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Virginia Commerce Quarterly

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Virginia makes Business History

No other state has held the Forbes.com “Best State for Business” title for four straight years, and no other state has achieved top business rankings by three major business organizations at one time.

Until now.

(Story continued on page 3)



Virginia has experienced a good year for economic development performance in a relatively difficult market. During fiscal 2009 Virginia attracted more than 18,000 new jobs and \$4.72 billion in investment. The Commonwealth also garnered national and international attention this summer for its pro-business climate, including the fourth consecutive Forbes.com "Best State for Business" title, CNBC's "Top State for Business" and Pollina Corporate Real Estate's "No. 1 Pro-Business State" title.

But there's no better win than new jobs and capital investment for Virginia's communities. Highlighted in this issue is Science Applications International Corporation's (SAIC) investment of \$25 million to move its corporate

headquarters from San Diego to the company's campus in McLean. The project will add 1,200 new jobs to SAIC's current base of about 17,500 employees in the metro Washington, D.C. area.

Frederick County also saw success with Quebecor World's \$35.2 million expansion, which retains 150 jobs in Virginia and creates an additional 30 jobs, as well as a \$3 million investment and 120 new jobs as a result of Monogram Food Solutions' purchase of the meat snacks division of American Foods Group in Martinsville. Southwest Virginia celebrated a significant jobs gain with the creation of 100 new jobs thanks to CGI's expansion in Russell County, and the creation of 70 new jobs and retention of 174 positions in Washington County as a result of Columbus McKinnon's \$5 million investment in its Damascus Hoist Division operations.

Job retention is as crucial to Virginia's economic success as jobs gained, especially in the current economic climate. We hope you will take a moment to read about Tru Tech, an Ontario-based door manufacturer that recently assisted the Fredericksburg region's efforts to keep Virginians employed. Also, take time to learn more about VEDP's partnership with ExecutivePulse to assist communities with their business expansion and retention efforts.

VEDP's recruitment efforts in 2010 will focus on three primary markets. After taking a hard look at Virginia's assets, we have identified three markets where Virginia is positioned to compete both nationally and internationally. Based on existing customers and their supply chain, workforce, physical assets, incentive and capital attraction mechanisms and alignment of research and development activities, VEDP has identified advanced manufacturing, energy and information technology as Virginia's target markets. We will develop targeted marketing plans within each of these markets to position Virginia both nationally and internationally, specifically working with our corporate partners and leading universities to enhance our leading-edge assets to be competitive in attracting additional capital and jobs to Virginia. As we move forward we hope to have the assets and programs in place to position Virginia in other markets such as biotechnology and pharmaceuticals.

As we continue to refine Virginia's assets and message we need to ensure we are even more creative in how we get our message to the market. As I'm sure everyone has read, due to the recent economic downturn additional budget cuts were required and VEDP was not spared from this process. Our budget has been cut an additional 10 percent—or \$1.5 million for fiscal 2010. Many of the cuts will have to be taken from Virginia's international and domestic marketing outreach programs. We will have to continue to do more with less in 2010. But, as we close out this year, Virginia can look back on 2009 and stand proud for significant accomplishments in a challenging marketplace. As we look forward to 2010, Virginia has a great story to tell regarding our business climate, return on investment of our programs and the success of companies operating here in the Commonwealth. Our challenge is to focus on the markets in which we believe we have the assets and programs in place to be competitive globally. We will deliver that message in the most cost effective manner, collaborating with our corporate partners, universities and allies.

Sincerely,

Jeffrey M. Anderson

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Executive Director:

Jeffrey M. Anderson
Virginia Economic Development
Partnership

Editor: Christie Miller

Designer: Bill Crabtree

Contributors: Jeffrey M. Anderson,
Jenee Andreev, Vince Barnett,
Katherine Cazell, Paul Grossman,
Dan Kegley, Scott Kennedy,
Michael MacNeilly, Judy McClenny,
Carol Meredith, Sally Morgan,
Terri Noll, Liz Povar, Rick Richardson,
Chuck Rogers, Russell Seymour,
Brent Sheffler, Stephanie Tignor,
Patrick Tremblay, Suzanne West,
Michaele White

Write to Commerce Quarterly
Virginia Economic Development
Partnership
P.O. Box 798
901 East Byrd Street
Richmond, VA 23218-0798
(804) 545-5600

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“With our low corporate tax rate, highly-skilled workforce, and great quality of life, it’s no wonder Virginia consistently attracts some of the world’s most innovative and corporate leaders to our borders,” said Virginia Governor Tim Kaine. “In these tough economic times in particular, this recognition is an incredible affirmation that Virginia has what it takes to compete in the national and global arenas.”

During this recession, Virginia is “booming” compared with the rest of America, Forbes.com reported. The Commonwealth’s 6.5 percent unemployment rate is fifth lowest in the country, and Virginia was the only state ranked in the top 20 in each of the six broad categories Forbes.com examined. Virginia finished in the top three in the labor supply, regulatory environment and quality of life categories. Washington was ranked second by Forbes.com, followed by Utah, Colorado, and North Carolina. Georgia, North Dakota, Texas, Nebraska and Oregon rounded out the top ten list.

Forbes.com also attributed Virginia’s leadership to the Commonwealth’s “smart” incentives. The Forbes report looks to Pollina Corporate Real Estate’s annual study for incentives information and found that Virginia made headlines in June with Pollina’s “No. 1 Pro-Business State” ranking.

“Virginia’s economic development department truly understands what global competition is all about,” says Brent Pollina, who authored the study.

The top U.S. corporate site relocation expert’s annual study, titled Pollina Corporate Top 10 Pro-Business States for 2009: Rebuilding Americans’ Economic Power, examined job retention and creation by all 50 states and the federal government. Other states rounding out the top five were Utah, North Carolina, Wyoming and South Carolina. Virginia also held the top spot in the Pollina study in 2003 and 2007. The Commonwealth ranked second from 2004 to 2006 and third in 2008.

One month after Pollina released its study, CNBC named Virginia its “Top State for Business”. This best-in-the-nation ranking was based on a wide range of factors, from workforce quality to broadband infrastructure, and reaffirms that “Virginia has what it takes to emerge from an economy turned upside down.” Virginia received CNBC’s top ranking in 2007 and was ranked second in 2008. Texas, last year’s leader, was ranked second, followed by Colorado, Iowa and Utah. ■

Pro-Business Climate Attracts SAIC Headquarters to Virginia

Good news is hard to keep under wraps, and headlines projecting the news had popped up on both coasts. Despite the leak, hundreds of legislators, business leaders, local representatives and economic development officials gathered in McLean in September to officially learn that SAIC is moving its corporate headquarters from San Diego, California, to the company's McLean campus in Fairfax County.

The scientific, engineering, and technology applications company plans to invest \$25 million as part of the relocation and is expected to create 1,200 new jobs over the next three years, adding to its current base of approximately 17,500 employees in the metropolitan Washington, D.C. area. As the fourth largest employer in the metropolitan Washington, D.C. area, moving its corporate headquarters to the region will only intensify the company's presence in the Commonwealth.

"Virginia's favorable business environment, highly skilled workforce and attractive quality of life combine to make this an ideal location for our corporate headquarters," said Walt Havenstein, SAIC chief executive officer. "We commend Governor Kaine and his team across the state for creating an environment that is very supportive of business." ■



Governor Kaine presents the Governor's Opportunity Fund mock check to Fairfax County Board of Supervisors Vice Chair Penny Gross.

Governor Kaine is greeted by SAIC CEO Walt Havenstein.

Digital Realty Trust Breaks Ground in Loudoun County

Digital Realty Trust recently broke ground on its new datacenter facility in Loudoun County. In March the company announced the acquisition, which brings Digital Realty Trust to six properties totaling approximately 770,000 square feet in Northern Virginia. This project, when fully built out, will be 400,000 square feet, an investment of up to approximately \$1 billion and will create 50 new jobs.

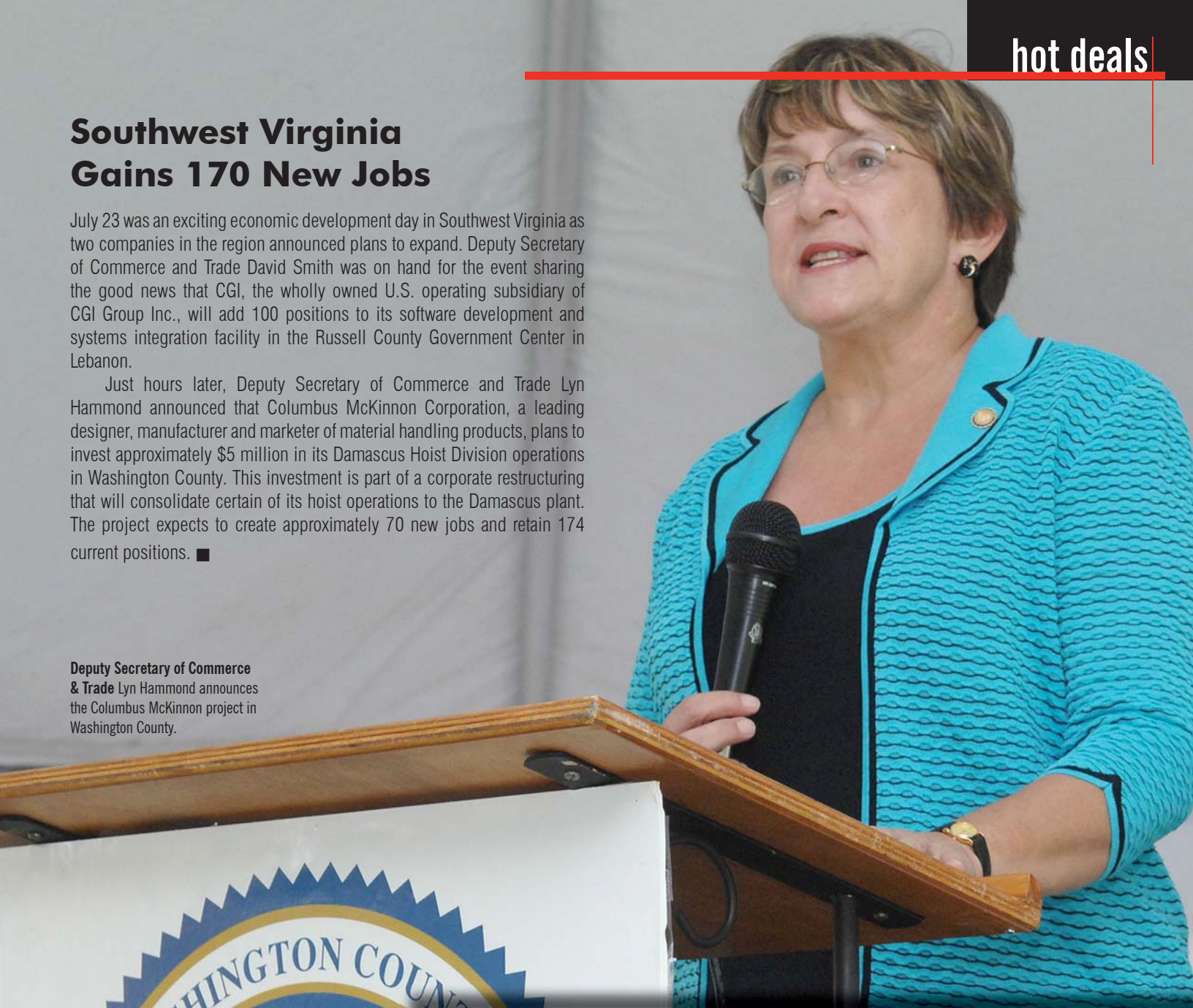
Digital Realty Trust, Inc. owns, acquires, repositions and manages technology-related real estate. Digital Realty Trust's 63 properties contain applications and operations critical to the day-to-day operations of technology industry tenants and corporate enterprise data center tenants. Comprising approximately 12.0 million rentable square feet, including 1.9 million square feet of space held for redevelopment, Digital Realty Trust's portfolio is located in 25 markets throughout North America and Europe. ■

Southwest Virginia Gains 170 New Jobs

July 23 was an exciting economic development day in Southwest Virginia as two companies in the region announced plans to expand. Deputy Secretary of Commerce and Trade David Smith was on hand for the event sharing the good news that CGI, the wholly owned U.S. operating subsidiary of CGI Group Inc., will add 100 positions to its software development and systems integration facility in the Russell County Government Center in Lebanon.

Just hours later, Deputy Secretary of Commerce and Trade Lyn Hammond announced that Columbus McKinnon Corporation, a leading designer, manufacturer and marketer of material handling products, plans to invest approximately \$5 million in its Damascus Hoist Division operations in Washington County. This investment is part of a corporate restructuring that will consolidate certain of its hoist operations to the Damascus plant. The project expects to create approximately 70 new jobs and retain 174 current positions. ■

**Deputy Secretary of Commerce
& Trade Lyn Hammond** announces
the Columbus McKinnon project in
Washington County.



Donna Ryan, Senior Vice President of CGI, receives a warm welcome as she accepts a contribution made by the Virginia Coalfield Economic Development Authority.

CSC Celebrates 50 Year Anniversary at Headquarters in Falls Church

The headquarters of IT company CSC in Falls Church served as the location to celebrate 50 years in business. A Fortune 200 company with 92,000 employees in 80 countries worldwide, CSC is one of the world's largest and most respected providers of information technology services. As a leading global consulting, systems integration and outsourcing company, the company's mission is to provide customers in industry and government with solutions crafted to meet their strategic goals and enable them to profit from the advanced use of technology.

As part of the milestone celebration CSC announced a partnership with the American Red Cross to host a series of blood drives to engage employees and build a culture of blood donors within the CSC employee base. ■



Governor Kaine congratulates Dr. Robert Wah, Chief Medical Officer, Public Sector, CSC, on CSC's announced blood drive program while Mike Laphen (left) Chairman, President and Chief Executive Officer of CSC, and Jim Sheaffer (center), President, North American Public Sector, CSC, look on.

Newport News Goes Athletic With Its Economic Development Efforts

The Atlantic-10 Conference is moving its headquarters from Philadelphia to Newport News. The announcement was made during an event Aug. 13 at the Marriott at City Center.

In addition to the national media exposure on major news networks such as ESPN and CBS, the Atlantic-10 Conference will attract institution presidents, athletic directors and coaches, and sporting events to the City.

The Atlantic-10 Conference represents a diverse group of member institutions, including the University of Dayton, The George Washington University, University of North Carolina at Charlotte, and the University of Richmond. The conference represents eight states, the District of Columbia and 21 different sports. ■



Atlantic 10 Commissioner Bernadette McGlade and Deputy Secretary David Smith hold up the Virginia flag presented during the announcement as Newport News Mayor Joe Frank looks on.



Safco Opens in Isle of Wight

(From left) Dan Zdon, Vice President of Liberty Diversified Industries and General Manager of Safco Products Company; Mike Fiterman, President of Liberty Diversified Industries; and James B. Brown, Jr., Chairman of the Isle of Wight County Board of Supervisors, cut the ribbon in July on Safco's new facility.



Hilton Made Official in Fairfax

Hilton held an office warming event in September to celebrate the company's new Fairfax County headquarters facility, which announced in February. Hilton President and CEO Chris Nassetta addressed the crowd at the event, and unveiled the company's new Hilton Worldwide brand. ■



American Food Groups Division in Martinsville Purchased

Monogram Food Solutions, LLC, a Memphis-based manufacturer of value-added processed meals, will purchase the meat snack business of American Foods Group, LLC, which includes the Martinsville production facility, and the rights to the Bull's, Hannah's, O'Brien's and Dakota brand names. Monogram will invest \$3 million to expand production capacity, retaining all current positions at the American Foods Group production facility and creating 120 jobs.

Founded in 2004, Monogram Meat Snacks, a division of Monogram Food Solutions, is one of the nation's largest manufacturers of quality meat snacks, including jerky, meat and cheese snacks, kippered beef sticks and pickled sausages. Monogram's meat products, all made in the U.S., include King Cotton, Circle B, Jeff Foxworthy Jerky, Bass Pro Shop's Uncle Buck's Licensed Products, Trail's Best Meat Snacks, Pete's Pride Meats and the Intimidator/NASCAR Jerky and Steak Strips. Monogram also operates facilities in Tennessee, Minnesota, and Indiana. ■

Monogram
snacks
martinsville

Hot Deals continued on page 11

Leesburg Honored for Information-Sharing Efforts

The Town of Leesburg recently received the Excellence in Economic Development Research Award for its monthly Development Activity Report and related "Development News" Web page from the Council for Community and Economic Research (C2ER), a membership organization of economic development researchers.

The report details major commercial land development and public infrastructure applications, and provides updates on status until the project is completed. Distributed internally to senior staff involved in the process and local governing boards, the report is also posted on the "Development News" page of the Town's Web site for public download. The Web page also features maps, photos, information about major road improvements and information about new and upcoming businesses.



the hometown of the 21st century

The C2ER awards program recognizes the contribution of research activities to the success of economic development initiatives. The projects were judged on their contribution to the economic development research field, innovation, implementation of collaborative efforts, responsiveness to customer needs and benefits resulting from project implementation. ■

Roanoke County Leads as Top Digital County

According to an annual study by the Center for Digital Government and the National Association of Counties, Roanoke County provides "exemplary digital service to their customers," landing it the top digital ranking in the 150,000 to 249,999 population group.

Availability of online tax payments, park reservations and supervisors' agendas, as well as digital technology for public safety and county management have garnered the county recognition for six years in a row. Roanoke County took the lead four of the six years. The other two years, including 2008, it placed second.

Given that cities are part of a larger county across most of the country, Roanoke County, with an actual population of more than 90,000, competed against much larger localities because Roanoke City's population is included in the calculation for the study. ■

Loudoun: Where the Jobs Are

Need a job?

According to *Money Magazine*, an ideal place for job seekers to look for employment is Loudoun County, which placed fourth among 25 U.S. counties that have experienced the most job growth over the last eight years. Among its attributes, including the County's close proximity to D.C., Loudoun's most popular destination—Washington Dulles International Airport—has attracted major employers into the region, including Verizon Business, America Online and several defense contractors. ■

Greater Washington Tops Fastest-Growing Companies List

For the 13th consecutive year, the Greater Washington region has the largest number of fastest-growing private companies in America, according to *Inc. Magazine*.

This year, Greater Washington had 48 area companies on the 2009 *Inc.* 500 list, a dozen more than tied-for-second-place Los Angeles and New York. The 48 area companies cross many industries; the top three industries are in government services, IT services, and business services. Other industries represented include: construction, education, health, human resources, manufacturing, real estate, software and telecommunications.

Total revenues for the region's 48 fast-growing firms equal nearly \$1.3 billion and they collectively employ about 4,100 workers. The 2009

GREATER WASHINGTON INITIATIVE

Regional Economic Development

Washington, DC | Maryland | Virginia

Inc. 500/5000 list measures revenue growth from 2005 through 2008. To qualify, companies must be U.S.-based, independent and privately held, and have had at least \$200,000 in revenue in 2005 and \$2 million in 2008. ■

ExecutivePulse Jump-Starts Success in Business Retention

Looking for efficient and effective ways to create revenue for your community and jobs for your residents? Start at home by implementing a professional, consistent business retention and growth strategy. Playing off the phrase “you’re known by the company you keep,” communities are encouraged to start with their existing corporate partners and ensure their repeat business.

Economic development organizations have long realized the value of existing businesses in their communities. Existing businesses are often the leading contributors to a healthy local economy by generating employment opportunities and making capital investments in new equipment and real estate improvements. Existing businesses provide additional value by networking with one another, sharing best practices and exchanging goods and services.

A local-level business retention and growth strategy can strengthen relationships between companies and economic developers and promote a favorable view of local government. Existing business can influence new business growth too—an important marketing tool.

VEDP is working to support communities’ local business retention and expansion (BRE) programs. While VEDP will continue its primary role of marketing the Commonwealth to recruit new business and industry, a powerful corporate citizenship among Virginia’s existing industries

is a key to continued success. Through a partnership with ExecutivePulse, VEDP is making available proprietary software that is an easy-to-use management information system. The software provides a professional framework to effectively manage local existing business retention and expansion (BRE) programs. Communities that leverage this resource can enhance how they communicate with their existing businesses, address current needs, respond to issues raised, monitor trends and strategically plan for the future.

ExecutivePulse users have access to state agency resources and partners that can assist in providing solutions to serve existing business. Users receive a discount rate due to VEDP’s umbrella membership, making the cost per locality affordable.

VEDP’s goal in FY2010 is successful implementation of ExecutivePulse by at least 20 partner communities. In the coming months, VEDP will implement a users group session and provide additional training as needed for other partners. To get involved, or to learn more, contact volunteer coordinator Brent Sheffler (better known as the Team Leader for Advanced Manufacturing) at 804-545-5742 or email bsheffler@yesvirginia.org. ■

Meet a Key ExecutivePulse Partner: VDBA

The Virginia Department of Business Assistance (VDBA) is one of several state, regional and local partners that collectively strengthens Virginia’s ability to serve existing business and industry. VDBA offers two technical assistance programs, one targeted toward the business community and one offered for economic development practitioners.

The “Growing Sales Seminar” for existing businesses helps businesses learn how to work in the procurement system. The Business Retention and Expansion Forum is a best practice advisory group of resource providers and local economic developers that meets regularly and shares examples of successful BRE programs, which are models that can be replicated in other Virginia communities.

VDBA is also well-known for administering the Virginia Jobs Investment Program and the financial products of the Virginia Small Business Financing Authority. The workforce development and capital resources they provide can be effective tools for retention projects. Staff of these divisions are trained on the Executive Pulse system. For more information about VDBA and its business retention services, contact Wayne Waldrop, (804) 371-8228. ■

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Lexington: One of America’s Coolest Small Towns

Sandwiched between Cayucos, California, and Beaux Bridge, Louisiana, in terms of cool points is Lexington, Virginia, according to the October issue of *Budget Travel* magazine. The issue features “America’s Coolest Small Towns.”

Lexington claimed its cool points by having a little bit of everything. Ask *Budget Travel*.

“Every now and then, you stumble upon a town that’s gotten everything right—great coffee, food with character, shop owners with purpose. These 10 spots have it all, in perfectly small doses.”

Labeled, “right out of Norman Rockwell,” the magazine cites five Lexington businesses: Hull’s Drive In, 1868 Magnolia House Inn, P.S. Pumpkinseeds, George and Bob and the Red Hen. According to the magazine, “Lexington is the kind of place where people are invested in making sure history is paid real respect.” ■





Meet Michael MacNeilly

Born, raised and educated in Pennsylvania, VEDP Business Development Manager Michael MacNeilly never predicted he would end up making his home and career in Virginia. After 25 years in the Commonwealth and nearly eight years in VEDP's Security and Services Division, MacNeilly did exactly that.

As a young adult, MacNeilly went into the audiovisual aids and commercial photography business with his father until he was called to serve in the Army in the Vietnam War. Upon return he went to West Chester University on the GI Bill and worked full time. A marriage and three children later, the MacNeilly family moved to Virginia.

Twenty years in cable television provided MacNeilly with background for his current telecommunications specialty. Prior to joining VEDP he served as Vice President of Membership Services at the Better Business Bureau. A contact at VEDP told him about the job opening and the rest is history.

Since 2001 MacNeilly has worked on major data operations projects for Virginia. In 2005 CGI located a software development and systems integration facility in Russell County. This summer the company expanded again. Terremark Worldwide, Inc., a leading operator of integrated Internet exchanges and a global provider of managed IT infrastructure solutions for government and private sectors, invested approximately \$270 million in 2007 to open a data center campus on a 30-acre site in Culpeper County. The project expected to create 250 new jobs. Terremark's campus is among the largest co-location data center sites in the United States. Major wins like this are why MacNeilly loves his job.

"There is nothing more rewarding than seeing people get a job, be able to pay for a home, eat and send their children to school," said MacNeilly. "I see all parts of Virginia and am able to work with communities that are prepared to do what it takes to support economic development. Every project that comes in the door is different."

When MacNeilly is not spending time with his family, including three grandchildren, he dabbles in woodworking and stained glass and pretends to play golf. ■

One Door Opens as Another Closes in Spotsylvania

When John Careri visited a shuttering Fredericksburg door facility last spring, the owner of Canadian door manufacturer Tru Tech Doors went with all intentions of purchasing manufacturing equipment at a good price.

Instead, he bought the whole business—some employees included.

"Here's a company that was shutting down within 48 hours and the employees were working as hard as they did every day," Careri said. "They demonstrated great pride in what they do. There's a culture at that plant that we spend so much time trying to create in Canada. It was a great fit for us."

Launched in 1998, Tru Tech Doors produces more than 250,000 residential and industrial door products annually at three Toronto-area facilities. As Fredericksburg company Therma-Tru wrapped up work in Spotsylvania, Tru Tech was searching for a U.S. facility to service East Coast customers.

Tru Tech Doors reopened the Therma Tru Doors facility in June as Tru Tech Doors USA, the company's first U.S. facility. Off the bat, Careri rehired 40 of the original employees. He hopes to add another 60 by the end of the year. If all goes well, Careri would like to bring back as many of the former 200 employees as possible.

By hiring experienced, skilled staff, Tru Tech eliminated the learning curve and began production of quality steel-edge doors and steel frames right away, Careri said.



Trutech cut the ribbon on its first North American facility July 8 in Spotsylvania County.

"The biggest focal point of acquiring the facility was the employees. We were unsure of what to expect with the workers. We found a great comfort level in Spotsylvania and things are going very well."

Russell Seymour, Spotsylvania County Director of Economic Development, couldn't agree more. "This has truly been a success story on many levels and Spotsylvania County is proud to be the home of the company's East Coast U.S. facility. The local workforce continues to be one of our best incentives in Spotsylvania County and we look forward to a long and successful relationship with Tru Tech Doors USA." ■



Hot Deals continued from page 7

American Wood Fibers Celebrates Expansion

In 2007, American Wood Fibers announced a \$9 million investment to expand its operations in Smyth County, which created 30 new jobs and kept 30 existing jobs from moving elsewhere. In September, the company celebrated the expansion with the help of Deputy Secretary of Commerce and Trade David Smith (pictured speaking), other state and local leaders, employees and friends. Photo contributed by *Smyth County News & Messenger*. ■

Quebecor World Expands in Frederick County



Quebecor World

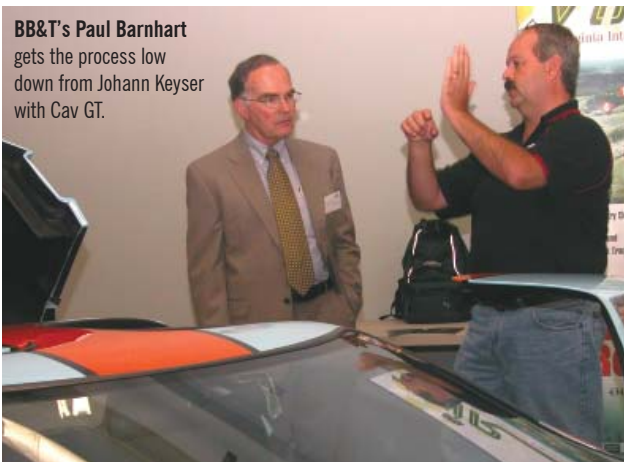
Marketing and advertising company Quebecor World Inc. is thriving in Virginia—the company will invest \$35.2 million to expand in Frederick County. As the recipient of two new printing presses that will increase production capability, the Frederick County operation will retain 150 existing jobs and create 30 new positions.

Governor Kaine met with Quebecor World senior management during a 2006 marketing mission to Montreal.

Quebecor World Inc. provides marketing and advertising solutions to retailers, catalogers, branded-goods companies, and other businesses. The company also offers full-service print solutions for publishers and is a market leader in most of its major product categories, including advertising inserts and circulars, catalogs, direct mail products, magazines, books, directories, digital premedia, logistics, and mail list technologies. With approximately 20,000 employees worldwide, Quebecor World operates nearly 90 printing and related facilities in the United States, Canada, Argentina, Brazil, Chile, Colombia, Mexico, and Peru. ■

Alternative Fuel Research Gears Up in Danville

BB&T's Paul Barnhart gets the process low down from Johann Keyser with Cav GT.



Secretary of Commerce and Trade

Pat Gottschalk (from left) joined Advanced Vehicle Research Center (AVRC) Executive Director Dick Dell and delegates Donald Merricks and Danny Marshall to cut the ribbon on the company's new Danville facility. AVRC promotes alternative fuel research and technology commercialization.



16 Virginia Companies Ready to Export

In the summer 2009 issue of *Commerce Quarterly* the founders of Spice Rack Chocolates told their story about a kitchen table idea that went international. A proud graduate of VEDP's Accessing International Markets (AIM) program in 2008, Mary Schellhammer told this success story at the recent graduation ceremony for VEDP's Virginia Leaders in Export Trade (VALET) and AIM programs. Sixteen Virginia companies now equipped with the tools and lessons in trade gleaned from both programs successfully completed the programs and saw great results.

The AIM program honored nine graduates: Amthor International, Timber Truss Housing Systems, both of Salem; Ceramic Technology Inc. of Cedar Bluff; Charlotte America of Bluefield; Collier Research/Hypersizer of Newport News; Consolidated Steel of Pounding Mill; Gatekeeper Security of Reston; Joan Gabriel Company of Fredericksburg; and Sealeze of Richmond.



The VALET program's newest graduates proudly display their globes.



Staff from VEDP International Trade pose with the new AIM program graduates.

During their year in AIM the graduates made a combined 17 trips to their AIM target countries and, as a result, three reported signing new representatives. These graduates used AIM funds for projects to support their export strategy, including updating international legal agreements, achieving global IPR registrations, sending demo products to in-country partners, making SEO and Web updates, updating marketing materials, participating in trade shows, and completing global advertising campaigns and various translation projects.

Seven companies also graduated from VEDP's VALET program: Aero International, Inc. of Sterling; BIO-CAT, Inc. of Troy; Cornet Technology, Video Convergence Division, Inc. of Fairfax; H2Gen Innovations Inc. of Alexandria; Hilden America, Inc. of South Boston; Moog Inc. Components Group of Blacksburg; and SteelMaster Buildings, LLC of Virginia Beach. Collectively, these companies increased their international sales by more than 68 percent during their two years in the program. These companies began the program with a reported \$37.7 million in international sales and graduated with a reported \$63.35 million in international sales. ■

Access to the World Expands for Virginia Companies

Nutritional supplement company Maximum Nutrition, LLC, established a presence in several countries only a few weeks after being introduced to VEDP's Global Network. LC Technologies used the Global Network to find a reputable distributor in France.

These Virginia companies are just two of nearly 200 the Global Network has assisted by offering in-country help to grow internationally. Since 2006, the Network has provided a comprehensive group of pre-screened, in-country consultants, who, in partnership with VEDP International Trade, deliver industry-specific market research to any Virginia company interested in exporting its product or service. Recently, the Network expanded into 17 additional countries, including Bulgaria,

Turkey, the Netherlands, Israel and South Africa, bringing the total number of countries covered by the Network to 44.

Research available ranges from the best strategy for entering a particular market to information on distributors, competitors and potential clients. Once the Virginia company visits its target market, the Global Network also provides a host of in-country services, including logistical support, matchmaking assistance and service provider contacts. Assistance is provided to Virginia companies free of charge up to \$3,000 per fiscal year. To benefit from VEDP's Global Network, visit www.exportvirginia.org. ■

Bode Technology Wins Governor's Award for Excellence in International Trade

They have projects in Kenya. They have worked in Peru. They have assisted with many headline-generating disasters around the world.

Bode Technology is an innovator in forensic science and DNA analysis—and the company is the winner of the Governor's Award for Excellence in International Trade.

The award was presented Oct. 15 by the Virginia Economic Development Partnership – International Trade during the Virginia Conference on World Trade.

"Bode's impact has been felt worldwide—from its role in the identification of remains from the September 11 World Trade Center disaster to the company's testimony before Congress on the impact of DNA testing in Latin America," said Paul Grossman, VEDP Director of International Trade. "We're proud to have Bode call Virginia home and we're honored to present Bode Technology with the 2009 Governor's Award for Excellence in International Trade."

In its fourth year, the award was created to recognize a Virginia company that has increased its exports and international profile while promoting the best interests of its employees and surrounding community. Award recipients have contributed to the overall economic health of the Commonwealth, enhanced residents' quality of life and have brought positive attention to Virginia's profile in the international export arena.

Bode employs more than 100 scientists and provides advanced technology services, including assistance with identifying victims in mass disasters, identification of missing persons, the reduction of human trafficking, and DNA databanking. The Lorton-based company has tested more than 50,000 criminal cases and assists other nations in developing DNA laboratories. Bode also trains foreign scientists, produces and sells DNA collection products, and provides expert witness testimony.



In Nairobi, Kenya, Bode is working to help convict offenders and reduce violence against women. In Peru, the Virginia company helped to identify victims of the Putis massacre, as well as other missing persons projects in Argentina, Guatemala, Mexico, Columbia, Kuwait and East Timor. Its staff served as the DNA program manager in Thailand after the December 2004 tsunami and has recently begun testing samples from the U.S. Missing Persons project.

For more information on Bode Technology, visit www.bodetech.com. ■

VALET Program Gateway to Export for CHEMetrics

A family-owned company since its inception in 1969, CHEMetrics exported its product for 25 years through an outside representative, but never worked directly with the individual export agents. The company, a manufacturer of test kits for measuring water quality in the environment and industrial applications, had relied on an outside company to manage its export sales.

This all changed when CHEMetrics' export representative retired and they inherited the responsibility to continue international trade with all of the companies to which they had previously exported. A crash course was needed for CHEMetrics team members to really understand the export business. The company was able to maintain substantial international business for many years, but rarely invested in expanding or evaluating new prospects.

Then Shirley Ward, International Business Manager, heard about VEDP's Virginia Leaders in Export Trade (VALET) program. As the employee responsible for developing new international partnerships, it seemed a daunting process at first. Ward was assured by the VALET program manager that she would be walked through the process from start to finish.

"The VALET program gave us the confidence to grow the export side of the business," said Ward. "We were given a longer arm due to all of the

resources available through VALET. We participated in trade missions to Saudi Arabia, the Czech Republic and Hungary. VEDP set up everything and all we had to do was show up and make our pitch."

CHEMetrics graduated from the VALET program in 2006. The first year following graduation, export sales grew almost 21 percent. The next year sales grew another 4 percent. The company now has distributors in all three countries visited on trade missions during the course of the program. CHEMetrics also has a new distributing agent in Saudi Arabia, a country evaluated and recommended by VEDP International Trade.

"The thing I want to stress to any companies that might be interested in international trade is that CHEMetrics is a small, family-owned company. Export is not just for the big guys. VALET is not only a two-year program. You can get as much out as you put in, and to this day we still work with the trade managers—they are always available as a resource." ■





Groundbreaking for the new DARPA facility, shown in this rendering, is scheduled for early 2010.

DARPA to Stay in Virginia

The Defense Advanced Research Projects Agency (DARPA) and Arlington County announced in July that the agency will relocate all operations to a new facility in the summer of 2012. The facility will be located in Arlington's "Science Corridor," near the Ballston Metro and buildings occupied by the National Science Foundation and the Office of Naval Research. Groundbreaking on the new building is scheduled for early 2010.

DARPA's current facilities are located in Arlington and other locations, but the new, 350,000-square-foot building is required to both meet the Department of Defense's antiterrorism force protection standards and to provide room to move full-time support contractors on-site and accommodate future growth in the agency.

The Virginia National Defense Industrial Authority is administering a \$10 million state grant to assist with the required additional "hardening costs" for the new building.

"I'm pleased that Virginia is able to retain such a valuable research agency as DARPA," said Governor Tim Kaine. "With this highly advanced facility, Virginia will retain more than 800 people working in the current location. DARPA also works with numerous defense contractors and other private businesses that employ more than 1,700 workers in Arlington and Northern Virginia."

As the Defense Department's central research and development organization, DARPA manages and directs projects for DoD and pursues research and technology where success may provide dramatic advances in support of military missions, often leading to significant contributions to the non-military world. It's the very high-tech aspects of the agency's work, and its highly skilled workforce, that makes it an important part of the Northern Virginia landscape.

Congressman Jim Moran said, "Retaining DARPA in Arlington was a top priority for all involved. This is a big victory for the county and its workforce. Combined with George Mason, Virginia Tech and the Office of Naval Research, the greatest minds in the country will continue to gravitate to our community."

Indeed, the agency's ties to the Commonwealth run deep. Before moving to its current location on North Fairfax Drive in 1991, DARPA was located in Rosslyn. Virginia Tech, the University of Virginia and other schools in the state have done well in DARPA-sponsored technology contests like the autonomous vehicle Urban Challenge. And in July the DoD announced Dr. Regina E. Dugan as the 19th director of the agency. Dugan received both her bachelor's and master's degrees from Virginia Tech. ■

Quarterly Calendar

Oct. 19-23	SK	Market Visit to Canada
Oct. 21-23	VB	Supercomm—Chicago, IL
Oct. 25-27	VB	ACT/IAC Executive Leadership Conference—Williamsburg, VA
Oct. 27-29	VB	Solar Power Conference—Anaheim, CA
Nov. 15-18	VB	7X24 Exchange—Phoenix, AZ
Nov. 16	VB	Private Label Manufacturer's Association—Chicago, IL
Dec. 2-3	VB	AFCEA Solutions Series: Cyberspace—Washington, D.C.
Dec. 8-10	VB	Power-Gen International—Las Vegas, NV

VB Vince Barnett (804) 545-5815

SK Scott Kennedy (804) 545-5754

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Price Enjoying a Bird's Eye View of Economic Development

Dr. McKinley Price has practiced dentistry in Newport News for more than 30 years.

He acknowledges that the fields of dentistry and economic development have little in common, but Price believes his extracurricular activity gives him a unique perspective as a member of the VEDP Board of Directors.

Apart from the tennis court, where he spends some of his free time, Price is involved on numerous boards and committees that have allowed him the opportunity to experience many moving parts of the economic development process. The husband and father of two is intrigued by the chance to see economic development from a statewide perspective as a VEDP board member.

Price's service as treasurer for the Peninsula Alliance for Economic Development of Hampton Roads gave him a behind-the-scenes view of government financing, port operations and economic development at the regional level. He also worked on the Chesapeake Bay Bridge board that oversaw the parallel crossing project, as well as on the Thomas Nelson Community College board, which has a "premier" workforce development program. And being a small business owner in Virginia has placed him

on the front lines of the impact economic development can have on a community.

"It has been a pleasure to see the direction in which Virginia is going and the growth that the Commonwealth has experienced," he said. "Virginia's 'Best State for Business' rankings speak to VEDP's success."

Price aspires to lead a political life someday. He said he hopes that having a better knowledge of Virginia's economic development process will help him to support and assist VEDP's efforts instead of hindering them.

"I hope that my having a statewide outlook on economic development will help keep Virginia at No. 1 in the future." ■





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did you know

Virginia Beach Ranks 16th in Economic Performance

The Virginia Beach metropolitan area has performed well despite the recession, according to The Brookings Institution, a nonprofit public policy organization based in Washington, DC. The region performed so well that the Institution ranked the Virginia Beach region among its top 20 metropolitan areas for economic performance. The ranking is based on six indicators: employment, unemployment rates, wages, gross metropolitan product, housing prices and foreclosure rates for the first quarter 2009. ■

