

**Governor Joe Manchin's  
Open for Business Report  
October 5, 2006 Edition**



The October 2006 report highlights projects and related announcements that will assist with the creation of as many as 400 new jobs and the preservation of a significant number of existing jobs.

- **Ukrainian company opens its first U.S. operation in West Virginia**  
Felman Production Inc. announced that it soon would start production at its New Haven, W.Va., ferroalloys plant, its first U.S. operation. The company purchased and restored the furnaces and structure of the former Highlander Alloys plant in Mason County, which had been out of production since a fire last October severely damaged the facility. Felman bought the assets from Highlander and since has employed 135 in rebuilding the plant. Felman is a subdivision of the Group Privat from Dnepropetrovsk, Ukraine, which also owns the largest commercial bank in that country, as well as active plants in the chemical, metallurgical, food, machinery and oil industries. Felman plans to employ 220 at the New Haven plant by the end of 2007.
- **West Virginia companies start Minority Business Council**  
More than 75 entrepreneurs and business leaders from across West Virginia joined Gov. Manchin on Sept. 27 in Charleston to announce the formation of West Virginia's Minority Business Council. The council will connect minority-owned businesses that supply quality goods and services with corporations and public sector entities that need those services. These goods and services could range from manufactured parts to landscaping services. The council will work with the Kentuckiana Minority Business Council, which will change its name to reflect its affiliation with West Virginia and place a full-time employee in West Virginia to represent and promote its activities. The Development Office will provide office space.
- **Gov. Manchin, company officials celebrate opening of state-of-the-art testing laboratory**  
Gov. Joe Manchin on Sept. 27 joined officials from North American SGS to cut the ribbon on the company's renovated testing laboratory in Sophia, Raleigh County. The SGS facility is a full-service laboratory that serves major mining, transportation and consumption areas globally. The 30,000-square-foot facility employs about 175 and has been recognized as a global "Center of Excellence" for metallurgical coal analysis. Employees at the Sophia lab analyze samples from around the world. SGS is an international company with 46,000 employees worldwide.
- **More doctors staying in West Virginia thanks to medical malpractice reform**  
Medical malpractice reforms passed by the Legislature in 2003 are helping to keep more physicians in the state after they graduate, said West Virginia University Health Science Vice President Dr. Robert D'Allesandri. In 2005, 52 medical school graduates stayed in West Virginia, compared with 18 in 2002, he said, and it's now easier for doctors to obtain malpractice insurance at lower rates. The legislation also has helped to reduce frivolous lawsuits, which is helping to recruit doctors to the state's hospitals, he said.

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- **Fitch Ratings gives West Virginia solid bond rating**

Fitch Ratings of New York, a leading global rating agency that provides credit opinions about companies and investments to potential investors, in late September assigned an "AA-" rating to West Virginia's series 2006 infrastructure general obligation bonds, saying the rating outlook is stable for the state. The high rating comes in response to the state's 2005 and 2006 fiscal years, which were some of the most successful in recent history. Fitch cited a generally growing economy, as well as the state's positive fiscal and management practices, including the governor's power to cut spending and aggressive efforts to reduce unfunded pension liabilities.

- **Mercer County machinery company expanding**

Tabor Machinery of Princeton, W.Va., says it will create 20 to 30 new jobs in the next five years after it moves just outside Princeton into an industrial complex it recently purchased. The 46-year-old company, which currently employs 50, makes equipment for the mining and extractive industries. It is investing in new buildings and equipment to grow in markets in the United States and overseas, said company President Bryan Walker. "We've had overtures from many states to move, but we feel one of the biggest assets Tabor Machinery has is its employees," he said. The company should be fully established in its new quarters by late November. The move was made possible through negotiations with the state development authority and the Mercer County Development Authority.

- **Eastern Panhandle resort to become new housing and business area**

Officials with Coolfont Resort near Berkeley Springs in West Virginia's Eastern Panhandle expect to break ground in late-2007 or early-2008 on a new master plan for the resort that calls for 1,100 homes, a new spa and recreation facilities, and a business area to be built in the next 10 to 12 years. The Freeman Companies, the resort owners, plan to build a variety of homes, townhouses and condominiums ranging from \$250,000 to \$800,000, as well as three community centers, a nature center, amphitheater, equestrian center, walking trails and a lakefront park.

- **Baby boomers snapping up Monroe County 'forested community' lots**

Mountain America LLC is completing road work for and has sold 54 out of 99 individual home sites on the "Walnut Springs Mountain Reserve," a planned forest community near Union in Monroe County, W.Va. The company is marketing the property, which overlooks the Washington and Jefferson national forests where the Blue Ridge and Allegheny Mountains come together, to baby boomers from Washington, Chicago, New York, Virginia, Maryland, North Carolina and California. CEO Jonathan Halperin said the community's 60-mile views and privacy are complemented by the area's charming towns, historical sites, golf and ski resorts, outdoor activities, cultural events, performance venues, fine cuisine and shopping. Halperin said covenants and restrictions will ensure all residents have a natural viewshed and development will be environmentally friendly.

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- **West Virginia Small Business Development Center reps keep pace with national trends**  
Representatives from West Virginia's Small Business Development Center (WVSBDC) in September joined more than 1,000 trainers, managers and administrative personnel at America's Small Business Development Center (ASBDC) 26th Annual Conference. WVSBDC staff members learned the latest trends, and honed their skills at professional development workshops and roundtable discussions that covered critical small business issues. ASBDC is the national association recognized by the federal government as the representative of America's Small Business Development Centers Network. The Small Business Development Center program is the most comprehensive small business assistance network in the nation. The WVSBDC is an accredited member of the ASBDC Network ([www.asbdc-us.org](http://www.asbdc-us.org)).
- **Growing scrubber stack at Putnam power plant adding jobs, slashing emissions**  
The first of three new scrubber smokestacks is rapidly approaching its 900-foot height at the John E. Amos power plant in Putnam County, W.Va. The \$1 billion project will install scrubbers at all three coal-fired power generating units at the Amos plant, employing as many as 1,800 trade workers and adding 85 full-time employees. The scrubber technology, which is expected to be operational by early 2008, will reduce sulfur dioxide emissions at American Electric Power's largest generating plant by as much as 98 percent, AEP officials said.
- **Three-state, federal government and private industry project to maximize railway efficiency**  
Ohio, West Virginia, Virginia and Norfolk Southern Railway Co., and the Federal Highway Administration (FHWA) in September joined in an agreement that governs the release of \$95 million in federal funding for the Heartland Corridor rail double-stack clearance project. The Heartland Corridor public-private project will enable double-stacked international maritime and domestic containers to be transported by rail between Hampton Roads, Va., and locations in the Midwest by raising tunnel clearances and modifying other overhead obstructions in western Virginia and West Virginia to Columbus, Ohio. The project will expand capacity, improve service consistency and reduce waiting times for intermodal traffic between the mid-Atlantic and the Midwest. This agreement allows engineering and environmental studies to be completed, with clearance construction expected to be finished by the end of 2009. "The expanded rail capacity and improved transit times . . . will stimulate economic growth throughout the region and enhance the nation's ability to compete for international trade," said Norfolk Southern CEO Wick Moorman.
- **Morgantown company lands U.S. Navy contract to develop robotic vehicle sensors**  
Augusta Systems of Morgantown, W.Va., has received a \$2.4 million contract to assist the U.S. Naval Air Systems Command with development and management of small robotic vehicle sensor systems, and a \$750,000 contract with the U.S. Army to develop advanced power control systems for robotic vehicles. Augusta's products provide sensor-driven control mechanisms for the vehicles' power control systems, and technology that enhances the intelligence, surveillance and reconnaissance of unmanned systems.

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- **Wirt County manufacturer to double its workforce to make anti-gravity suits**  
Mustang Survival of Elizabeth, W.Va., plans to double its workforce of 45 by the end of this year after receiving a federal contract to make anti-gravity suits for U.S. Navy and Air Force pilots. The suits inflate when pilots are subjected to strong G-forces during flight, allowing blood to continue flowing to the brain so the pilots don't black out. The company also is expanding its production of inflatable life vests. The Wirt County plant is the only U.S. manufacturing facility for Mustang Survival, which is headquartered in British Columbia, Canada. Plant manager Greg Stover said the anti-gravity suits are stitched by hand and the work is labor intensive. He said Sens. Robert C. Byrd and Jay Rockefeller, and Rep. Shelley Moore Capito, helped the company secure the federal contract.
- **Small Business Development Center helps 138 clients in September**  
The West Virginia Small Business Development Center offered 663 hours of counseling and training to 138 clients in September, helping to create or retain 158 jobs. To date this fiscal year, the SBDC provided 11,823 hours of counseling to 1,907 clients and created or retained 1,144 jobs. At 29 events in September, the SBDC trained 453 people; year-to-date, the agency held 290 events and trained 3,752 people. Out of 13 loans totaling \$963,900 approved in September, eight were Small Business Administration loans totaling \$855,900. Out of 161 loans totaling \$26,349,059 approved year-to-date, 80 were SBA loans totaling \$13,515,793. New customer satisfaction was 100 percent in September and for the year.
- **Mercer County sees continued growth in manufacturing and retail**  
Mercer County Development Authority officials are seeing growth in manufacturing and retail activity, including the sale and occupation of previously available commercial property. Gemark, which recovers metals used in photography material, recently bought a 54,000-square-foot building in the Cumberland Industrial Park, which could lead to 30 new jobs, according to Janet Bailey, executive director of the authority. She said Bluefield Gear recently bought the former EIMCO building near Bluefield and Tabor Machines purchased the former MJ Electric building, totaling nearly \$2 million in additional investment. Additional retail outlets include a new Lowe's that is under construction and a number of restaurants that are working to locate in the county, she said.
- **Economic Development Authority approves \$1.46 million in loans**
  - **Fox Lumber Co.** of Mill Creek, W.Va., received preliminary approval on an \$800,000 loan to expand and modernize its existing sawmill in Randolph County. The four-acre sawmill, which produces hardwood lumber for the furniture, cabinetry, millwork and flooring industries has been operational since 1988. The expansion is expected to add 19 jobs within a year.
  - **Skyline Properties** of Strasburg, Va., received preliminary approval for a \$660,976 loan to buy 4.5 acres of land and a 50,000-square-foot facility at the Wardensville Industrial Park in Hardy County, W.Va. Skyline will lease the property to Carper's Wood Creations, a manufacturer of kitchen cabinet accessories and distributor of kitchen cabinet displays for other manufacturers. The West Virginia facility will replace a leased facility in Woodstock, Va., and create 18 new jobs within three years.

*Note: These loans do not include those EDA loans that received final approval in September. Those loans were listed in previous Open for Business reports as receiving preliminary approval.*

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