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TOP GROUPS

# On Solid Ground

**Meshing aggression and discretion is key to Top Group success.**

by ADAM BRUNS

**T**he top economic development groups in the U.S. for 2003 know how to strike the ideal balance – between confidentiality and telling your story; blockbuster corporate deals and incremental

company growth; new development and the infrastructure and redevelopment to go with it; simple processes and sophisticated methods of obtaining them.

Below, in alphabetical order, are the Top 10 Groups for 2003 and the 10 Honorable Mentions. Once again this year, their home states correspond closely to our Governor's Cup rankings (see our [March 2004 issue](#)) and the state-level Competitiveness Award honorees, discussed on [p. 290 of this issue](#).

The Top Groups were chosen based on four objective categories drawn from Conway Data's proprietary New Plant Database, which tracks new and expanded corporate facilities: new jobs, new jobs per 10,000 residents, new investment amount and new investment amount per 10,000 residents. After being ranked according to their scoring in those categories, these groups were then evaluated according to more subjective criteria, including innovative programs, leadership, communications and customer service.

Because of our per capita criteria, MSA definitions (updated or not,) always remain a factor and, to some, never seem fair. By dint of sheer population served, some laudable efforts just miss out on this list. Such is the case with proactive and productive organizations in cities like Houston, Jacksonville, Miami, Tampa, Phoenix and Cleveland. Others benefit exactly because of their proximity to those large populations: Elgin (Chicago), and Mooresville-Iredell Co. (Charlotte) are prime examples.

But, by and large, the examples set by this year's honorees demonstrate an ability to rise above territorial lines and persist with the sheer hard work that brings hard-earned results – just like the companies they keep.

**Editor's Note:** The print version of this article contained a typo and an editor's error in the passage about the **Nashville Area Chamber of Commerce**. The correct amount of total capital investment for 2003 was **\$861 million**, not \$86.1 million. And the Verizon Wireless investment was not a corporate HQ, but significant nonetheless: a \$24-million customer contact center.

## **Boston Redevelopment Authority Boston, Mass.**

[www.ci.boston.ma.us/bra](http://www.ci.boston.ma.us/bra)

**\$400 million; 3,000 jobs**

Sure the numbers are there, but Boston Redevelopment Authority rises to the top in large part because of its complete package and the unique nature of what is a growing sub-specialty in area economic development: metropolitan rebirth. That discipline incorporates a lot more than corporate real estate, seeking to also blend in threads from such diverse areas as housing, cultural activity,



Boston's \$120-million Blackfan Research Center – expected to create 700 jobs in biomedical research – is near recently completed facilities from Merck and the Harvard Institutes of Medicine. Boston recently was awarded the same amount of money for the National Institutes of Health National Bio-Containment Lab.

transportation infrastructure and neighborhood politics.

Leading the project list is the \$300-million redevelopment of Charles River Plaza in the Beacon Hill neighborhood, which will involve everything from research facilities to retail. Once complete, the project is expected to generate some 1,100 permanent jobs.

Another large-scope vision is the North Point Project, covering three cities and 45 underutilized industrial acres (18.2 hectares), and including significant plans for R&D space, a new transit stop, and new road and utility infrastructure.

Following on the awarding to Boston of a \$120-million grant for the National Institutes of Health National Bio-Containment Lab, the BRA is moving ahead with Blackfan Research Center, a \$120-million, 575,000-sq.-ft. (53,418-sq.-m.) biomedical research facility expected to create 700 jobs. The project epitomizes BRA's development guidelines for its immediate area, with the developer providing for an on-site work force training facility and funds devoted to work force development. Nearby are the new Merck research labs, currently under construction, and the new facilities of the Harvard Institutes of Medicine.

The city's manufacturing trend has a distinct bio flavor as well, with infectious disease diagnostic test company **Immunitics** moving its headquarters to the city's Boston

Marine Industrial Park.

"Our primary objective was to find a facility that allowed for economical build-out of a larger lab for both R&D and manufacturing," said Andrew E. Levin, Ph.D., Immunitics founder and CEO. It was helped along by an innovative loan program created to help companies in the park with build-out costs.

### **Greater Dallas Chamber Dallas, Texas**

[www.dallaschamber.org](http://www.dallaschamber.org)

**\$3.37 billion; 5,994 jobs**

While the \$3-billion investment from **Texas Instruments** was the 2003 jewel in the Dallas crown ([see cover story, p. 336](#)), there are many more facets to corporate recruiting success in the 12-county Dallas/Ft. Worth metro. But several of those facets certainly relate back to that Top Deal of 2003.

For one thing, a Semiconductor Executive Council led in part by the Chamber and by eight corporations – and focused on targeted education and work force development – serves as a model for other industry sectors. For another, while a new state-level tool – the Texas Enterprise Fund – was created by the Texas legislature in part to stoke the TI deal, it's now available as a resource for all major prospective corporate investments.

Overshadowed but not overlooked by Chamber leaders and their members, other major area investments in 2003 included distribution centers for **CVS Pharmacy**, **Quad Graphics** and **Kehe Foods**, and a 450-worker call center from **Comcast Cable**. Meanwhile, a \$2.7-billion expansion is under way at Dallas/Fort Worth International Airport. All to serve a metroplex population that grew by nearly 30 percent between 1990 and 2000, and which is skewed significantly toward working-age residents.

Among the group's offerings is a newly launched regional database that adheres to IEDC national data

standards. And to properly communicate the role of new plants and expansions in driving the regional economy, the Chamber has founded a new awards program to honor them: the Momentum Awards. Aptly named, for a city once again on the go.

### **Elgin Area Chamber**

**Elgin, Ill.**

[www.elginchamber.com](http://www.elginchamber.com)

**\$67.8 million; 2,311 jobs**

It's on the Chicago outskirts, which lately has been a very good place to be for corporate projects (see the [Illinois Spotlight in our March 2004 issue](#)). But Elgin – named an All-America City by the National Civic League in 2002 – rides its own coattails, which sparkle with a string of medium-sized projects amid a network of 15 industrial parks and business centers.

The year 2003 saw major investments from Austrian firm **Bohler Uddelholm North America** (a forthcoming 140,000-sq.-ft. [13,006-sq.-m.] headquarters, manufacturing and distribution center) and German liquid-polymer-based seal and compound maker **Sonderhoff Polymere Holding**, which launched its building search right from the Chamber's site database. **Innotech Laboratories**, a maker of DNA testing equipment, is investing \$17.5 million in a similar multi-faceted complex. Investments in the \$1-3-million range are coming from chemical wholesaler **H.E. Wiston & Sons**, **Wisdom Adhesives**, **WMH Tool Group**, **Bank One Card Services** and **Rohm & Haas**.

Most recently, the Chamber is taking the lead in challenging the city's proposed telecommunications tax, questioning what it calls an unfair burden on business.

### **Hagerstown-Washington County**

**Economic Development**

**Hagerstown, Md.**

[www.hagerstownedc.org](http://www.hagerstownedc.org)

**\$177 million; 919 jobs**

Fortified by projects from **FedEx Ground** (\$53.5 million, 400 employees) and **Mack Truck** (\$26 million, 150 employees), the Hagerstown-Washington Co. EDC is well on its way to hitting its top 10 target industries right in the bull's-eye. That effort has been helped by the hiring of a business development specialist.

Helping the area the most was the shot in the arm from **AB Volvo**, which in October 2003 cemented its commitment to making both Volvo and Mack truck engines at the 33-year-old, 1.5-million-sq.-ft. (139,350-sq.-m.) Mack facility, which employs 1,200 people. The decision on Phase II of an overall \$147.5-million growth spurt was made easier by \$5.7 million in state and local loans and grants. And central to the whole process were negotiations that involved the company's Swedish executives, state officials, UAW officials and Tim Troxell, executive director of the Hagerstown-Washington Co. EDC. Given that the investment decision spanned two state administrations, local leadership could rightly be called the glue that held together Volvo's Maryland presence.

### **Nashville Area Chamber of Commerce/Partnership 2010**

**Nashville, Tenn.**

[www.nashvilleareainfo.com](http://www.nashvilleareainfo.com)

**\$861 million; 9,157 jobs**

As chronicled in the pages of this magazine, Nashville's profile is growing in a wide range of industries. That growth was quite

literal in 2003, with 115 relocations or expansions.

"If you're going to be in Tennessee, Nashville is probably the best place to be," George Dillard, principal of Gresham, Smith and Partners, told *Site Selection* in 2003. His firm designed the \$35-million, 250,000-sq.-ft. (23,225-sq.-m.), 130-employee cardboard sheet and box plant that Hauppauge, New York-based **Southern Container Corp.** is building in Murfreesboro. The company, which operates 14 plants in North America, found this site to be most advantageous by Interstate to the entire Southeast market.

But the world market is more Nashville's speed, as attested to by corporate headquarters moves from **Asurion**, **Caremark Rx**, **CLARCOR**, **Louisiana Pacific** and **Quanta Computers**.

Michael Dunne, vice president of U.S. operations for Quanta and president of Quanta Nashville, lauds the high caliber of people in the Nashville area, backed by the attractiveness of the city, should the company need to recruit externally.

"I advertised the day after the announcement for seven positions, and within two weeks I had 1,300 applications," he told *Site Selection*.



Tennessee Governor Phil Bredesen and Louisiana Pacific President & CEO Mark A. Suwyn (at podium) announce the relocation of Louisiana Pacific's corporate headquarters to the Nashville area from Portland, Oregon.

### City of Opelika

Opelika, Ala.

[www.opelika.org](http://www.opelika.org)

**\$52 million; 465 jobs**

There's a Tiger in the tank in Opelika. But it derives more from the state's automotive surge than the orange-clad faithful at Auburn University. Projects from German automotive supplier **Benteler Automotive** (\$20 million, 150 jobs) and Korean automotive supplier **Mando America** (\$30 million, 150 jobs) drove Opelika's big year in 2003. And both are situated in the Northeast Opelika Industrial Park, where acres of available industrial land await the next batch of projects. Outside the park, Illinois-based call center firm **Afni** added 150 employees in its expansion, bringing the payroll to 650.



Benteler Automotive and Mando America are the latest corporations to land projects at the Northeast Opelika Industrial Park in Alabama.

This year promises great things too for Auburn-Opelika, not least because the city is celebrating its sesquicentennial. Among the new tools at the city's disposal are a new Web site, an expanded medical center and a new family/ mentoring program (conducted in conjunction with the Opelika Chamber) aimed at assisting newcomers from overseas in acclimating to the area.

### Operation Oswego County

Oswego, New York

[www.OswegoCounty.org](http://www.OswegoCounty.org)

**\$87.3 million; 856 jobs**

The exclamation point for the year in this area just north of Syracuse was the creative solution devised to bring new activity to the former Nestlé facility in Fulton, which the company left in May 2003. By year's end, details were being finalized on the occupation of that facility by the **Fulton Chocolate Co.** (a candy and nutritional bar maker) and the **New York Chocolate and Confections Co.** (a consortium of cocoa suppliers from the Ivory Coast of Africa), which are expected to hire more than 570 people and invest more than \$30 million in the refurbishment of the facility.

Providing further sustenance for the local economy is the new \$3.6-million, 27,000-sq.-ft. (2,508-sq.-m.) plant operated by **Empire Fresh-Cuts**, which processes onion products for the food service industry.

**San Antonio Economic  
Development Foundation**

**San Antonio, Texas**

[www.sanantonioedf.com](http://www.sanantonioedf.com)

**\$966 million; 3,152 jobs**

One word: **Toyota**. Their \$800-million investment in a Tundra truck plant was the North American automotive story of the year. But there was other action in San Antonio.

Mirroring the big TI semiconductor investment in Dallas, California-based **Maxim Integrated Products** is investing \$140 million in a 250,000-sq.-ft. (23,225-sq.-m.) facility that will employ 600 eventually, as the former Philips Semiconductor wafer fab will be put back into circulation by the end of 2004, making integrated circuits. Food distributor Sysco embarked on a \$10-million distribution project. And **The Hartford** Financial Services Group launched a \$10-million project of its own.

SAEDF enticed six other companies as well in 2003, with all the non-Toyota projects projected to hire more than 600 people collectively.

On other fronts, military base redevelopment opportunities continue to open up at KellyUSA, Brooks Air Force Base and Fort Sam Houston. The area's technological and aerospace development continues to be undergirded by the presence of the Southwest Research Institute, which continues to add equipment and resources to its own vast arsenal of minds.

**Virginia Beach Department  
of Economic Development**

**Virginia Beach, Va.**

[www.vbgov.com](http://www.vbgov.com)

**\$221 million; 2,660 jobs**

In 2003, Virginia Beach DED outperformed its capital investment numbers from the previous 36 months combined, helped by a \$60.8-million investment from German chain saw and lawn equipment manufacturer **Stihl** and a \$56-million relocation by managed healthcare company **AmeriGroup Corp.**

Other locations included a \$39.3-million investment by biomedical firm **Lifenet**, a \$6.5-million investment by defense contractor **AMSEC/SAIC** and two service center projects totaling \$4.1 million in investment from **Cendant Corp.**

VBDED Director Donald Maxwell points to the city's labor pool and brand new \$23.5-million, 140,000-sq.-ft. (13,006-sq.-m.) Advanced Technology Center (ATC) as the leading light in its corporate recruiting efforts. Custom training offered at the ATC was one of the key criteria that convinced Stihl to choose this MidAtlantic metro over the 21-percent and 31-percent labor and cost-of-doing-business advantages of Brazil and China, respectively.

At the same time, the department has rolled out a new effort to meet the needs of existing industry as well as prospective entrepreneurs, whose successes have incrementally added to the community's overall economic good fortune.

Finally, the group makes a point of contributing to the efforts of the regional economic development entity, the Hampton Roads Economic Development Alliance, recognizing that regional identity is at least as important as metropolitan reputation in the corporate attraction milieu.



Fred J. Whyte (left), President, Stihl, Inc. North America, celebrates the company's \$60.8-million Virginia Beach investment with Virginia Gov. Mark R. Warner. Photo courtesy of City of Virginia Beach

**Wake Co. Economic Development****Raleigh, North Carolina**[www.raleigh-wake.org](http://www.raleigh-wake.org)**\$222 million; 2,509 jobs**

Helped in part by some aggressive incentive creation measures at the state level, Wake County and the Research Triangle are steady as she goes in continuing to attract diverse, cutting-edge projects.

A Top Group honoree in 2002 as well, the group's 2003 capital investment total was down by nearly 60 percent, but its jobs total was actually up by 22 percent. Among the 2003 successes: Infineon's \$8-million headquarters location; **R.H. Donnelley's** \$10-million investment; and **Kioti Tractor's** \$7.8-million investment.

Like his counterparts in other communities, Executive Director Ken Atkins says more targeted recruitment is reaping more precise and tangible results. And in the summer of 2004, that will take a new shape with the launch of a precision marketing initiative in a particular, unnamed industry cluster. The program is being pursued in partnership with North Carolina State University.

Among the site selection services instituted by the agency is full GIS-based technical support, including parcel data and environmental features.

The 2004 Competitive Alternatives study from KPMG found Raleigh to be the fifth-least-expensive mid-sized metro area in the U.S., after Greenville-Spartanburg, S.C.; Nashville, Tenn.; Salt Lake City, Utah; and Colorado Springs, Colo. **SITE**

**HONORABLE MENTION GROUPS OF 2003****The Best of the Rest**

GROUP	INVESTMENT
<b>World Business Chicago</b> Chicago, Ill. ( <a href="http://www.worldbusinesschicago.com">www.worldbusinesschicago.com</a> )	\$5 billion; 7,500 jobs
<b>Southwest Michigan First</b> Kalamazoo, Mich. ( <a href="http://www.southwestmichiganfirst.com">www.southwestmichiganfirst.com</a> )	\$289.6 million; 720 jobs
<b>London Econ. Dev. Corp.</b> London, Ontario, Canada ( <a href="http://www.ledc.com">www.ledc.com</a> )	\$109 million; 1,619 jobs
<b>Mooresville-S. Iredell Chamber of Commerce</b> Mooresville, N.C. ( <a href="http://www.mooresvillenc.org">www.mooresvillenc.org</a> )	\$109 million; 286 jobs
<b>City of Ontario</b> Ontario, Calif. ( <a href="http://www.ci.ontario.ca.us">www.ci.ontario.ca.us</a> )	\$88 million; 860 jobs
<b>Metro Orlando Economic Development Commission</b> Orlando, Fla. ( <a href="http://www.orlandoedc.com">www.orlandoedc.com</a> )	\$407 million; 4,791 jobs
<b>Prince William County Department of Econ. Dev.</b> Prince William County, Va. ( <a href="http://www.pwcecondev.org">www.pwcecondev.org</a> )	\$524.9 million; 1,294 jobs
<b>Randolph County Economic Development Corporation</b> Asheboro, N.C. ( <a href="http://www.rcedc.com">www.rcedc.com</a> )	\$115.8 million; 539 jobs
<b>Greater Richmond Partnership</b> Richmond, Va. ( <a href="http://www.grpva.com">www.grpva.com</a> )	\$418.5 million; 2,357 jobs
<b>Community Development Foundation</b> Tupelo, Miss. ( <a href="http://www.cdfms.org">www.cdfms.org</a> )	\$40.8 million; 1,019 jobs

Source: Conway Data New Plant Database



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