

VEDP Announces Deals in Two Target Areas

The Virginia Economic Development Partnership (VEDP) rang in the New Year with back-to-back announcements in two key areas: one in a target industry and the other in a target region of the Commonwealth.

Financial Sector Grows in Richmond

In December, Wachovia Securities LLC confirmed it will expand its Virginia-based headquarters. Governor Warner joined Wachovia Securities President and CEO Danny Ludeman to announce more than 1,000 new jobs for the Greater Richmond Region. The expansion is the result of the July 1, 2003 combination of Wachovia Securities and Prudential Securities.



Left: At the announcement event, Governor Warner (right) presents a Virginia Share of Stock to Danny Ludeman, President and CEO of Wachovia Securities.

Below: Governor Warner (right) welcomes MasterBrand Cabinets to Virginia by presenting a state flag to Richard Farr, Vice President of Semi-Custom Operations.

“The best thing about this is that after many years of banking jobs and finance jobs going south, we see banking jobs and financing jobs going here to Richmond,” said Virginia Governor Mark R. Warner at the December announcement event.

The two-tiered economic development project will allow Wachovia Securities to add up to 470 new jobs and invest \$5.9 million in its operations in the City of Richmond. In Henrico County, the company will bring up to 730 new jobs and a \$2.4-million investment.

Virginia is home to the headquarters of the Fifth District U.S. Federal Reserve System and more than 3,600 financial services companies that employ nearly 135,000 Virginians. This significant presence of brokerage, banking and insurance business expertise stimulates a steady supply of new, knowledge-based workers entering the job market.

“With roots in Richmond since 1934, Wachovia Securities has enjoyed the benefits of the supportive business environment and ample

talent pool that exists in the Richmond area,” said Danny Ludeman, President and CEO of Wachovia Securities. “Looking ahead, Wachovia Securities is committed to attracting and retaining the most talented and diverse workforce in the financial services industry.”

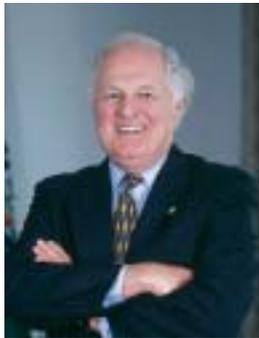
Cabinet Manufacturer Chooses Southside Virginia

In his January 2004 State of the Commonwealth speech, Governor Warner made Southside Virginia’s largest economic development announcement in more than 30 years. The next day, the Governor visited Henry County to announce the deal in person.

MasterBrand Cabinets, Inc., the second-largest cabinet manufacturer in North America, will locate a manufacturing facility in Henry County – one of Virginia’s most economically-distressed communities.

continued on page 15





From the Director

Spring has officially arrived after a productive first quarter of 2004. MasterBrand Cabinets, Inc. started the year off right and provided a shot in the arm for Henry County by announcing 700 new manufacturing jobs—the largest project for Southside Virginia in 30 years. The Valley welcomed an expansion by dairy giant HP Hood as the company invests more than \$42 million in new technology and equipment. Hampton Roads scored big when it successfully retained jobs and recruited the international headquarters of shipping company CMA-CGM. Southwest Virginia saw the strength in existing industry when Celanese Acetate expanded its R&D operations in Giles County.

In the business development arena, we are seeing a consistent and solid upward trend in project activity with new projects added to our workload every week. As part of this trend, we also are seeing fewer jobs per dollar of investment. Companies are investing in the latest technology and equipment but need fewer people to get the job done and increase the bottom line.

On the international trade front, seven Virginia companies from around the state successfully completed the two-year VALET (Virginia Leaders in Export Trade) program, collectively attaining \$19 million in export sales. The success stories of this first graduating class are a testament to this pioneering program—linking public resources with private enterprise to create jobs and investment for the Commonwealth.

I am pleased to report that Governor Warner has appointed two new members to the VEDP Board of Directors. Charley Majors of Danville, President and CEO of American National Bank & Trust Company, and Jim Ukrop of Richmond, Chairman of Ukrop's Supermarket, Inc. and First Market Bank, attended their first board meeting on March 3. The Governor also reappointed Tom Fowlkes of Bristol, Managing Director of Bankstreet Partners LLC, and Ike Prillaman of Chesapeake, Vice Chair and Chief Marketing Officer of Norfolk Southern Corporation.

Congratulations go out to Tom Fowlkes who was elected Chairman of the Board at the March 3 meeting. Steve DelBianco of the Association for Competitive Technology in Fairfax was elected Vice Chairman. I want to thank Ike Prillaman for the great leadership as Chairman for the past three years. Limitless contributions also were made by outgoing board members Bob Skunda of the Virginia Biotechnology Research Park and Jean Clary Bagley of Clary Realty. I thank them for a job well done.

We look forward to working with you in the coming months. I hope you can join us at our next Ally Meeting to be held on May 20 in Richmond (see meeting details on page 15). Thanks for all that you do.

Sincerely,

 Mark R. Kilduff

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The Honorable John M. Bennett
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VEDP Board Elects New Leadership

The VEDP Board of Directors elected J. Thomas Fowlkes as Chairman and Steve DelBianco as Vice Chairman during its quarterly meeting in March. The Partnership also welcomed Charles H. Majors and James E. Ukrop to its Board of Directors. The VEDP Board of Directors reports annually to the Governor on the status of Virginia's comprehensive economic development strategy and recommends legislative and executive actions related to it.



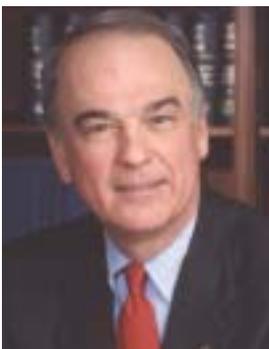
J. Thomas Fowlkes

VEDP Board of Directors Chair J. Thomas Fowlkes is Managing Director of Bankstreet Partners LLC in Bristol. He has a B.A. from Millsaps College in Jackson, Miss., and an LL.B. from the University of Virginia. Prior to joining Bankstreet Partners LLC, Fowlkes was the Chief Development Director and Athletic Director of Emory & Henry College. He is a member of the Virginia State Bar and the Mississippi Bar Association. Fowlkes also sits on the Board of Trustees for Millsaps College, the Barter Foundation and Johnson Memorial Hospital in Abingdon.

VEDP Board of Directors Vice Chairman Steve DelBianco founded an IT consulting firm in Northern Virginia in 1984 and built it to over \$20 million in revenue before merging with a public company in 1997. DelBianco then helped to start a new trade association representing the interests of small IT companies in matters of state and federal public policy. Today, he is Vice President for Public Policy at the Association for Competitive Technology and also serves as Executive Director of the NetChoice coalition, representing online consumers and e-commerce businesses. DelBianco holds degrees in engineering and economics from the University of Pennsylvania, and an M.B.A. from the Wharton School.



Steve DelBianco



Charles H. Majors

VEDP Board Member Charles H. Majors is President and Chief Executive Officer of American National Bank & Trust Company in Danville. Majors holds a B.A. from Auburn University, a J.D. from the University of Virginia and was awarded an Honorary Doctor of Humanities from Averett University. He is involved with several professional, community and educational organizations, including Averett University, the Danville Development Council, the Future of the Piedmont Foundation, Danville Industrial Development, Inc., and the Rotary Club of Danville.

VEDP Board Member James E. Ukrop is Chairman of Ukrop's Super Markets and First Market Bank in Richmond. His business experience comes from serving as Assistant Store Manager, Store Manager, General Manager, President and CEO, and Chairman of Ukrop's Super Markets, Inc. Ukrop has a B.A. from The College of William & Mary and currently serves on 14 community boards and four William & Mary boards. ■



James E. Ukrop

Radford Welcomes Local Expansion

Kollmorgen Corporation, a subsidiary of Danaher Corporation, will expand its operations in the City of Radford. Through a \$2.85-million investment, the company will establish a customer support center to service its worldwide customer base. The project will create 71 new jobs.

Located in Radford since 1959, Kollmorgen is a leading international manufacturer of high-performance motion control products and systems. It is a part of the Danaher Corporation, a leading manufacturer of process/environmental controls and tools and components. Kollmorgen currently employs approximately 700 people at its three existing engineering and assembly plants in the City of Radford. The company's new customer support center will be located at 203 Rock Road. ■



North American Headquarters Shipped to Virginia

CMA-CGM, the world's fifth largest steamship line, will locate its North American headquarters in the City of Norfolk. Through an \$11.5-million investment, CMA-CGM will create 116 new jobs for Norfolk. The company

also plans to consolidate its Virginia Beach facility into the new Norfolk operation – retaining 260 existing CMA-CGM jobs for the Commonwealth.

“We believe this investment will help us better serve our customers and grow our company profitably,” said John Van De Merwe, President of CMA-CGM (America), Inc., the U.S. arm of CMA-CGM.

Headquartered in Marseilles, France, CMA-CGM is one of the world's leading container shipping companies. The company operates a fleet of 157 vessels on more than 50 major shipping routes. ■

Emporia Braids a Local Expansion

Franklin Braid will expand its existing operations in the City of Emporia. The project will create 25 new jobs through a \$1.5-million investment.

Franklin Braid manufactures braided and knitted narrow fabrics, cordage and trims. The company moved from Franklin, Virginia to Emporia in 1956. Since locating in Emporia, Franklin Braid has expanded five times. In 1980, Franklin Braid became a wholly owned subsidiary of Wayne Industries. Presently, the company has 2,000 braiding machines and employs 130 workers at peak production time. ■

Celanese Narrows its Decision

Celanese Acetate LLC will expand its research and development capacity in Giles County. The expansion will create 55 new jobs at its existing Narrows facility, which currently employs more than 1,000 people.

“Having our research and development activities located at our largest manufacturing site will enable us to quickly integrate new developments into our manufacturing operations,” said Rebecca “Bek” Humelsine, Vice President of Global Manufacturing and Site Director at the Narrows facility.

Celanese Acetate is the world's largest acetate producer, supplying acetate for markets including women's and men's apparel, linings, home fashions and various industrial end uses. ■

Guardian Grows in Galax

Guardian Industries Corp. announced an expansion in the City of Galax. Through a \$2.5-million investment in building improvements and equipment, the company will add an additional product line of laminated glass. Guardian's expansion will create 54 new jobs over the next 30 months.

In 1980, Consolidated Glass and Mirror began operations in the City of Galax. Guardian Industries Corp. acquired Consolidated Glass in 1992. The Galax facility currently has 343 full-time employees and 10 part-time employees. Guardian Industries, based in Auburn Hills, Michigan, is a leading worldwide manufacturer of float glass and fabricated glass products for the commercial and residential construction industries. ■

Frederick County Wins International Firm and Local Expansion

M&H Plastics, a British company, will locate its first U.S. facility in Frederick County. The manufacturer of plastic bottles, caps and tubes for the personal care market will create 57 new jobs through a \$12-million capital investment. Access to Dulles International Airport for its international customers played a key role in the company's decision.

In the same month, HP Hood Inc. announced it will expand its milk processing facility in Frederick County. Through a \$42.8-million investment, the company will increase its capacity and enable the production of new, technologically advanced products. The expansion, the largest business expansion on record in Frederick County, will create 65 new jobs. ■

GCS Contacts Pulaski

In December 2003, Global Contact Services, LLC (GCS) announced that it will locate a customer contact center in Pulaski. Through a \$1.35-million investment, GCS will create more than 300 new jobs. Virginia successfully competed with West Virginia for the project, which is one of the New River Valley's largest economic development announcements in more than three years.

"After several months of research, Pulaski ranked highest in providing a stable workforce, excellent facilities and a solid technical infrastructure for our expansion," said Bob Lynch, Director and Vice President of GCS.

GCS is a premier provider of multi-channel customer contact management solutions for companies in the insurance, financial, telecommunications, retail and government industries. The company's main headquarters is in Salisbury, North Carolina, with operational headquarters in Mount Hope, West Virginia. ■



Loudoun Lands U.S. Headquarters

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.

WaveLight develops, produces and markets laser systems in the fields of ophthalmology, aesthetic surgery, urology and industrial applications. In October 2003, WaveLight received FDA approval to market its ALLEGRETTO WAVE™ excimer laser system in the U.S. for use in LASIK surgery procedures.

"Both the transportation links and the growth opportunities have convinced us that Virginia is the ideal starting point for our U.S. market entry, and we will manage all U.S. activities from here in future," said Max Reindl, CEO of WaveLight Laser Technologie AG. ■

Intertape Polymer Celebrates Grand Opening

In March, Secretary of Commerce & Trade Michael Schewel joined Intertape Polymer Group's Chairman & CEO Melbourne Yull for the grand opening of the company's new distribution center in Pittsylvania County. The project, which was announced in April 2003, includes a \$7-million investment and 50 new jobs.



The Institute for Advanced Learning and Research

Revitalizing the Dan River Region's economy through advanced learning, strategic research and technology transfer

By Renee Wyatt
Marketing & Research Manager
City of Danville Office of Economic
Development



The Dan River Region has launched an aggressive effort to reinvent the area's economy, which was devastated by setbacks in the textile and tobacco industries. The centerpiece of this effort is the Institute for Advanced Learning and Research, a unique institution that promotes the region's economic prosperity through advanced learning, strategic research and technology transfer. Formed by an unprecedented collaborative effort, the institute develops and attracts talent and technology critical to the success of the Dan River region's economy.

By providing programs that focus on applied research, high technology and advanced education, the institute lays the foundation for the entire region to become network-based, with an innovative, high-tech workforce.

Leaders from the City of Danville, Pittsylvania County, Future of Piedmont Foundation and the Commonwealth of Virginia worked closely with Virginia Tech, Averett University and Danville Community College to establish the institute, which recently opened a state-of-the-art facility in Danville's CyberPark.

In recent remarks, Jerry Gwaltney, Manager of the City of Danville, said, "The Institute for Advanced Learning and Research will have a profound impact on the region's economy. We will see more businesses, more jobs and an extremely well-trained workforce."

Timothy V. Franklin, Ph.D., is Executive Director of the institute and is leading the development of its programs, staffing, building and budget. As a representative of Virginia Tech, Dr. Franklin is Director of University Outreach Programs, Southside Virginia.

Research Programs

The institute's education and research programs build on the Dan River Region's traditional industries: polymers, motorsports, horticulture and forestry. The six research centers include: Robotics, Motorsports, Advanced Polymers, Biodefense, High-Value Horticulture and Forestry, and Bioinformatics. New technologies developed through research will be extended for commercial development, contributing to the region's economic advancement and quality of life.

The Biotechnology research center will yield new high-value crops that will serve as commercial alternatives to tobacco. Bioinformatics research will produce vast information about plant and human cells; these developments will drive the largest growth sector of the U.S. economy for the next generation. Engineering research that results in technology

(Left to right) Steven Hase, Director of Marketing and Conference Services for the Institute, leads VEDP staff members Tony Williams, John Loftus, Mike Sexton and Stephanie Allman on a sneak peak tour of the Institute for Advanced Learning and Research.

transfer will result in a growing, technology-driven manufacturing sector.

The institute's 15,000-square-foot research wing brings Virginia Tech's nationally ranked resources to Danville. Graduate students will be drawn to the institute's programs to work side-by-side with renowned faculty on cutting-edge research.

Infrastructure Development

The institute, Virginia Tech and the Future of the Piedmont Foundation are at the center of South Central Virginia's development of a regional information technology infrastructure, already well underway. Called eDan, this next-generation Internet infrastructure will transmit information at high speeds – up to one billion bits per second – and will use optical fiber and wireless technology for "open access." eDan will mean that businesses, organizations and citizens in the region will have the most cost-effective and efficient service *continued on next page*

Profile of a VEDP Business Development Manager



Mike Sexton
Industrial Team

Background, Education and Experience:

Mike Sexton is the natural resources specialist for the Industrial Team. He has been with VEDP since August 1996, coming in with the team of Greg Kelly, Tracy Tynan and Ellen Templeton. A graduate of the University of

Tulsa in marketing & management, with a minor in computer science, Mike has been in outside sales since 1977 selling for Wang and Unisys. In October 1991, he joined the Commonwealth when he began working for the Correctional Enterprises system.

Unique Skills: Mike's sense of humor and perspective in any situation is a real asset to the Business Development Division (think "Mike's Friday Dance"). He has the intuitive

The Institute for Advanced Learning and Research *continued from previous page*

available. When eDan is complete, the region will have one of the most advanced network capabilities in the country.

eDan will provide a producer network service that will be attractive to businesses of all sizes. The network will allow companies to develop significant e-businesses and outsource e-services locally. The bandwidth of eDan will provide the region's research faculty with unparalleled information – and sharing opportunities – with colleagues in Blacksburg, the Washington, D.C. area and the Research Triangle in the Raleigh/Durham area. The eDan network, in combination with the advanced research and technology programs at the institute, will open new national and international markets for Southside.

Conference Amenities

In addition to educational programs, the institute houses 20,000 square feet of meeting space with state-of-the-art equipment. The facility's Great Hall can accommodate more than 800 people seated theater-style, and 600 in a banquet-style set-up. The Great Hall also can be divided into six smaller spaces. The institute's meeting facility is ideal for corporate meetings, retreats and employee training. The institute also provides conference rooms, videoconferencing and other high-tech amenities for area businesses and CyberPark residents. The executive auditorium seats more than 100 and has presentation technology previously unavailable in the area.

Stimulating the Region's Economy

Danville is leading the region's impressive economic recovery and, with the addition of the city's riverfront development and recreational activities, it will be one of the most technologically sophisticated – and pleasant – cities in the country. In fact, thanks to the region's outstanding leadership, unparalleled cooperation and presence of the Institute for Advanced Learning and Research, the Dan River Region is strategically positioned to compete more effectively in an increasingly global market. ■

ability to work behind the scenes, and is a real believer in the message "the deal is done at the local level." Mike's broad sense of perspective and ability to see strategic linkages is a real strength.

Projects: Mike is well known in the rural areas of Virginia. He worked on the original HP Hood project in Frederick County, which he feels was one of the best sales partnerships in his career. He credits June Wilmot and other local partners with finding the right solutions to the company's issues. A second project—the original Cardinal Glass project in 1999—was a lesson learned in building long-term relationships. The project was thorny, and ultimately went to North Carolina, but the company returned last year with an announcement for the Roanoke Valley Region. The most fun Mike had was with the Nautica project which located in Henry County, winning over Columbus and Atlanta. Mike credits this project with demonstrating that Virginia's rural communities can support diversified business – Henry County's ability to find employees skilled in data entry was key to Nautica's success.

Recent Visits and Marketing Activities: Most recently Mike has been in Washington, Smyth and Montgomery counties with clients. His last three marketing events include the Indiana marketing mission, the Grand Rapids Wood Expo and attending the Center for High Performance Manufacturing's annual meeting.

Most Admired Virginia Institution: Mike took a different twist on this question and says he most admires the diversity of Virginia; the challenge to market the unique assets of each region is a wonderful sales tool.

Most Admired Virginian: None other than George Washington himself. Mike is an avid reader and sees Washington's role in U.S. history as defining.

Most Significant Accomplishment: Creating the original VEDP Distribution Task Force, which has lived through the past five years under *continued on page 11*

Virginia Boasts "Hot Cities"

Four Virginia MSAs can be found on *Expansion Management's* sixth annual list of America's 50 "Hottest Cities" for expansions and relocations. The magazine's January 2004 issue ranks the Norfolk/Virginia Beach/Newport News MSA #11 and the Richmond/Petersburg MSA as #12. The Washington, D.C. MSA comes in at #31 and Roanoke is #37.

Expansion Management surveyed 70 site selection consultants in order to find which cities their clients found most attractive when selecting a site for an expansion or relocation. ■



Commonwealth Covered

Pick up the Fall 2003 *Southern Business & Development* and see Governor Warner and Philip Morris USA Chairman and CEO Michael E. Szymanczyk on the cover. The magazine featured Philip Morris USA's relocation to Virginia in an article titled "The 'Unthinkable Move?' Not Any Longer - Major Headquarters Relocations from Outside the Region Finally Found the American South in 2003."

Virginia is home to 18 Fortune 500 companies. The article says that from 1975 to 2002, only three Fortune 500 companies relocated their headquarters to markets in the American South. But in the first 11 months of 2003, three Fortune 500s and many other large companies announced relocations to the South. *Southern Business & Development* predicts that this trend will continue in 2004 and beyond. ■



What's the Big Deal?

One of Virginia's top projects of 2003 made *Business Facilities'* list of "Big Deals." Philip Morris USA's decision to relocate its corporate headquarters to the Greater Richmond Region is included in the magazine's December 2003 issue listing the 15 largest deals of the year. Philip Morris USA is creating 450 new jobs at its headquarters in Henrico County and investing \$300 million in its manufacturing facility in the City of Richmond.

Business Facilities determines its list of the year's "Big Deals" from the projects' capital investment. "No figure is more telling than the amount of capital invested by a company in its project. Each dollar spent is a risk the company is taking based on confidence in its location," according to the magazine. ■



Healthful Rankings

Employer expenses for health care coverage continue to rise. Fortunately, Virginia placed #5 in the nation in *Expansion Management's* 2004 Health Quotient rankings. The magazine's February 2004 issue examines health care costs, quality and availability as factors in site selection decisions. ■

VEDP's Metals Media Tour Results in Articles

Three national trade publications covering the metals industry featured Virginia in recent articles. Journalists from all three magazines joined VEDP on the fall 2003 Virginia Metals Media Tour.

Modern Metals profiled Virginia-based Service Center Metals in its November 2003 issue. Based in Prince George County, the company opened the doors of its \$13-million aluminum extrusion plant in July 2003. The article discusses how the company's location contributes to its success.

Another Virginia company was featured in *Iron & Steel Technology's* February 2004 issue. The magazine profiles a successful workforce training program developed by Germanna Community College for SMI Rebar Virginia, based in Fredericksburg.

In an article titled "Yes Virginia," *Automatic Machining's* January 2004 issue provides an overview of the Commonwealth's assets and resources – particularly for the metals industry. ■



Downtowns Developing

The Kiplinger Letter used Virginia's Hampton Roads region as a "shining example" of a location with successful downtown development. The "Urban Renewal" section of the February 6, 2004 issue says, "Lively, livable downtowns are a big draw in economic development, even if the newly attracted businesses wind up in the suburbs."

"There's a rebirth of historic downtowns in Norfolk, Portsmouth and Hampton with waterfront condos, museums and convention centers." *The Kiplinger Letter* also mentioned major growth in Hampton Roads' suburbs, with new offices, manufacturing plants and research facilities in Chesapeake, Suffolk and Virginia Beach. ■

State's Motorsports Industry Highlighted at Capitol

On March 4, the Virginia Motorsports Coalition held Motorsports Day at the Virginia Capitol. More than 20 race cars, motorcycles and go-karts representing the full spectrum of racing in the Commonwealth were on display on the Capitol grounds. Tracks represented included Richmond International Raceway, Big Daddy's South Boston Speedway, Virginia International Raceway, Virginia Motor Speedway and Virginia Motorsports Park.

"Motorsports is an important industry in the Commonwealth and I believe that motorsports can continue to create jobs and promote tourism," Governor Warner told the Motorsports Day crowd. "Our aim is to attract and grow in Virginia a dynamic motorsports industry that sees the Commonwealth as the preferred location for engine builders, component makers, race car teams and other businesses in the fast-growing motorsports world." ■



Above: (Left to right) Steve Bridges, Assistant Director of Pittsylvania County Economic Development, discusses Motorsports Day activities with VEDP Business Development staff members April Dascoulias and Sarah Castro.



Left: The Virginia Motorsports Coalition displayed more than 20 race cars, motorcycles and go-karts on Capitol grounds during Motorsports Day in March.

Virginia's Legal System Lauded

The United States Chamber of Commerce Institute for Legal Reform's annual State Liability Systems Ranking Study named Virginia's legal system #3 in the nation for 2004. Delaware was ranked #1 and Nebraska placed #2.

States with the best-rated legal systems enjoy an advantage over the lower-ranked states in attracting investment. "Businesses go where they are wanted and they bring jobs and economic growth to the states with the best legal systems," said Thomas Donohue, U.S. Chamber President and CEO.

The Institute for Legal Reform/Harris Interactive survey of more than 1,400 senior attorneys, now in its third year, is the preeminent standard by which companies, policymakers and the media judge the legal fairness of states. The complete study is available online at www.legalreformnow.com. ■



Business Development Welcomes New Project Manager

Laura Leigh Savage comes to the VEDP Business Development Division as Project Manager on the Industrial Team. With 20 years in banking and commercial real estate financing followed by experience in a marketing consulting firm, Laura Leigh looks forward to partnering with the state's allies to promote the Commonwealth as the location for new capital investment and job creation. ■

Profile of a VEDP Business Development Manager *continued from page 7*

two additional managers. Mike sees this task force as a creative model to partner with Virginia's localities.

From the Director: Mike is a creative and enthusiastic member of the VEDP Business Development team, always available to mentor allies and co-workers with his insights. And his humor helps us all keep better perspective!



Terry Lentz
Transportation & Equipment

Background, Education and Experience:

A graduate of the University of South Carolina (USC) with a degree in international studies and a master's in political and economic geography gives you all the background you need to know about Terry's interests. As a young man, he

traveled around the country with his Navy father, living in five states in eight years. After graduating from USC, he joined a regional economic development group in Columbia, South Carolina—a two-person shop handling a large metropolitan region! Terry was really a groundbreaker in this field. He was active in the Southern Industrial Development Council, which is where he met Guy Kissinger, former Director of the Virginia Division of Industrial Development's Marketing Division. With the opportunity to fill a vacant international slot, Terry took the job enthusiastically.

Unique Skills: Terry's personality lends itself to the theme of economic development, and that is "patience." While he sees himself as "ordinary among project managers," he has clearly adopted the cultural aspects of his particular focus, Japan, and is well-respected for his knowledge and ability to work through the cultural differences to keep Virginia successful in the Japanese market. Terry spent his early years (1980s) with the Virginia Division of Industrial Development bringing the Japanese office up to an active level. During these years he traveled to Japan and Asia five times per year. The results were evident: When he started, Virginia had one Japanese manufacturing facility and four sales offices. By 1990, the 80th Japanese company had located here. Terry also spent significant time in California, when marketing managers were assigned geographic territories. In the early 1990s, Terry's skills were refocused back to Japan when he began working for the International Trade Division.

Projects: The list of Terry's projects is extensive, but one that sticks in his mind is Koyo Steering, the first company to locate a facility in Botetourt County's Green Fields. Last year,

Terry worked with Wythe County on the expansion of one of Brent Scheffler's successes, Wytheville Technologies, a Japanese automotive supplier. Terry consistently identifies diverse regions of the Commonwealth to host his international clients.

Recent Visits and Marketing Activities: Most recently Terry worked the Southeast/US Japan event and made an individual call trip to companies in Japan. He also participated in the Governor's New York Marketing Mission. Showing the travels he's known for, Terry's last visits to Virginia communities included Mecklenburg County, Wythe County, Martinsville and King George County.

Most Admired Virginian: As an experienced professional at the state level, Terry understands and appreciates the elected leadership who focus on economic development—including former Governor Jerry Baliles and Virginia's first Secretary of Economic Development Richard "Dick" Bagley.

Most Significant Accomplishment: For the Commonwealth, Terry's work successfully promoting Virginia to Japanese companies, and working with and through our Japan office, has been his most significant accomplishment.

From the Director: Terry's quiet and thoughtful personality often hides his successes. He is the institutional knowledge of Virginia when it comes to positioning the Commonwealth in the Asian market, and his patience and cultural sensitivity are true assets to his work. ■

VALET Graduates First Companies

In January, VEDP's Division of International Trade graduated its first VALET (Virginia Leaders in Export Trade) class. Seven Virginia companies successfully completed the two-year program, collectively attaining \$19 million in export sales. Launched in January 2002, the program assists exporters in the Commonwealth that have firmly established domestic operations and are committed to international exporting as an expansion strategy. In January, Secretary Schewel congratulated the following VALET graduates at an event in Richmond:

Company	Industry	Location
Avtec Systems, Inc.	Satellite Communications	McLean
Burlington Medical Supplies	Medical Supplies	Newport News
KITCO Fiber Optics	Fiber Optics	Virginia Beach
Specialty Blades, Inc.	Manufacturing	Staunton
Super Radiator Coils	Industrial Radiators	Richmond
Tallant Industries	Building Materials	Fredericksburg
Virginia Panel Corporation	Interface Connectors	Waynesboro

continued on next page



Left: Geoff Clark (left), COO of Virginia Beach-based KITCO Fiber Optics, accepts a gift from Secretary Schewel for completing the VALET program.

Below: Kim Weir (left), VEDP's VALET Program Manager, poses with representatives of the seven graduating VALET companies at an event in January.



Highlights from the Seven January 2004 VALET Graduates

Five companies appointed new international representatives during the VALET program.

•

Two companies translated their websites into multiple languages to increase visibility overseas.

•

One company developed and implemented an export compliance program to properly manage the processing of export licenses necessary to sell product overseas.

•

Two companies applied for trade-name protection in Mexico.

•

One company undertook a search engine optimization program that increased its monthly website hits from 1,000 to 5,000 per month.

•

Two companies traveled with Governor Warner to Mexico.

•

Companies from the January 2004 graduating class traveled with VEDP on eight of its international trade missions around the world.

•

Three companies completed Global Market Research (GMR) projects during their participation in the VALET Program.

VALET Graduates First Companies *continued from previous page*

“We are two years ahead of where we would have been with our international business without the VALET Program,” said Dennis Swartz, President of Burlington Medical Supplies, a graduating VALET participant. “The program did what it was supposed to do — we consider it a great success.”

The companies in the inaugural VALET class set out to increase their collective export sales by a sum of \$15 million. Upon the conclusion of their two-year program, the first graduating VALET class reached over \$19 million in export sales, exceeding their goal by more than 26 percent. ■

Parodi Joins VEDP in Europe



VEDP's Division of International Trade has hired Guillermo Parodi as its trade representative in Europe. Based in Frankfurt, Germany, Parodi joins VEDP's other global trade representatives – located in Japan, Hong Kong, South Korea, Mexico and Brazil – in developing new markets for the Commonwealth's exports. Virginia's office has been located in Europe since 1968 – longer than any other U.S. state economic development or trade office.

“Guillermo Parodi's global background and extensive international business experience will allow him to successfully lead the state's international trade efforts in Europe,” said Paul Grossman, Director of VEDP's Division of International Trade. “As the European Union continues to grow, Virginia companies will find increased export opportunities in these new and expanded markets.”

Prior to joining VEDP, Parodi was a sales, marketing and project management consultant with PlanetA & C.E.C. in Prague, Czech Republic. He also has held positions in sales, marketing and project management for Tetra Pak in Moscow, Russia; IKEA International in Prague, Czechoslovakia; and DuPont International in Brussels, Belgium and in Frankfurt, Germany. Parodi earned a B.A. in business administration from Louisiana State University and an M.B.A. from UFSIA University in Antwerp, Belgium. He is fluent in English, French, Italian and Spanish and speaks Russian, German and Czech.

Guillermo Parodi can be contacted by e-mail, GParodi@YesVirginia.org, or by phone, (49)69-273-9900. ■

Get FastFacts on Trade

VEDP's Division of International Trade's web site now offers FastFacts, a series of more than 50 documents covering world trade, key Virginia export markets and issues affecting Virginia exporters. Download the articles for free from the “Publications” section of www.exportvirginia.org.

Did You Know?

The average Virginia company that works with VEDP's Division of International Trade for counseling, research and trade programs has been in business for 22 years, has \$30 million in sales and 120 employees.

★ VCOMB Awards First Grants to Regional Organizations

★ At the first organizational meeting of the Virginia Commission on Military Bases (VCOMB), Governor Warner announced the availability of funding to assist Virginia's military communities during the 2005 Base Realignment and Closure (BRAC) process. In February, the first awards were made to the following four organizations representing military communities:

★ **Hampton Roads Planning District Commission - \$100,000**

In support of Ft. Eustis, Ft. Monroe, Ft. Story, Langley Air Force Base, NAS Oceana, Norfolk Naval Shipyard, Little Creek Amphibious Base, Norfolk Naval Base, Naval Weapons Station (Yorktown)

Crater Planning District Commission - \$100,000

In support of Ft. Lee, Ft. Pickett, Defense General Supply Center of Richmond

Fredericksburg Regional Chamber of Commerce - \$100,000

In support of Ft. A. P. Hill, Marine Corps Base – Quantico, Naval District Washington – West Area – Dahlgren

Accomack-Norhampton Planning District Commission - \$10,000

In support of U. S. Navy Surface Combat Systems Center at Wallops Island

“Virginia remains keenly attentive to discussions surrounding the BRAC 2005 process. I have appointed the Virginia Commission on Military Bases to assist us with synthesizing data to help accurately inform the Department of Defense as it undertakes this important and complex task,” said Governor Warner in a recent letter to U.S. Secretary of Defense Donald Rumsfeld in response to the release of draft selection criteria to be used in the process.

Grant funds will be used to perform independent evaluations; support and monitor data collection, evaluation, and deliberative stages; identify receivership/expansion opportunities during the process; study the economic impact of installations on the regional economies; and inform and educate the public of the enormous contribution military spending and personnel make to the regional and state economies.

The BRAC process is well underway and will continue over the next 18 months. Through well-organized efforts at the regional and state levels, Virginia is poised to operate on a proactive basis during the BRAC process. With the Department of Defense goal to reduce defense infrastructure by 25 percent during the BRAC 2005 round, no installation will be exempt from the evaluation process. The grant funds are a major boost to efforts geared toward amplifying the message of Virginia's military communities.

The potential economic impact of federal decisions to be made within the BRAC 2005 process is enormous, and the competitive environment among the states is fierce. Well-executed regional efforts, strong communication with Virginia's Congressional delegation, and the coordinating leadership of VCOMB represent a strong collaborative approach to Virginia's effort to advocate for the state's military interests. ■



VCOMB Commission
Gen. John Abrams (ret)(right)
meets with Airfield Commander
Gregory Reese during a tour of
Ft. Eustis on February 9, 2004.

Mark Your Calendar for the Next VEDP/Ally Meeting

The third VEDP/Ally Meeting is scheduled for Thursday, May 20 at the headquarters of Philip Morris USA in Henrico County. Held twice a year, the meeting connects state, regional and local economic development representatives for an update on the Commonwealth's business recruitment and international trade efforts.

The VEDP/Ally Meeting is programmed specifically for Virginia's senior local and regional economic development practitioners as an update on issues at the state level. For questions about the event, contact Vince Barnett at (804) 371-8265.

To view the presentations from the November 20, 2003 VEDP/Ally Meeting visit the "Economic Development Resources" section of VEDP's Ally Information Exchange: www.VirginiaAllies.org.



Quarterly Calendar

Date	Contact	Event
April 5-9	SK	International Trade Mission to Canada
April 19-23	CR	Canada Marketing Mission
April 19-23	CR	New Jersey Marketing Mission
April 12-21	SK	International Trade Mission to Korea & Japan
April 26-30	SK	International Trade Mission to Mexico
May 2-4	JB	National Association for the Specialty Food Trade (NASFT) Fancy Foods
May 3-7	SK	International Trade Mission to Germany & Austria
May 4-6	JB	Software and Information Industry Association (SIIA) Annual Conference – San Francisco, CA
May 10-14	SK	International Trade Mission to Poland & Romania
May 15-19	JB	CoreNet Global – Chicago, IL
May 16-19	JB	Warehouse Education Research Council – Atlanta, GA
May 20	VB	VEDP/Ally Meeting – Richmond
May 24-28	CR	United Kingdom Marketing Mission
June 5-18	RR	International Trade Mission to China, Korea & Japan
June 6-9	KM	BIO 2004 – San Francisco, CA
June 13-16	SK	Caribbean Hospitality Industry Conference (CHIC) Puerto Rico
June 21-25	CR	Maryland Marketing Mission
June 22-24	JB	Supercomm 2004 – Chicago, IL

VB	Vince Barnett	VEDP	(804) 371-8265
JB	Jerry Broadway	VEDP	(804) 371-8194
SK	Scott Kennedy	VEDP	(804) 371-0052
KM	Kevin Miller	VEDP	(804) 371-0372
RR	Rick Richardson	VEDP	(804) 371-8259
CR	Chuck Rogers	VEDP	(804) 371-8189

Cover story *continued from page 1*

Through a multi-million dollar investment in real estate and equipment, the new facility is expected to create more than 700 new jobs over the next seven years. Virginia successfully competed with neighboring states for the project.

"Expanding our production of high-quality, semi-custom cabinetry into Virginia offers the opportunity to better serve customers in fast-growing markets throughout the Northeast. Henry County has a great workforce and we look forward to becoming part of the community," said Rich Forbes, President of MasterBrand Cabinets.

Based in Jasper, Indiana, MasterBrand Cabinets' brands include: Aristokraft, Schrock, Diamond, Kemper, Decora, Omega, Dynasty, HomeCrest and Kitchen Craft. ■



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CQ DID YOU KNOW?

Commonwealth's Business Schools Among World's Best

Three of the top business schools in the world are right here in Virginia, according to the *Financial Times* of England's global MBA rankings for 2004. The University of Virginia's Darden School ranks #19, The College of William & Mary is #49 and Virginia Tech's Pamplin College of Business is #63. The rankings can be found online at <http://news.ft.com/management/mba>.

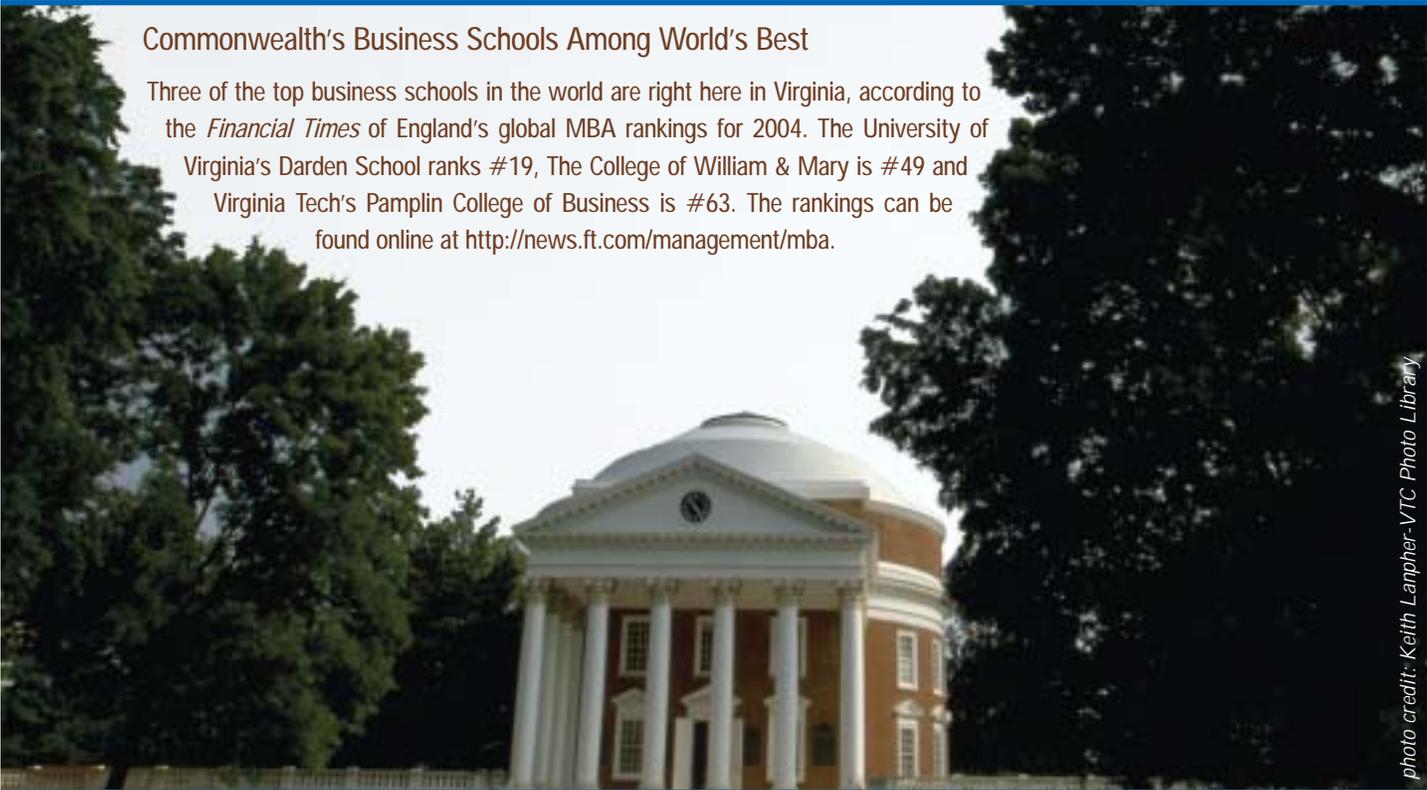


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