

**Governor Joe Manchin's
Open for Business Report
August 2, 2006 Edition**



The August 2006 report reflects progress in the state's economic development efforts during the past month, with projects and related announcements that will assist with the creation of as many as 800 new jobs and the preservation of a significant number of existing jobs.

- **Business booming at Beckley airport park**
More and more businesses are growing or relocating to Beckley's Raleigh County Memorial Airport industrial park, according to airport officials. W.C. Hydraulics is expanding its workforce of 40 and recently moved from a 15,000-square foot facility to a 55,000-square-foot operation at the airport. Three major out-of-state companies moved into the airport park and a family services center soon will be on-site for employees who work there.
- **Martinsburg aircraft company continues to add jobs**
Payroll at Texas-based Sino Swearingen Aircraft Corp.'s Martinsburg facility rose to 260 employees by early July, an increase of nearly 40 percent. That's on track with the company's plan to employ 400 by the end of next year. Sino recently announced an expansion of its production facility in San Antonio, which should increase need for more workers in Martinsburg.
- **West Virginia displays its aerospace pedigree at U.K. airshow**
Officials from the West Virginia Development Office, the West Virginia High Technology Consortium Foundation and the Mid-Atlantic Aerospace Complex sponsored an exhibit at the Farnborough International Airshow in England on July 17-23. The exhibit showcased West Virginia as a lucrative location for aerospace-related industry and promoted the products of five participating West Virginia companies: Azimuth, FMW Composite Systems, Innovative Response Technologies, FCX Systems, and PowerSonix. More than 1,480 companies from 35 countries exhibited at Farnborough, one of the world's largest aerospace events.
- **Local, state development officials learn how to attract automakers**
West Virginia Development Office joined local economic development representatives from the Charleston Area Alliance, Corridor G Regional Development Authority, HADCO, Lincoln Economic Development Authority and the Putnam County Development Authority at the Southern Economic Development Council (SEDC) Automotive/Logistics Seminar July 24-26, 2006 in Louisville, Ky. Attendees said they learned more about the growth of automotive supplier and distribution/logistics sectors and explored successful marketing strategies of southern states. Speakers included experts from leading site selection firms and industry representatives from world-class automotive manufacturers and suppliers.

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- **State provides \$41 million for modern water and sewer service**
The state Infrastructure and Jobs Development Council in July provided more than \$41 million for 26 public water and sewer service projects across the state. The West Virginia Legislature this year added an extra \$14 million to the infrastructure council's budget. The council has distributed more than \$2.5 billion for 600 public works projects and 100 economic development projects since 1994.
- **State closes fiscal year the strongest since 1970s, without tax increases**
West Virginia closed its fiscal year June 30 with about \$300 million more in general revenue than expected and did not rely on tax increases to do such. Most of the remaining surplus goes toward state retirement programs, which for years have been underfunded. With this year's boost, Gov. Joe Manchin and lawmakers will have put an extra \$900 million into the pension funds since 2005. Manchin said the revenue boost is further proof that West Virginia's business climate is changing.
- **State Small Business Development Center helps 100-plus clients in July**
The West Virginia Small Business Development Center (SDBC) provided more than 2,700 hours of counseling to 112 clients last month, helping to create or retain 77 jobs. The SDBC has provided more than 10,000 hours of counseling to 1,600 clients since last October, helping to create or retain almost 900 jobs. SDBC staff trained 133 people at 20 events in July and trained more than 3,000 people this fiscal year. Out of eight loans totaling nearly \$1.8 million approved in June, three were Small Business Administration loans totaling nearly \$420,000. Out of 143 loans totaling \$24.5 million approved year-to-date, 69 are SBA loans totaling \$11.8 million. New customer satisfaction was 100 percent in July and for the year.
- **Greenbrier 'bunker' literally open for business and tourism**
White Sulphur Springs' five-diamond Greenbrier Resort in July reopened the Cold War-era congressional relocation "bunker" to hotel guest tours after a two-year renovation that converted former emergency dormitories to high-security data and document storage "white space" for lease to corporations. The concrete-walled, blast door-equipped underground compound is ideal for secure data storage and seven companies are on the waiting list for the sold-out space.
- **New River Gorge Bridge named among country's top 10 structures**
Roads and Bridges magazine named West Virginia's New River Gorge Bridge one of its 10 Top All-Time Bridges, "a look at some of the most-heralded monuments to design, engineering and construction technique ever built." The U.S. 19 masterpiece was listed among heavyweights such as the Brooklyn Bridge and the Golden Gate Bridge.

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- **New shell building at Wayne County industrial park to bring 50 new jobs**

The Infrastructure and Jobs Development Council (IJDC) approved an economic development loan of up to \$660,000, with West Virginia Economic Development Authority funding of \$682,000 and private financing of \$560,000, to build a 40,000-square-foot shell building at Wayne County's Prichard Industrial Park. The project will allow for the creation of 50 new jobs in steel fabrication and distribution, with projections to expand the shell building and increase employees within three years.

The IJDC also approved a \$55,000 loan to the Wyoming County Economic Development Authority to fund the Intermediary Relending Program, which makes West Virginia more competitive in securing federal USDA-RD funds for small businesses.

- **West Virginia showcases its specialty food makers at New York show**

The West Virginia Development Office joined the West Virginia Department of Agriculture and West Virginia State University to sponsor a West Virginia Pavilion at the 52nd Summer Fancy Food Show in New York. Seven companies from across the state exhibited and provided samples of their products for the show, which attracted 24,000 attendees and 2,200 exhibitors.

- **Corridor H construction clears another hurdle with \$50 million contract**

West Virginia awarded the second-largest highways contract in the history of the state Division of Highways – a five-mile segment of Corridor H in Hardy County. When complete, the four-lane Corridor H will provide quick and easy access to interstate highways in Virginia that connect to metropolitan Washington. The route traverses some of the most dramatic and beautiful scenery in the East and was made possible through the funding efforts of U.S. Sen. Robert C. Byrd.

- **United Bank declares stockholder dividends for 33rd straight year**

United Bankshares Inc. declared a third-quarter dividend of 27 cents per share, a 4 percent increase over the 26 cents paid out in the same quarter a year ago and the 33rd consecutive year of dividend increases. United is the largest bank holding company headquartered in West Virginia.

- **Developer gets go-ahead for 1,600-home development in Eastern Panhandle**

The Berkeley County Planning Commission approved the first phase of The Villages at Rolling Hills, a 1,600-home subdivision on 361 acres that likely will be the largest such development in the county. The developer plans to donate 20 acres within the project for a high school, five acres for an emergency services station and a community center with tennis courts.

- **Five state projects among top 100 investments in the South this year**

Five West Virginia projects were among the largest corporate investments in the South, according to Southern Business & Development magazine's annual ranking of the top 100 corporate job and investment announcements. AEP's \$1 billion investment in its John Amos plant in Putnam County was fifth on the list. Other investments by International Coal, Mountain State Carbon, Toyota and BPB NA will total an additional \$580 million and create 900 jobs in West Virginia.

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- **United Hospital Center breaks ground on \$278 million Bridgeport facility**
Gov. Joe Manchin joined officials from United Hospital Center to break ground on a 289-bed, \$278 million hospital in Bridgeport, which is expected to open in fall 2009. The nearly 700,000-square-foot hospital will be more than a third larger than the current Clarksburg hospital and create nearly 600 construction jobs.

- **Construction set to begin on Mineral County hospital**
Construction is set to begin on the new Potomac Valley Hospital in Keyser after officials broke ground for the 48,000-square foot facility that will replace the existing 25-bed hospital built in 1931. The new hospital in Keyser will provide higher levels of care to the community and should be complete within 14 to 18 months.

- **International Coal Group opens its Putnam County headquarters**
West Virginia's eighth-largest coal company moved from a leased building in Ashland, Ky., to a new \$8 million headquarters building just off I-64 in Putnam County near Scott Depot. ICG President and CEO Ben Hatfield said the company moved to West Virginia to be more centralized among its operations, and it plans to expand at the corporate and operations levels.

- **Auto parts maker celebrates expansion and 10 years in West Virginia**
Diamond Electric, which makes automotive ignition coils for Toyota, Chrysler and Ford, celebrated its 10th anniversary in West Virginia and its third major expansion since it opened in 1997. Since it started with five workers, the company has grown from a 30,000-square-foot facility and one automaker customer to nearly 200 employees, three major carmakers and an 112,000-square-foot facility.

- **Huntington one of the country's largest ports**
In its Spring 2006 issue, Southern Business & Development magazine lists Huntington, W.Va., as the sixth-largest U.S. port by cargo volume. The ranking was gleaned from the U.S. Department of Transportation's Bureau of Transportation statistics for the article on southern ports. Huntington is among company such as Houston, New York/New Jersey, New Orleans and Long Beach, Calif.

- **Small Business center launches entrepreneurial training program**
The West Virginia Small Business Development Center (WVSBDC) this month launches a statewide NxLevel training program to help small business owners start, grow and manage their businesses. WVSBDC Director Conley Salyer said the program has proven to increase sales for small businesses that have participated an average of 28 percent. More information is available at www.sbdcwv.org or by calling 1-888-982-7232.

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- **Economic Development Authority approves \$3 million in loans**
 - **FMW Composite Systems** will receive a \$1.5 million loan to purchase a shell building in the Preston County Industrial Park. FMW produces titanium matrix composites (TMC), an engineered material system that uses silicon carbide fiber in a titanium matrix to match the strength and stiffness of steel at half the weight. The Preston County facility will be the manufacturing site for TMC. Current employment: 46; after one year: 55; after three years: 78.
 - **Hughes Supply Co.** will receive a \$400,000 loan to acquire a six-acre Raleigh County site on which a 12,900-square-foot office building and a 4,160-square-foot showroom is situated. Hughes Supply Co. is a manufacturer of electrical and communication products for the mining industry. The company operates out of Morgantown, Beckley and Pax, and this project will consolidate the Beckley and Pax facilities into one location. Current employment: 24; after one year: 28; after three years: 36.
 - **Hammack Enterprises** received final approval of an amended \$720,000 loan application to finance a 48,000-square-foot building on 1.6 acres in Nitro, Putnam County. Hammack acquired the pipe and valve machining and fabricating operation of McJunkin Corp. The original project was the financing of a 36,000-square-foot building. Current employment: 40; after one year: 42; after three years: 47.
 - **S.J. Morse Co.** received preliminary approval for a \$299,475 loan to expand its existing Hampshire County facility by financing a 4,800-square-foot metal building, and to purchase and install new, specialized machinery. S.J. Morse Company incorporated in 1979 and has been at its current location in Capon Bridge since 1987. Current employment: 17; after one year: 19; after three years: 24.