-time jobs and 100 full-time-equivalent jobs. Through a \$2.5 million investment, Telvista will locate its new facility in the Airside Industrial Park.

A global company with U.S. headquarters in Dallas, Texas, Telvista provides contact center services and related hosted applications at facilities throughout the United States and Mexico. •



Left: Danville City Manager, Jerry Gwaltney (center) and U.S. Congressman Virgil Goode (third from left) celebrate with Telvista executives and local partners.

## Mecklenburg Draws Diverse Duo

Basic Sportswear and SEA Systems Group (SEAS) will invest in Mecklenburg County. Basic Sportswear's \$2.25-million investment will bring 40 new jobs and SEAS' expansion will create 25 new defense-related jobs through a \$175,000 investment.

As a distributor and importer of popular activewear and underwear, Basic Sportswear's Clarksville facility will allow the company to maximize expansion and growth, both domestically and overseas.

SEAS manufactures advanced impact, shock and vibration mitigating materials for aerospace, military, law enforcement and homeland security applications. •



Below: Deputy Secretary of Commerce and Trade Matt Erskine (left) presents a Virginia State flag to StarTek COO Lance Zingdale.

## A Star Is Born in Lynchburg

StarTek, Inc., a Denver, Colorado-based business outsourcing company, has selected the City of Lynchburg for an inbound call center. Through a \$5.5-million investment, the company will create 542 full-time jobs over the next year. StarTek will locate the operation in the Plaza Shopping Center, which is an area the City of Lynchburg has targeted for economic revitalization.

StarTek, Inc. is a leading provider of business process outsourced services, which consist of business process management and supply chain management services. StarTek currently provides services from 18 operational facilities, including five in Colorado, five in Canada, two in Europe and one each in Illinois, Louisiana, Oklahoma, Tennessee, Texas and Wyoming. The company services clients in the telecommunications, software, computer hardware, consumer products, cable, entertainment, Internet and e-commerce industries. •

## Scott County Finds Joy in Mining

Joy Mining Machinery will expand its manufacturing operations in Scott County, creating 45 new jobs. By way of a \$1.4-million investment, the company will build a 10,350-square-foot facility adjacent to its current manufacturing space in the Duffield Regional Industrial Park.

Joy Mining Machinery has more than 75 years of experience as a global leader in the development, manufacture, distribution and service of underground mining machinery for the extraction of coal and other embedded materials. Joy Mining Machinery currently employs 155 people in Scott County. •

## Trailer Manufacturer Boosts Smyth's Economy

Utility Trailer, a leading manufacturer of trailers for the commercial trucking industry since 1914, will expand its operations in Smyth County and add 100 new jobs to its current 700-job base. Through an \$11.5-million investment, the company will modernize and increase its production of refrigerated trailers, also known as "reefer" trailers.

Utility Trailer Manufacturing Company designs, engineers, builds and services a complete line of trailers, including flatbeds, refrigerated trailers, dry freight vans and curtain-sided trailers. •

## GEO-CENTERS Researches Prince William as New Home

GEO-CENTERS, INC. will locate its new research facility in Prince William County. The company plans to bring 10 to 15 new high-tech jobs to the area.

Secretary of Commerce and Trade Michael J. Schewel and Prince William County officials met with GEO-CENTERS, INC. President and CEO Dr. Edward P. Marram to close the deal at the company's headquarters in Newton, Massachusetts.

"This Research and Technology Center will enable GEO-CENTERS and our clients to expedite the commercialization and use of technologies that will enhance homeland defense worldwide," said Marram. •

## ABB Transforming Halifax

ABB, Inc. will expand its liquid-filled transformer manufacturing facility in Halifax County. Through a \$3-million investment, the project will create 25 new jobs and preserve 350 existing South Boston ABB jobs.

"During my European trade mission in May 2003, I met with senior ABB officials in Zurich, Switzerland, to discuss the importance of this facility to Halifax County and the Commonwealth of Virginia," said Governor Warner.

ABB is a global leader in power and automation technologies that enable utility and industrial customers to improve performance while lowering environmental impacts. ABB operates two manufacturing facilities in Virginia – one in Bland County and one in Halifax County – employing more than 600 Virginians. •



## Virginia is for Motorsports

Eric Koster (front left) of the Langley Full Scale Tunnel and Tom Harned (right rear) of the City of Martinsville networked with members of the British Motorsport Industry Association trade mission during the Virginia Motorsport Initiative Reception in Charlotte on May 24. VEDP Transportation Team Leader Mike Lehmkuhler helped organize the event. •

## For Henrico County, Patience Pays Off

Infineon Technologies is proceeding with a \$1-billion expansion to its 300mm computer-memory chip plant in Sandston, after declining market conditions postponed the project for nearly three years. The expansion is expected to be complete in early 2005 and will add at least 800 new jobs, increasing the company's employment at the Henrico County plant to 2,550.

"Infineon Technologies has had a huge impact on Greater Richmond, not only from a tax revenue standpoint, but as a world-class company and employer to thousands of area workers," said Gregory H. Wingfield, President of the Greater Richmond Partnership, Inc., which together with Henrico County worked with VEDP to assist Infineon with its decision. "This expansion underscores Infineon's commitment to this region and our people. It shows the world that Virginia stands committed to growing the technology industry, with a special emphasis on the semiconductor sector."

The Infineon Technologies Richmond plant was founded in 1996 as White Oak Semiconductor. The plant produces DRAM chips used in personal computers, computer servers and other advanced electronic devices. The expansion will enable the site to be capable of processing 25,000 wafer starts per month in 300mm technology – more than doubling the Richmond plant's current capacity.



"Overall customer demand — both for logic as well as memory chips — is increasing at a strong pace," said Dr. Andreas von Zitzewitz, Chief Operating Officer of Infineon Technologies AG, headquartered in Munich, Germany. "The excellent infrastructure and state-of-the-art manufacturing expertise at Richmond make this the fastest and most cost effective way for us to respond to changing market conditions."

Virginia officials – including Governor Warner and VEDP staff – have maintained strong relationships with Infineon's top management, both in Germany and in Sandston, despite declining market conditions in recent years. In addition, VEDP and its regional partners continue to regularly market Virginia to the semiconductor industry, through trade missions and meeting with executives at Semicon West in San Francisco each July. As market conditions improved, VEDP and Infineon were ready to quickly bring the \$1-billion deal to fruition.

As part of the negotiated incentive package, legislation will be proposed to modify the existing performance grant to reflect the new completion schedule. A grant from the Governor's Opportunity Fund of \$3 million was approved to assist Henrico County with the project. Infineon Technologies Richmond also qualifies for a Major Business Facility Job Tax Credit, a statutory incentive available to all qualifying companies. The company will take advantage of the Virginia Department of Business Assistance's Workforce Services Program. •



Above: Governor Warner (left) accepts a 300mm silicon wafer from Infineon Technologies Richmond Vice President and Managing Director Henry Becker.

Left: The \$1-billion first phase expansion of the Infineon Technologies Richmond plant will install advanced equipment like this in a 550,000 square-foot production module and increase the number of workers at the plant by 800 to 2,550 (from 1,750 today).

Below: The building on the left will be equipped with state-of-the-art 300mm chip production equipment, more than doubling total capacity at this major U.S. facility.



## Virginia's Cities Ranked

The annually updated book *Cities Ranked and Rated*, written by Bert Sterling and Peter Sander, ranks Charlottesville the number one city in America to live. Cities that also made the list include Roanoke (#11), Lynchburg (#15) and Norfolk (#17).

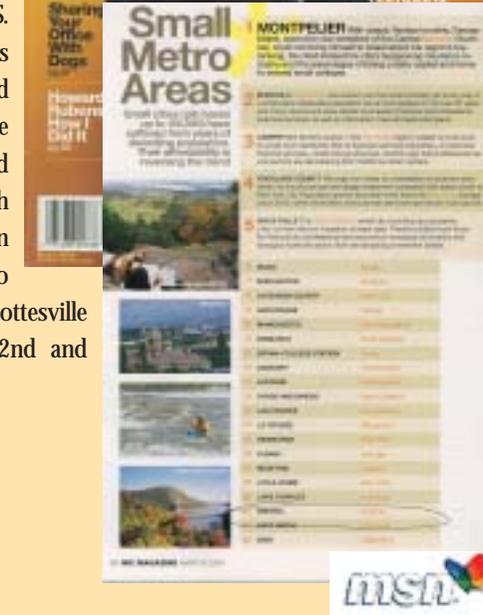
## Best of the Best

In the National Policy Research Council's "America's Best Cities and States: The Annual Gold Guide to Leading Rankings," Virginia came in fourth.

"It's a pretty darn good rating, to be in the top 20 cities [and states] overall," said Chris Madison, Media Director for the research council. "People are going to use this guide, among other things, when they're planning on where to move their company. A top 20 score is going to put you on people's lists for good places to do business."

## Free to Do Business

In May, *Forbes* magazine released its annual U.S. Economic Freedom Index which ranks America's most business-friendly states and metropolitan areas. Virginia placed third in the highly publicized rankings. Richmond moved up two spots from last year settling in at the 10th spot on the list while the Washington-Northern Virginia region grabbed fourth. The Index also ranked 168 smaller metro areas with Charlottesville ranking 22nd, Lynchburg 47th, Roanoke 72nd and Danville 114th.



## Virginia Makes the Top Five

The Milken Institute's 2004 State Technology and Science Index ranked Virginia fifth. The index uses 75 indicators in five categories to measure how well a state will perform in today's knowledge-based economy. Virginia's high score in technology concentration and dynamism allows great potential for future expanding high-tech economies, offering more attractive cost structures than Massachusetts (#1) and California (#2).

## Site Selection Honors

The May issue of *Site Selection* named Virginia the ninth most competitive state in the country. Aiding that ranking was Philip Morris USA's relocation to Richmond. The company's headquarters announcement was named one of 2003's "Top Deals" by the same magazine.

## Great Places for Business

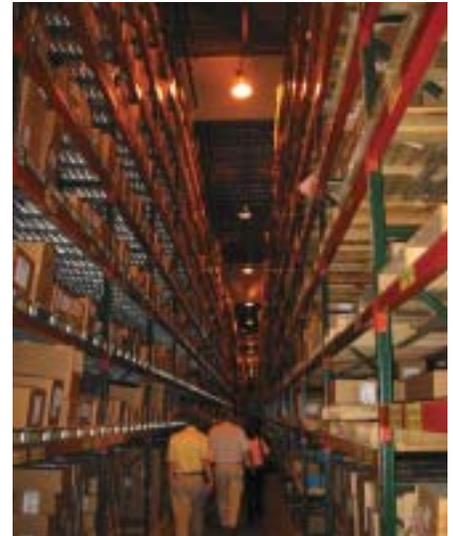
The Richmond-Petersburg metro area and Northern Virginia ranked among the top 17th and 20th respectively, in *Inc.* Magazine's "Top 25 Cities for Doing Business in America." Bristol ranked 23rd in the survey's Top 25 Small Metro Areas.

# Printing/Publishing Industry Highlighted on Media Tour

VEDP recently hosted six journalists from national printing and publishing trade magazines on the Virginia Printing/Publishing Media Tour. The tour showcased the Commonwealth's printing industry in the Charlottesville, Lynchburg and Roanoke regions. The journalists — from Toronto, Seattle, New York, Chicago, Philadelphia and Madison, Wisconsin — toured Von Holtzbrinck Publishing Services and American Press in Orange County, Lexis-Nexis in Charlottesville, Progress Printing in Campbell County, Mid-Atlantic Printers in Altavista, R.R. Donnelley in Roanoke County and *The Roanoke Times* in the City of Roanoke. Editors who attended represented *Graphic Communications World*, *American Printer*, *Printing Impressions*, *Graphics Network*, *Graphic Arts Magazine* and *Document Magazine*.

After the tour, Robert Ramsey, President of the Printing Industries of Virginia and a tour participant, wrote to VEDP, "I just want to thank you for recognizing Virginia's \$3-billion printing industry by conducting the Virginia Printing and Publishing Media Tour April 20–22, 2004. I'm confident your effort will pay large dividends with future attention to Virginia's attractiveness as a great place to do business. Your excellent selection of printing plants will really help put Virginia in the lime-light."

VEDP also secured local media coverage in the *Lynchburg News & Advance*, the *Altavista Journal* and on WINA AM Charlottesville. •



Above: Tour participants walk through the enormous warehouse facility at Von Holtzbrinck Publishing Services—a book lover's paradise.



Left: Phil Sparks (left) of the Roanoke Valley Economic Development Partnership and journalists learn about a publishing process from R.R. Donnelley Vice President of Manufacturing Donal Robb (second from left).

Right: The group saw huge brightly colored ink storage containers at the *The Roanoke Times'* new Heidelberg Mainstream 80 Press in downtown Roanoke.



Above: An American Press executive explains a proof layout.



Left: Journalists get a closer look at the modern equipment at Mid-Atlantic Printers in Altavista.

Left: VEDP staff, journalists and Allies from the Thomas Jefferson Partnership for Economic Development and Orange County pause for a photo at a welcome lunch at Barboursville Vineyards.

## VEDP Welcomes New Verizon Partner

In April, a reception was held at VEDP's call center welcoming Verizon's new Economic Development & Government Affairs Manager, Jeff Merriman. Merriman was introduced to key VEDP staff and given a tour of the facility in Richmond's West End.

VEDP Executive Director Mark Kilduff spoke at the event and referenced the hard work performed by the call center staff members. He highlighted the overall success of the program which has generated more than \$1 billion of investment and more than 9,000 jobs for the Commonwealth.

Merriman was presented with a Virginia trivet to recognize the generosity shown by Verizon in providing VEDP with the call center facility since its inception in 1996. To date, Verizon's donation has totaled more than \$500,000, an integral part of VEDP's successful outreach efforts. •



Verizon Economic Development and Government Affairs Manager Jeff Merriman (left), VEDP Marketing Manager Chuck Rogers and VEDP Executive Director Mark Kilduff tour the Partnership's call center operation.



## VEDP Launches Virtual Building Demo Grant Program

VEDP is pleased to announce a demonstration grant program for the development of five "Virtual Buildings" across the Commonwealth. The purpose of this pilot grant program is to increase the inventory of marketable business properties within Virginia.

A Virtual Building is a business location where all of the preliminary work has been completed in order to start construction immediately. For example: The Virtual Building has been designed. The utilities are at the site. A development team is in place. Firm cost estimates and a construction schedule have been established. And, the site plan permit has been obtained.

The grant program will cover 50 percent of the costs of the development of the Virtual Building up to \$15,000. Local governments and economic development organizations are encouraged to apply prior to the July 15, 2004, deadline. Grant requests will be evaluated on the lack of building product, the readiness of the site, the marketing strategy for the property, the capacity to complete the project and the economic distress of the community.

Detailed information on how to apply for the grants and information on the Virtual Building Program can be found on VEDP's Virginia Allies website at [www.virginiaallies.org](http://www.virginiaallies.org). If you have additional questions about the program, please call Neal Barber, Community Resources Manager, at (804) 371-0022. •



Top Rendering: York County Virtual Shell Building.

Bottom Rendering: James City County Virtual Shell Building.

## Meet VEDP's New & Promoted Employees



**Sarah Castro** has been promoted to Project Assistance Specialist in the Research Division. She came to VEDP in May 2003 as an Administrative Staff Assistant on the Sciences Team in Business Development. Sarah is now responsible for creating proposals and interfacing with Allies to collect marketing information. Prior to joining VEDP, Sarah served as Corporate Sales Manager for the Richmond Renegades Professional Hockey Team and as Sports Manager for the Group Sales Division of Comcast-Spectacor, the Philadelphia-based sports and entertainment firm which owns the Philadelphia Flyers and Philadelphia 76ers. Sarah graduated from Duke University with a B.A. in Sociology and a certificate in Markets and Management Studies.

**Holly Allen** joins VEDP's Research Division as its Economic Research Assistant. Among many other tasks, Holly's main responsibility is coordinating with Allies and other sources to maintain and report from the Employment Creation and Capital Investments Announcements Database. Before starting her new position at the Partnership, Holly worked at the North Carolina Wildlife Resources Commission as a Program Assistant. Holly graduated from Meredith College in Raleigh, N.C., with a B.S. in Business Administration and a B.A. in Spanish.



**Trent Park** began working as VEDP's GIS Technician in March of this year. His duties include updating and maintaining spatial data sets, general cartography and providing GIS technical assistance. Trent graduated with a degree in Historic Preservation from Mary Washington College before working briefly as a consultant for the City of Richmond's Department of Community Development. More recently, Trent worked as an architectural historian and IT specialist for the Virginia Department of Historic Resources.



Deputy Secretary Matt Erskine (fourth from left) and local officials move dirt to make way for the Riverstone Technology Park in Halifax County on Highway 58. The park will cover 165 acres and is targeted to information technology, biotechnology, telecommunications and technical manufacturing. Riverstone is designed to have four miles of trails and walkways that will eventually connect to Berry Hill Conference Center and Downtown South Boston.

## Virginia's *Southern Business & Development* 2003 Accolades

### Top 10 Story

#2, Philip Morris USA's move from New York to Richmond

### Top 10

Economic Development Initiatives #9, the Virginia Motorsports Initiative

### Top 10 People

#4, Governor Warner with his established economic development agenda

### Top 10 Website

#1, YesVirginia.org with its user-friendly interface and interactive database

### Top 10 Coolest Mid-Markets

Roanoke ranks among the best with its ideal location and natural beauty

### Top 10 Sites That Can Accommodate Any Project

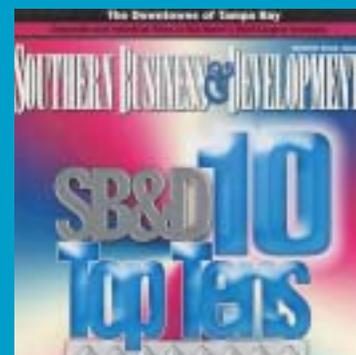
6th, Henry County with its I-73 auto site

### Top 10 ED Groups that Deliver Data Fast

Among the best is VEDP being "flexible, fast, and proactive." Henry County and the Roanoke Valley EDP are also highlighted.

Top 10 University Partners Virginia Tech because it helps facilitate the needs of Virginia's companies

Top 10 Training Programs #4, Virginia's Workforce Services meets company training needs



## Danville Goes High Tech with Nanotechnology

Recent announcements by several technology companies are quickly transforming the City of Danville, once known for its thriving tobacco and textile industries. In March, Virginia-based Luna Innovations, a nanotechnology company, announced plans to invest \$6.4 million to locate a manufacturing facility in downtown Danville's historic Tobacco Warehouse District, creating 54 new, high-paying jobs in science and engineering.

"This project allows Luna to work closely with Danville, where there is a highly motivated and qualified workforce, to secure Virginia as a leader in the nanotechnology sector," said Dr. Kent Murphy, Luna Innovations' Founder, Chairman and CEO.

A Virginia-grown, high-tech business headquartered in Blacksburg, Luna Innovations is considered one of the leaders in nanotechnology. At the Danville facility, Luna will manufacture carbonaceous nanomaterials and nanocomposite thin films. Commercial applications include both consumer and military uses such as vehicle parts, stain resistant textiles, ship hull coatings and fuel cell components.

"Nanotechnology will play a vital role in our military's future, and I'm delighted that Danville will help lead the development of this industry in America," said U.S. Senator John W. Warner, who was instrumental in securing this project. "This project reinforces Virginia's position as the center of America's military and technology sectors."

Situated in Southside Virginia, Danville is working to diversify its economy into telecommunications and technology. The Institute for Advanced Learning and Research was recently established there to support research centers and to attract technology and talent critical to Southside Virginia's economic transformation. Luna Innovations joins this growing list of technology and telecommunications companies bringing Danville into the 21st century.

"By choosing the City of Danville, Luna Innovations has invested in our workforce and made a strategic business decision," said Jerry L. Gwaltney, Danville City Manager. "This announcement will have a considerable economic impact on the City of Danville and we are excited about our first nanomaterials manufacturing facility."

The City of Danville will benefit from a \$250,000 grant from the Governor's Opportunity Fund and \$400,000 in Tobacco Region Opportunity Funds.

VEDP officials and Danville's Office of Economic Development assisted Luna Innovations with its location decision. Virginia's Center for Innovative Technology has provided ongoing support to Luna Innovations. The company will take advantage of the Virginia Department of Business Assistance's Workforce Services Program and will be eligible for enterprise zone tax credits through the Virginia Department of Housing and Community Development. •



(L to R) Secretary Mike Schewel, Luna Consultant Uri Sagman, U.S. Congressman Virgil Goode, U.S. Senator John Warner, Luna Innovations Founder, Chairman and CEO Dr. Kent Murphy, Virginia Tech President Charles Steger; and Danville City Manager Jerry Gwaltney prepare to tour the soon-to-be-renovated tobacco warehouse that will be Luna's new home.



# Beyond Virginia Gets a Facelift

*Beyond Virginia* will now be issued by e-mail every other week. The quarterly print version will no longer be mailed. This format will allow VEDP's Division of International Trade to include feature articles based on current international trade news. The frequent delivery also will ensure that clients and colleagues are informed of future VEDP trade missions and statewide trade events.

Each issue will feature an article from export service providers representing the exclusive Virginia Leaders in Export Training (VALET) program. These articles will focus on the practical aspects of international trade such as freight forwarding, customs, banking, law, inter-cultural communications, web marketing, communications and trade events. All VEDP and VALET partner feature articles and tips will be available in a six-month archive on the Publications page of [www.exportvirginia.org](http://www.exportvirginia.org).

Another exciting feature of the e-newsletter is the Featured News headlines section. These headlines highlight recent international trade news and have links to the full stories which you can view, print, save or e-mail to colleagues. There also is a link to a new World News page of the VEDP Division of International Trade website which features the current trade and economic headlines plus a 30-day archive of international trade articles.

The inaugural issue of *Beyond Virginia* was issued on May 19, 2004, and is now issued every other Wednesday. This e-newsletter is your link to Virginia's international trade community. We hope you find the Featured Articles, Featured News, Tips and Events & Trade Missions Calendar useful. As always, we are here to help you in your efforts to develop and expand the international sales of companies in your community. •



May 19, 2004 <http://www.exportvirginia.org> [Send to a Friend](#) [Subscribe](#)

**VIRGINIA**  
Division of International Trade  
[WWW.EXPORTVIRGINIA.ORG](http://WWW.EXPORTVIRGINIA.ORG)

**BEYOND VIRGINIA** YOU ARE HERE... YOUR MARKETS ARE EVERYWHERE.

**EVENTS & TRADE MISSIONS**

**TRADE MISSION TO CHINA**  
06/05/04 - 06/13/04

**CRSE 2004**  
06/13/04 - 06/14/04

**FARMBOURGH 2004**  
07/19/04 - 07/25/04

**TRADE MISSION TO CHILE & BRAZIL**  
08/09/04 - 08/13/04

**TRADE MISSION TO MEXICO**  
09/06/04 - 09/10/04

**TRADE MISSION TO TURKEY**  
09/13/04 - 09/17/04

**MINEXPO 2004**  
09/27/04 - 09/30/04

**SHIPBUILDING, MACHINERY & MARINE TECHNOLOGY (SMM)**  
09/28/04 - 10/02/04

**VIRGINIA WALKABOUT**  
10/02/04 - 10/14/04

**56TH VIRGINIA CONFERENCE ON WORLD TRADE**  
10/07/04 - 10/08/04

**TRADE MISSION TO VIRGINIA FROM CHINA**  
11/06/04 - 11/12/04

**TRADE MISSION TO COSTA RICA & PANAMA**  
11/15/04 - 11/19/04

**MEDEXA 2004**  
11/24/04 - 11/27/04

[To view our full list of events click here >>](#)

[Back to top](#)

**WELCOME**

We are pleased to share the inaugural issue of *Beyond Virginia* e-newsletter with you. *Beyond Virginia* will be issued every other Wednesday. This e-newsletter is your link to Virginia's international trade community. We hope you find the feature articles, trade headlines, weekly tips, and calendar of events useful. We welcome your feedback and ideas. As always, we are here to help you in your efforts to develop and expand your international sales!

Paul Grossman  
Director of International Trade  
Virginia Economic Development Partnership

**FEATURED ARTICLES**

**EU WELCOMES TEN NEW MEMBERS; VIRGINIA FIRMS AMONG FIRST TO BENEFIT!**  
On May 1, 2004, ten new countries joined the existing fifteen member nations, to form the new European Union (EU). While the world waits to see how the expanded EU will affect world trade patterns, many Virginia firms eager for fresh opportunities were among the first to visit the region and establish new business relationships. [Read More >>](#)

**INTERNATIONAL TRADE FINANCE: THE CRANKSHAFT OF GLOBAL COMMERCE**  
Learn about the "financial oil that lubricates the engine of global commerce". [Read More >>](#)

**FEATURED NEWS**

**US VOWS TO APPROVE FTA WITH CENTRAL AMERICA**  
Sinhua News Agency - C225 May 11, 09:40 AM EST  
[Read More >>](#)

**JAPAN'S MIRACLE CONCRETE**  
Malayiah Business May 10, 09:29 AM EST  
[Read More >>](#)

**MORE ACTIVE TRADING GETS PORTS BUSTLING**  
South Florida Sun-Sentinel May 17, 12:57 PM EST  
[Read More >>](#)

These are just some of the top world trade news headlines which will be posted on our site for the next two weeks. [Click here to view today's headlines or the 30 day article archive.](#)

[Back to top.](#)

**FEATURED TIP**

Any item or service that leaves the U.S., regardless of how, is an export. That includes faxed designs, hand-carved samples, mailed plane tickets, e-mailed research, even proprietary knowledge shared by phone or in meetings. If your product is subject to licensing under the Export Administration Regulations (EAR), you need a license prior to export.

**"We've been involved in other government programs and this (VALET Program) was the best - it was focused and efficient."**

**DENNIS SCHWARTZ**  
Burlington Medical Supplies

**VISIT US ONLINE**  
[WWW.EXPORTVIRGINIA.ORG](http://WWW.EXPORTVIRGINIA.ORG)

**SEND THIS NEWSLETTER TO A FRIEND**

Director of International Trade  
Paul H. Grossman, Jr.  
Email: [EGrossman@veidp.org](mailto:EGrossman@veidp.org)  
DC Box 798 / 901 East 50th Street  
Richmond, Virginia 23218-0798 USA  
Phone: (804) 371-8199 Fax: (804) 371-8666

Send comments or feedback to the editor at [EMagpie@veidp.org](mailto:EMagpie@veidp.org)

**We Get** 

DISCLAIMER - The contents of this email are intended to provide pertinent information for Beyond Virginia subscribers interested or already involved in international trade. While every effort is made to convey accurate and timely information, the contents of this email are not intended as specific advice to its readers. Our intent is solely to convey information.

PRIVATE COLLECT

Copyright © 2009 VEDP - JT



## VCOMB Members Actively Touring Military Bases

Virginia is home to an array of military facilities ranging from the Pentagon to local recruiting offices. In all, we have 127 military facilities. The Virginia Commission on Military Bases, through its standing committee on Military Value Analysis, is actively touring the major facilities.

Commission representatives have officially visited nine bases, including: Ft. Lee, Ft. Eustis, Ft. Story, Ft. A.P. Hill, Radford Army Ammunition Plant, National Ground Intelligence Center, Defense Supply Center Richmond, Northwest Naval Annex and Oceana NAS. Each facility offers unique features and capabilities. All incorporate the important military concept of “jointness,” a key component in 2005 Base Realignment and Closure considerations.

As Commission members get a “bird’s-eye view” of the extraordinary capabilities of our nation’s military, they also receive a clearer appreciation of one of Virginia’s leading economic engines. Equally as important, the base visits serve to strengthen the valued relationships between base commanders, communities and the Commonwealth. •

Soldiers from the Army’s 7th Transportation Group (headquartered at Fort Story) participate in the Joint Logistics “Over-The-Shore” exercise (Army, Navy, Air Force and Military Sealift Command) on May 18. The exercise featured the Army’s new high-speed ship: the Theater Support Vessel TSV-1X.



## Virginia Proudly Accepts Tiffany Cup

VEDP staff received an early morning surprise on April 29 when *Plants, Sites & Parks* Publisher Steve Chaffin presented the group with the “Tiffany Cup” for 2003 performance in economic development. Secretary of Commerce and Trade Mike Schewel attended the event and congratulated the staff for a job well done.

The crystal trophy goes to the state that tops the magazine’s Bizsites Survey for the previous year. 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. Using a weighted scoring system (for instance:

jobs created is more important than square feet created), PS&P ranks the states as an indicator of where companies are thriving, growing and moving. This year, for the first time, state population data was entered into the mix, so that the increase in jobs-per-capita related to new projects was given consideration. •



VEDP employees and Secretary Mike Schewel pause for a photo opportunity after they receive the 2003 traveling Tiffany Cup from *Plants, Sites & Parks*.

## Portsmouth Lands History

*continued from cover*

Hampton Roads is expected to at least double by 2020.

“This facility will create opportunities in global commerce for our customers while maintaining the highest standards in safety and security,” said Thomas Thune Andersen, President and CEO, Maersk Inc. “Our vision is to create a port that will act as a catalyst for international business in the local and regional economies by creating a new, broader long-term platform for business growth.”

### Cooperation at the state and local levels sealed the deal.

Virginia Governor Mark R. Warner was instrumental in maintaining a relationship with APM Terminals, both in Virginia and abroad. When APM Terminals began looking to expand its operations, Governor Warner and VEDP staff met with company officials in Denmark during a trade mission in 2003. It was at that meeting Governor Warner began to emphasize Virginia’s support for this project.

Together with Governor Warner, U.S. Senator John W. Warner, and officials from Portsmouth, VEDP officials prepared the state’s proposal and negotiated an incentive package to secure the project for Virginia. They showed APM Terminals why Portsmouth was an ideal location for the new terminal.

Governor Warner approved a \$500,000 grant from the Governor’s Opportunity Fund to support the City of Portsmouth with the project. APM Terminals is eligible for tax credits through the enterprise zone tax credit program provided by the Virginia Department of Housing and Community Development. The company also qualifies for rail access funding from the Virginia Department of Rail and Public Transportation and road access funding from the Virginia Department of

## Quarterly Calendar

Date	Contact	Event
July 12-14	VB	Semicon West Trade Show—San Francisco, CA
July 12-16	CR	Marketing Mission—Chicago, IL
July 19-25	SK	Farnborough International Showcase—London, UK
August 9-13	CR	Marketing Mission—Minnesota
August 9-13	SK	Trade Mission—Chile & Brazil
August 26-29	VB	International Woodworking Fair 2004—Atlanta, GA
September 6-10	SK	Trade Mission—Mexico
September 8-15	VB	International Manufacturing Technology Show 2004—Chicago, IL
September 13-17	CR	Marketing Mission—Colorado, Arizona, Utah
September 13-17	SK	Trade Mission—Turkey
September 26-28	JB	InterBev—Orlando, FL
September 27-30	SK	MINExpo 2004—Las Vegas, NV
Sept. 28-Oct. 2	SK	Machinery & Marine Technology (SMM)—Hamburg, Germany
September 29-30	JB	Emerging Technologies Conference at MIT—Cambridge, MA

VB Vince Barnett, VEDP, (804) 371-8265  
 JB Jerry Broadway, VEDP, (804) 371-8194  
 SK Scott Kennedy, VEDP, (804) 371-0052  
 CR Chuck Rogers, VEDP, (804) 371-8189

Transportation. The Virginia Department of Business Assistance will support the project with its Workforce Services Program.

“This is a positive step towards preparing our company for continued growth and success in the Mid-Atlantic region,” said APM Terminals’ Nick Taro. “The Commonwealth is indeed a great place to do business.”

The *McKinney Maersk* was docked alongside the event venue in Portsmouth.





**VIRGINIA**  
Is For Business  
[www.YesVirginia.org](http://www.YesVirginia.org)  
901 East Byrd Street, Richmond, VA 23219

PRSRTD STD  
U.S. Postage Paid  
Richmond, Virginia  
Permit No. 1678

Address Service Requested

## CO DID YOU KNOW?

### Work of GIS Staff Brings Big Screen Results

VEDP's talented Geographic Information Services (GIS) staff of four does more than locate properties for business location prospects. The Virginia Film Office (VFO) recently praised the division for narrowing searches for movie locations.

"GIS technology has been helpful in finding locations that require waterfront structures, large open lands, rivers and lakes," said the VFO's Location Manager, Andy Edmunds. "Using GIS technology helps us save money and time."

Most recently, the GIS staff and technology helped VFO attract a motion picture entitled "The New World," a historical drama about Jamestown that will star Colin Farrell as Captain John Smith. The feature film will be released world-wide prior to the 2007 Anniversary— a huge opportunity for Virginia. The film is currently in pre-production in the Williamsburg area, and crews will begin filming this summer. •

Here is a sample aerial photograph used by the Virginia Film Office in marketing Virginia to the movies.

