

Spring
2009

SEDC's 2009 Annual Conference

Capitol Hill to Wall Street to Main Street- Key Issues Facing Southern Economic Developers

Mark your calendars to join us for this year's conference Saturday, August 14 through Tuesday, August 17 at the Grand Hotel in Point Clear, Alabama. The Mobile Bay will provide a beautiful backdrop to our 2009 conference. We will have outstanding speakers from the political, business and economics fields. There will be great networking events along with tee times and spouse program! You don't want to miss this year's annual conference!

Meet the Consultants meeting explores the ins and outs of selecting the ideal site for data centers

Participants in the Meet the Consultants event, held March 24, had the opportunity to hear from an exclusive group of Dallas area consultants and professionals in the site location field, and to participate in networking opportunities and several panel discussions. The meeting was attended by more than 300 economic developers and consultants who gathered at the Westin Galleria in Dallas, Texas.

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Time Management Tips for Today's Workers

Time management is one of those skills no one teaches you in school but you need to learn in order to be productive and successful. It doesn't matter how smart you are if you can't organize information well enough to take it in. And it doesn't matter how skilled you are if procrastination keeps you from getting your work done.

In today's workplace, you can differentiate yourself by your ability to handle information and manage your time. "Careers are made or broken by the soft skills that make you able to hand a very large workload," says Merlin Mann, editor of the productivity blog 43 Folders.

Here are 8 tips to make you better at managing your work:

1. Don't leave email sitting in your in-box.

Organize email in file folders. If the message needs more thought, move it to your to-do list. If it's for reference, print it out. If it's a meeting, move it to your calendar. Take action on an email as soon as you read it.

2. Do the most important thing first.

When you sit down to work in the morning, before checking email, spend an hour on the most important thing on your to-do list. Even if you can't get the whole thing done in an hour, you'll be much more likely to go back to it once you've started. This works best if you organize the night before so when you sit down to work you already know what your most important task of the day is.

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3. Check your email on a schedule.

"It's not effective to read and answer every email as it arrives. Just because someone can contact you immediately does not mean that you have to respond to them immediately," says Dan Markovitz, of TimeBack Management, "People want a predictable response, not an immediate response."

4. Keep Web site addresses organized.

Use bookmarking services like del.icio.us to keep track of Web sites. Instead of having random notes about places you want to check out, places you want to keep as a reference, etc., you can save them all in one place, and you can search and share your list easily.

5. Know when you work best.

Each person has a best time. Discover yours by monitoring your productivity over a period of time. Manage your schedule to keep your best time free for your most important work.

6. Make it easy to get started.

We don't have problems finishing projects, we have problems starting them. Break projects into chunks, so you're not overwhelmed by them.

7. Organize your to-do list every day.

If you don't know what you should be doing, how can you manage your time to do it? Some people like writing this list out by hand because it shows commitment to each item if you are willing to rewrite it each day until it gets done. Other people like software that can slice and dice their to-do list into manageable, relevant chunks.

8. Dare to be slow.

A good time manager actually responds to some things more slowly than a bad time manager would. Someone who is doing the highest priority task is probably not answering incoming email while they're doing it. Markovitz writes: "There are more important tasks than processing email. What we need to do now is recognize that processing one's work (evaluating what's come in and how to handle it) and planning one's work are also mission-critical tasks."

Source: <http://blog.penelopetrunk.com/2006/12/10/10-tips-for-time-management-in-a-multitasking-world/>

Tom Freeman, managing director with Jones Lang LaSalle, addressed mission critical solutions in The Changing Landscape of the Data Center Space. Freeman noted that the data center lifecycle is shrinking due to higher densities and power needs. The 2009 Economic Recovery Bill provided some good news for the data center, spurring the growth of information technology services and providing research and development funding to boost data center efficiency.

Many data centers face problems finding raised floor space. Existing facilities are full, in the wrong geographic location, unable to support high density equipment loads, and unable to be maintained online. They are also insufficiently fault tolerant and overly exposed to external threats. According to a Gartner Group Study, 70 percent of Global 1000 companies must move or modify their data centers because they are either out of power, out of cooling, out of space, or face lease renewals.

The good news is that demand for information technology is greater than ever. The industry is adding a net one million servers annually and data centers are making an impact. The bad news is that expenses are higher than ever. IT budgets are growing at six percent annually but facility operating expenses are growing at 20 percent. Intensive data center users face meaningful reduced profitability.

Local governments are realizing the benefits of investing in data centers. Eleven states have legislated data center incentives and ten states have pending legislation for incentives. Twelve states do not tax data center personal property. Eight states provide sales tax abatement on data center-related investment.

Freeman discussed "greening" data centers, saying that information technology represents 30-40 percent of a company's energy consumption. "The most effective way to reduce data center power consumption is through intelligent and efficient equipment choices," Freeman stated. There are benefits to pursuing Leadership in Energy and Environmental Design (LEED) certification. Costs increase approximately 2-10 percent, but paybacks are gained over time in energy savings.

Freeman noted solutions for 2009 and beyond. Increased demand for "Just-in-Time" critical space calls for looking to cost-effective, co-location solutions and considering cost-effective speed-to-market renovated sites. Companies should think "outside and inside the box," Freeman says. This includes considering software as a service, services without value-add going off premises, containerized data centers, and floating data centers. Companies should use lower cost real estate and avoid expensive power and cooling consulting contracts.

Also on the program, George Francis, director at Deloitte Tax LLP, presented Cash is King: Aviation and Alternative Energy...Two Sides of the Same Coin. Francis noted that the aviation industry is facing stiff competition from both domestic and international carriers and is also facing increases in certain cost categories which cannot be controlled. Carriers are currently seeing a decrease in demand for product. Year to, profits have been elusive for most of the major carriers.

The alternative energy industry is still very young, Francis says. There is a great deal of unfocused activity and fierce competition and year to year profits have been elusive for most in the industry. Alternative energy is facing decreases in demand due to current low prices of traditional energy sources.

Recent trends for both industries are cost reduction (facility rationalization and improved employee productivity), cash (traditional tax credits not as attractive), and operational efficiencies (lean initiatives and change management).

King White of Site Selection Group, LLC, discussed Target Industry Trends for Call Centers, Data Centers, and Renewable Energy. First, White discussed geographic trends in the United States. The Midwest, Southeast, and Southwest have seen the largest growth in call center job creation. The West has seen very low job creation in this area.

"Vacancy rates for quality data centers are at an all-time low," White said. "Large companies announcing recent major data center openings include Google, Hewlett-Packard, Microsoft, Lowe's, and AT&T."

White also discussed renewable energy use growth projections. By the year 2025, renewable energy is expected to grow to 25 percent of the total energy consumption. Petroleum is expected to drop nine percent, coal five percent, and natural gas five percent. Many large companies announced renewable energy related projects in 2008.

Kirk Killian, executive vice president for Partners National Mission Critical Facilities, also discussed data centers in his presentation on data center and telecom switch facility projects. Killian spoke of the difference in purpose between data centers and call centers. "Data centers employ few people, but pay them well, and the facilities are very expensive to build and operate. Call centers employ hundreds, but seek to minimize salary costs."

Many Fortune 2000 companies (financial, telecom, IT services, corporate USA) operate data centers, employing from 20-50 employees earning \$60-\$120K. They prefer freestanding buildings, but may or may not need to be in a specific geographic area. Corporate IT departments often prefer large or mid-sized metropolitan areas.

On the other hand, a few massive data centers such as Google, Yahoo, Microsoft, often choose remote, rural locations with very cheap electricity and huge available sites. There are far more corporate data centers than "mega" data centers. Major corporations usually prefer data center locations near other company offices.

Some of the trends in data center site selection include moving projects from corporate office buildings to freestanding, securable buildings with large exterior equipment yards. Scalability of electrical and cooling plants is much more important now than it was in 2000. As electricity is the largest variable cost, companies are opting for low-cost electricity markets and areas with low ad valorem tax rates. Many small rural markets don't offer redundant fiber optic networks by competitive national carriers.

Killian noted, "Economic incentives almost never push data center site selection to a poor location choice. However, economic incentives can affect location choice among good finalist candidates." Training grants are not usually as valuable.

With regard to co-location data centers, Killian said that co-location enables local business to "outsource" data center space needs to experts. Local businesses can improve IT efficiency and reliability without major facility investment.

Killian also discussed trends in telecom switch site location. New switches are more likely to be located in one-story suburban light industrial buildings than downtown, as redundant fiber networks have expanded into the suburbs. Multi-city consolidations enable project capture to/from other metropolitan areas.

Site selection companies can thoroughly explore the major components of a data center site selection, including power (capacity/costs), construction costs, connectivity, labor, environmental factors, tax impact, and incentives.



Chairman's Message

by Kirkley Thomas

Chairman

PRO-BUSINESS ENVIRONMENT UNDER ATTACK WITH TWO LEGISLATIVE INITIATIVES

First, as I write this article, the U.S. House of Representatives is preparing to vote on legislation that is nothing more than a massive energy tax. It will mandate how energy is produced and delivered in this country. It is legislation many believe will affect the climate and prevent a global warming catastrophe, even though the Earth has actually cooled over the past seven years! It has cooled enough in the past seven years to erase the past 100 years of warming. This is why the alarmists have traded the phrase "global warming" for "climate change." Low-cost energy has been critical in the history of the economic success of the United States. Is now the time to inflict even greater economic pain on businesses and citizens who are struggling through this current recession?

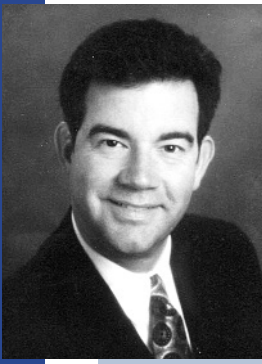
This bill, sponsored by Henry Waxman of California and Edward Markey of Massachusetts, would crack down on emissions of carbon dioxide or CO₂. Recall that nearly 97 percent of CO₂ in the atmosphere occurs naturally, from vegetation, the oceans, volcanic eruptions, plant/animal decay, etc. Approximately 3 percent is man-made and that is the small slice Waxman and Markey are trying to influence. Of that 3 percent, the amount the United States produces, compared to China, India and other developing countries, drops even further. And, CO₂ is not an evil thing as it seems to be portrayed now – we need CO₂ for plant growth and agricultural development. It seems absurd to put a burden on citizens and businesses of our country for this reason. A climate scientist with New Hope Environmental Services, Chip Knappenberger, says the bill "will have virtually no impact on the future course of the earth's climate." He predicts a temperature reduction of only nine-hundredths of one degree Fahrenheit by 2050. This is an example of politics-gone-wild. The mandates are going to result in huge added costs to the coal, oil and natural gas industry – costs that will have to be passed down to the ultimate users: me and you.

Second, the Employee Free Choice Act – the bill that would make it easier for unions to organize and take away the secret ballot for American workers – may be set aside for now in the U.S. Senate, but make no mistake, it is not dead. Unions and their allies are working on an alternative that they hope will lure some Senators to their side. As you recall, SEDC came out publicly in strong opposition to the EFCA.

Regarding both of these issues, I encourage all SEDC members to stay alert and informed. Contact your Representative and Senators to let them know now is not the time to pass this onerous legislation that will put a roadblock in the path of job creation and economic recovery.

As I close this article, I want to take the opportunity to thank everyone who came to the "Meet the Consultants" event in Dallas. As in Atlanta in 2008, this event received great reviews and was a resounding success for SEDC. Thanks to all the sponsors and attendees!

Feel free to contact me at kthomas@aecc.com about getting more involved with SEDC or about any of our future events.



President's Message

by Gene A. Stinson, CAE PCED, CEcD

President

Common Themes in Uncommon Times

Within the past month I have attended three separate economic development related meetings and to no surprise the themes of all three were to help attendees deal with the economic conditions we are facing. All had the goal to provide information, case studies and tips on what communities and economic development organizations could do to make the best of this situation.

I was surprised when setting about half way through the second meeting that I had been hearing some common themes about what communities should be doing. Then while I was attending the third meeting just last week I wondered if the three groups were sharing the same program committee!

The overriding message from all the meetings was about maintaining and increasing the competitiveness of your community. But, the similarities came in the specific recommendations all had for maintaining that competitiveness.

The strongest message from the three meetings was in the creative thinking arena where innovation and entrepreneurship were discussed. While these concepts are not new it was interesting how many presenters stressed that communities should concentrate their efforts in creating new businesses as opposed to attracting and retaining the more traditional jobs. Case studies were presented where results of innovation and entrepreneurship efforts in several communities showed positive outcomes in terms of new investments and job growth. Many of these examples were about collaborations of the public and private sector and involving multiple governments.

The collaboration concept then flowed well with the other major theme of regionalism. Again, this is by no means a new topic or concept but it goes back to the overall theme of competitiveness. Information was presented to show where single jurisdiction areas tend not to compete as well because they may lack critical mass in terms of workforce, infrastructure, quality of life components, etc. These critical elements for new business locations particular often time come from adjoining cities and counties.

So, areas that market, plan and develop as multi-jurisdictions tend to excel in terms of job and population growth. It was pointed out over the last decade metro areas have been the leaders in jobs, population and income growth over rural areas. And these areas tend to be the ones that have the long running regional programs and are taking advantage of their "critical mass" and marketing as a region.

One good possible outcome of the economic downturn could be that it is forcing people "rethink" the way they have been doing business and to search for new ways to create jobs and investments in their communities. Many presenters stressed that communities should use this time for planning and especially to build regional coalitions.

Presentations from one of the meetings I have referred to can be viewed on SEDC's web site (www.sedc.org). Click on the link at the bottom of the home page for "more information" about the Southeast Workforce and Economic Development Conference.



JOB Posting

www.sedc.org

**JOBS:
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The following current job Posting were available at press time. Please go to www.sedc.org and click on **Career Center** to view the details of the most recent Posting.

We receive new Posting often so check back soon!

Economic Development Research Specialist

– Little Rock, AR

Executive Director

– Fort Smith, AR

Staff or Senior Account Executive

– Baton Rouge, LA

Project Manager-Economic Development

– Greater Hattiesburg Area, MS

President/CEO

– Athens, TX

Executive Director

– Douglasville, GA

Executive Director

– Panama City, FL

Neighborhood and Economic Development Key Business Executive

– Charlotte, NE

Economic Development Director

– Jefferson County, WV

Executive Director of Joint Development Authority

– Woodbine, GA

Executive Director

– New Albany, MS

Executive Director

– Magnolia, AR

Economic Development President

– Kalispell, MT

Executive Director

– Livingston Parish, LA

Economic Development Director

– Christiansburg, VT

Executive Director

– Cape Coral, FL



JOB Posting

www.sedc.org

**JOBS:
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Continued

President/ Executive Director

- Newport, TN

President/ CEO

- Dandridge, TN

Executive Director

- Grenada, MS

Executive Director

- Dalton, GA

Executive Director

- Palestine, TX

Director of Economic Development

- County of Augusta, VA

CONNECT
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If you have any updates you would like to share please send to laura@sedc.org

Kay Brockwell is now the Director of Business Recruitment for the Garland County EDC in Hot Springs, Arkansas. Ms. Brockwell was formerly with the City of Marion in Marion, AR.

Brian Malone, CECD is now the President/CEO for Athens Economic Development Corporation in Athens, TX. Mr. Malone was formerly with Palestine Economic Development Corporation in Palestine, TX.

Stephen Surles is now the Project Manager for TVA Economic Development in Tupelo, MS. Stephen was formerly with the Union County Development Association in New Albany, MS.

New & Expanded

Project Name	Location	Jobs	Invest. (millions)	N/E	Product
ALABAMA					
Royal Technologies	Cullman	400	30	N	Injection Molding, Urethane Foam & Light Assembly
PLUS Diagnostics	Daphne	30		N	Billing Services
One Stop Environmental LLC	BirminghamL	20	0.6	N	Engineering Services
New Horizons Computer Learning Center	Huntsville	20		N	Computer Training
ASRC Aerospace Corporation	Hunstville	0		N	Information Technology & Aerospace Engineering
Sitel	Andalusia	200		E	Call Center Services
Federal-Mogul Corporation	Athens	110	217	E	Automotive Gaskets & Seals
Mercedes Benz US International Inc	Vance	0	290	E	Sport Utility Vehicles
International Paper	Prattville	0	40	E	Kraft Linerboard
Neptune Technology Group Inc	Tallassee	0	3.7	E	Water Meters
Baker Metal Works And Supply	Troy	0	0.6	E	Wholesale Durable Goods, NEC
Children's Place Retail Distribution Center	Fort Payne	250		E	Distribution Center
KENTUCKY					
NaugaNeedles LLC	Louisville	7	0.16	N	Needle probes
Sazerac Company Inc	Louisville	51	1	N	Administrative office
J M Smucker LLC	Scottsville	25	3	E	Frozen food products, distribution, and R&D
Casco Products Corp	Morgantown	70	1.7	E	Automobile cigarette lighters and power outlets
Siemer Milling Co	Hopkinsville	6	15.3	E	Mills flour to customer specification for a variety of flour mixtures
Constellation Spirits dba Sazerac	Owensboro	50	18.7	E	Whiskey, gin, vodka, wines, brandy & cocktail bottling
Buffalo Trace Distillery	Frankfort	39	9	E	Distiller of world class and award winning
Fortis Plastics LLC	Henderson	104	6.8	E	Thermoplastics & plastic injection molding, finishing, fabricating & subcontract
Santa Rosa Systems Inc	Louisville	25	1.2	E	Packaging machinery manufacturing
Solus Industrial Innovations / Emerson Power Transmission	Florence	92	5.1	E	Distribution, industrial automation, office and manufacture conveying products by extruding, molding and milling.
Maker's Mark Distillery Inc	Loretto	4	3.6	E	Bourbon whiskey
Somerset Energy Refining LLC	Somerset	15	11	E	Gasoline, kerosene, diesel & industrial fuels
Simba USA LLC	Morehead	13	1.1	E	Custom woven beach and golf towels, individualized with photo / image and name.
Andrews Electronics	Hebron	24	0.4	N	Distribution, asset recovery, testing and repair service center for electronics
S & Y Terminal LLC	Owensboro	3	8	N	Tank storage facility for liquid asphalt
Automobile BDC	Lexington	75	0.1	N	Call center for automobile dealerships to outsource their internet needs

New & Expanded

Telamon Corporation	Louisville	28	0.1	N	Telecommunications and IT service
Integrated Pharmaceutical Packaging, LLC	Franklin	32	1.2	N	Packaging of pharmaceutical products
DHL	Erlanger	187	12.8	E	Airfreight delivery service, out-of-state hub distribution facility
US Bank Home Mortgage	Owensboro	100	14	E	Loan processing and underwriting service center, loan servicing center
Lexmark International Inc	Lexington	0	16.5	E	Printers & information processing supplies, headquarters
MaximumASP LLC	Louisville	0	3.1	E	Data center, web-hosting
Westport Axle Corp	Louisville	18	10.1	E	Axle module assembly, knuckling operation, warehousing and line sequencing
Alley-Cassetty Brick & Block	Bowling Green	0	0.7	E	Brick and masonry distribution center
LOUISIANA					
3001 International, Inc.	Slidell	54	4	E	Data Production & Analysis
SPAWAR Systems Center	New Orleans	176	0	E	Navy Sponsored IT
Taminco Higher Amines, Inc.	St. Gabriel	20	29	E	Chemical
Bobcat Gas Storage	Port Barre	14	300	E	Gas Storage
CECO - Inter Nos Walker Ltd/ Compressor Engineering Corp.	Walker	21	5	E	Compressor Manufacturing
Computer Programs & Systems Inc., (CPSI)	Monroe	100	0.1	E	Healthcare IT Call Center
Schlumberger, Ltd.	Shreveport	400	48	E	Oil Field Services Center
Performance Energy Services	Houma	350	26	E	Marine Fabrication & Installations
Southland Steel Fabricators, Inc.	Greensburg	35	2	E	Steel Fabrication
INCA Refining, LLC	St. James Parish	100	300	E	Oil Refinery
NORTH CAROLINA					
Snap-On-Tools	Cherokee	50	2	E	Power hand tool manufacturing
Stonewall Packaging	Jackson	61	17	E	Paper manufacturing
Dealer Tire	Mecklenburg	29	2	N	Tire distribution
GMAC Financial Services	Mecklenburg	200	16	E	Banking services
Weyerhaeuser Co	Craven	6	53	E	Pulp mill
World Cat Mfg.	Edgecombe	120	3	N	Boat building
Forscom-USARC	Cumberland	2700	235	N	
Nature's Earth Products	Scotland	98	12	N	Chemical manufacturing
FASTA, Inc	Halifax	105	3	N	Metal building manufacturing
City Beverage Company	Pasquotank	18	3	E	
Piedmont Aviation Component	Forsyth	120	6	E	Aviation component maintenance
ConvaTec	Guilford	30	20	E	Surgical appliance manufacturing
Fibrowatt	Montgomery	100	100	N	Power plant
Armacell	Orange	12	2	E	Plastic foam products manufacturing
VIRGINIA					
Tyco Electronics Corporation*	Augusta Co.	20	1	E	Manufacturers passive and electronic components
Chancellor University	Campbell Co.	100	0.1	N	National Online Enrollment Center; inbound call center
Capital One Financial Corp.	Chesterfield Co.	250	1	E	Call centers; collections and loan work out efforts

New & Expanded

Donnachaidh Associates LLC	Danville	25	7	N	HQ; recycles and reuses waste material
Hilton Hotels Corporation	Fairfax Co.	325	17	N	Corporate HQ; hotels
Vaughan-Bassett Furniture Company	Galax	100	2.15	E	Wood furniture
Video Gaming Technologies Inc.	Greene Co.	60		E	Electronic bingo, poker and blackjack casino game developer
LASCO Bathware	Halifax Co.	50	1.7	E	Manufactures fiberglass and acrylic bathtubs
Spiegel	Hampton	19	0.5	E	Call center
Rosetta Stone	Harrisonburg	100	0.5	E	Foreign language teaching software
Admiral America*	Henrico Co.	318	2.9	N	U.S. HQ; direct-to-consumer auto insurance operations center
Capital One Financial Corp.	Henrico Co.	250	1	E	Call center; collections and loan work out efforts
Harris Teeter, Inc.	King George Co.	335	101	N	Distribution center, food products
Quartus Engineering	Loudoun Co.	5	0.1	N	Engineering/design for aerospace industry
Colonna's Shipyard Inc.	Norfolk	68	14	E	Ship repair
MASA Group Inc.*	Norfolk	20	0.75	N	Modeling and simulation
Virginia Transformer Corp.	Patrick Co.	40	0	E	Power transformers
FedEx Corporation	Pulaski Co.	60	4	E	Distribution center, parcel shipping
Foot Levelers, Inc.	Roanoke City	129	0.5	E	Custom-made orthotics and other similar products
Engineered Products of Virginia	Smyth Co.	18	1	E	Manufactures electrical components
Jensen Activewear Inc.	Smyth Co.	10	0	E	Berets for the U.S. Army and Air Force
A-T Solutions Inc.	Spotsylvania Co.	59	0.37	E	Provide anti-terrorism technology/training to government and contractors
SRA International Inc.	Stafford Co.	20	0	E	IT consulting, defense contractor
Massimo Zanetti Beverage USA	Suffolk	4	1.5	E	Coffee flavoring
Shandong Zhangqiu Blower Co., Ltd.	Suffolk	3	0.1	N	U.S. HQ; distribution of positive displacement blowers
SPARTA Composite Products	Suffolk	198	13.2	N	Manufactures composite products for aerospace and defence industries
O'Gara Group Inc.	Westmoreland Co.	20	15	N	Tactical training center to teach combat, marksmanship and driving