

WEST VIRGINIA

ISSUE 2 ■ 2013

EDGE

SPECIAL REPORT

JOBS WELL DONE
TRAINING PROGRAMS GIVE
WV A SKILLS ADVANTAGE

WOW!

FINDING THE
UNEXPECTED
IN A **DIVERSIFYING**
ECONOMY



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“WEST VIRGINIA has been aggressive in eliminating barriers to **BUSINESS GROWTH**. State leaders are **COMMITTED TO PARTNERSHIP** and problem solving. For Hino, we see nothing but **SMOOTH TRUCKING AHEAD.**”

SUMIO FUKAYA, CHAIRMAN
HINO MOTORS MANUFACTURING U.S.A, INC.
WILLIAMSTOWN, W.VA.



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Produced by Commerce Marketing & Communications // CommerceContactUs@wv.gov
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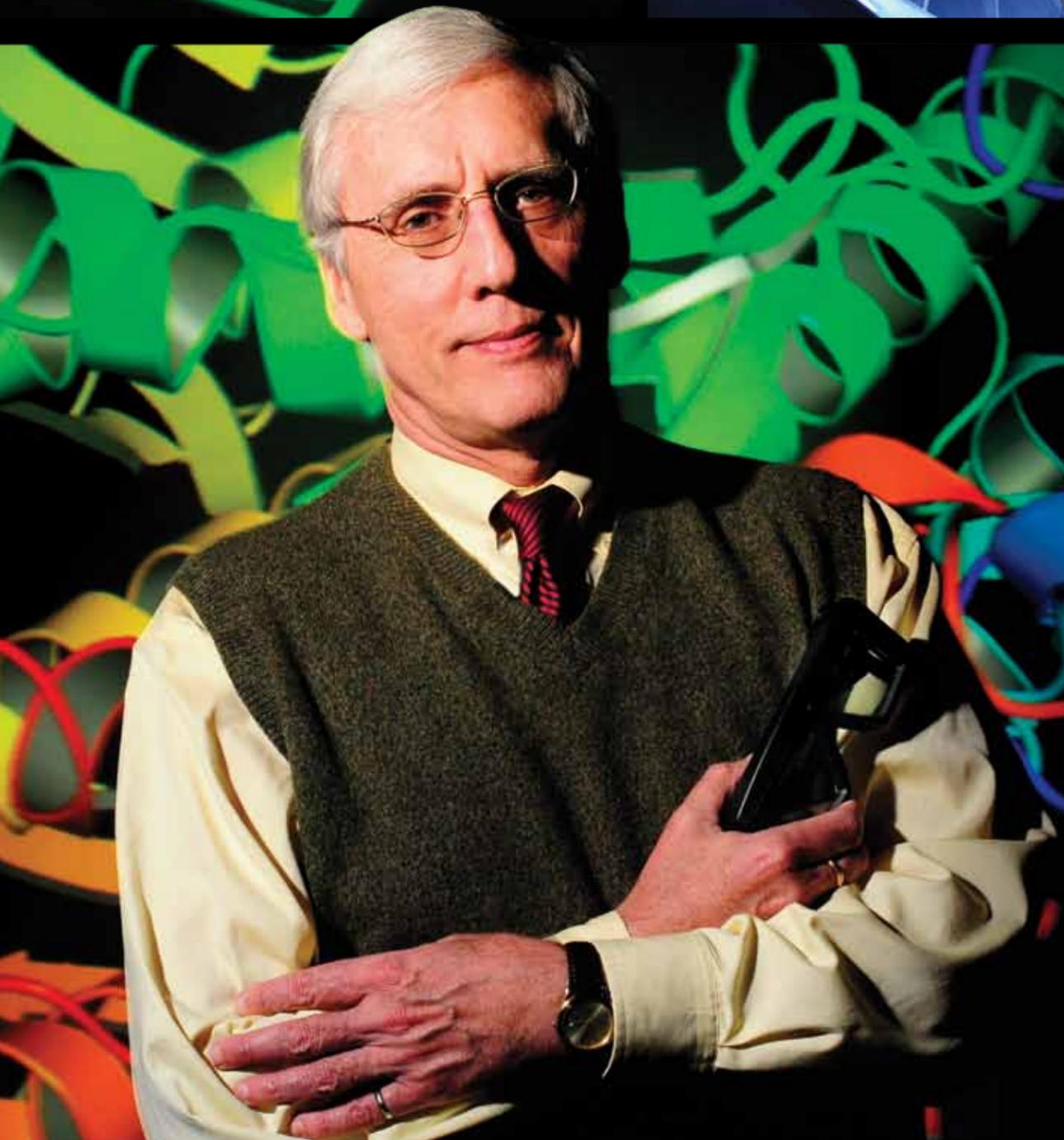
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West Virginia

WOW!



By Catherine Zacchi and Leslie Fitzwater

From nanotech to big data, robots and lasers...

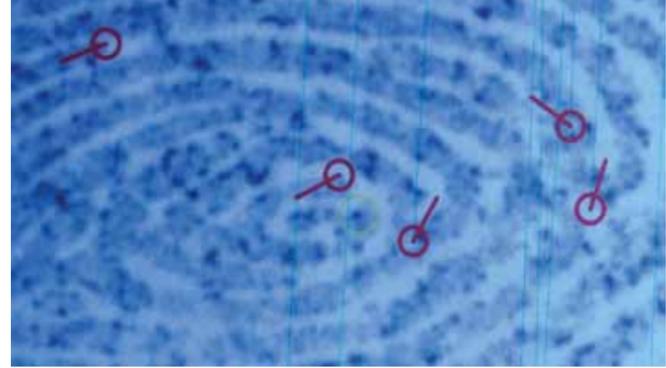
The MOUNTAIN STATE is home to a surprising mix of industries, but a versatile workforce keeps alive a tradition for quality.

IDENTIFYING opportunity: BIOMETRICS

Biometrics identifies people based on physical characteristics or behavior traits.

“The FBI has been a leader in biometrics, beginning with our fingerprint and then our DNA services,” said William Mark Casey, program manager, Criminal Justice Information Services (CJIS) Division/Biometric Services Section, Biometric Center of Excellence (BCOE).

The BCOE is the FBI’s hub for developing new biometric capabilities and integrating them into operations to solve crimes and protect national security.



The BCOE program will move into a new facility– the Biometrics Technology Center – when construction is completed in 2014.

The 360,000-square-foot center is being built on the grounds of the FBI’s CJIS campus. The CJIS Division and the Department of Defense’s biometric operations will both take up residence in the new center, making joint biometric research and development efforts easier.

“With more than 72 million records, IAFIS is the LARGEST CRIMINAL BIOMETRIC DATABASE IN THE WORLD.”

William Mark Casey, Program Manager
CRIMINAL JUSTICE INFORMATION SERVICES (CJIS) DIVISION

The CJIS Division in Clarksburg is home to the Integrated Automated Fingerprint Identification System (IAFIS), the national fingerprint and criminal history record system implemented in 1999.

As big as it is, the fingerprint database is being incrementally replaced by a new biometric advance: Next Generation Identification (NGI) Program.

When NGI reaches full operating capability in 2014, said Casey, it will provide faster identification processing and increased search capacity, including palm prints and facial recognition.

The BCOE is working to move DNA analysis out of the lab and into the field. New Rapid-DNA (R-DNA) point-of-collection devices designed to quickly process DNA are being tested in booking stations and holding facilities by law enforcement and military personnel.

Instead of waiting weeks for a backlogged lab to report results, investigators will get information rapidly – ideally in under an hour – and be able to make identifications while an individual is still in custody.

The process of testing, refining and verifying the reliability of the technology will take time.

“We are testing prototypes now and are encouraged,” Casey said. “I’m excited about it. My vision of being able to get a hit by DNA in an hour while the person is still in custody could be a reality in the field in 10 years.”

Opening Spread: Dr. Tony Szwilski directs Marshall University’s Virtual Interactive Simulation Environment. The lab blends virtual and real worlds to create an interactive environment for application in industry, education and medicine. Here, Dr. Szwilski is shown in front of the lab’s rear-projected, high-resolution, 3-D display that could allow a doctor to virtually walk into a nano molecule or practice microsurgery.



Alcon

As the global leader in eye care, Alcon develops and manufactures eye care products and technologies to serve the full life cycle of a patient’s eye care needs. Alcon offers a broad range of products to treat many eye diseases and conditions, including cataracts, glaucoma, retinal diseases, dry eye, infection and inflammation, ocular allergies, refractive errors, and other ocular health issues.

Alcon was founded in 1945, and expanded into Huntington, W.Va., in 1977. Now a strategic manufacturing site for Alcon, the \$40 million expansion into a 70,000-square-foot facility was completed in 2010. Located in the Huntington Area Development Center Business Park, it is responsible for the manufacturing, packaging and shipping of the world’s leading intraocular lens (IOL), AcrySof®.

Alcon also manufactures equipment needed by surgeons to do the surgery and place the intraocular lens in the eye. There are more than 3 million cataract surgeries performed in the U.S. each year, and more than 15 million globally. Most cataract surgeries are performed on people over the age of 65. More than 50 million of Alcon AcrySof® IOLs have been implanted worldwide since they were introduced in the early 1990s.

SUCCESSFUL launch: AEROSPACE



The north central part of the state hosts growing industries in high technology and aerospace, including Aurora Flight Sciences, Bombardier Aerospace, Lockheed Martin Aeronautics and Pratt & Whitney Engine Services.

Based at the North Central West Virginia Airport in Bridgeport is the Mid-Atlantic Aerospace Complex, Inc. (MAAC). The MAAC works as an economic development engine for the aerospace industry in West Virginia.

“We’re lucky to have two training centers – the Robert C. Byrd National Aerospace Education Center and the Robert C. Byrd Institute for Advanced Flexible Manufacturing

– located at the airport,” said Tracy Miller, MAAC president. “We have an aerospace industrial park with access to the longest commercial runway in the state and a roster of successful aerospace companies. We have available space with infrastructure. We have a cluster of advantages in one place, ready for someone to locate a new facility.”

Resources include colleges and state programs. West Virginia University offers degrees through the doctorate level in Mechanical and Aerospace Engineering. The Robert C. Byrd National Aerospace Education Center provides FAA-certified Aviation Maintenance Technology (AMT) Airframe and Powerplant (A & P) training.

FMW Composite Systems products have been in outer space, but the Bridgeport

company’s origins were more down to earth when it first opened in 1993 as FMW Rubber Products.

“As the company gradually transitioned to more advanced technology, I never considered moving anywhere else,” said Dale McBride, FMW president and CEO. “I was born in Hampshire County and grew up in West Virginia. The apple didn’t fall far from the tree.”

Today, FMW’s rubber division makes innovative fuel storage and delivery systems for expeditionary forces and emergency responders all over the world.

A second branch produces Titanium Matrix Composites; titanium parts embedded with reinforcing fibers. The reinforced composites deliver the strength of steel at about half the weight. FMW produced NASA’s Super Lightweight Interchangeable Carrier (SLIC), the first all-composite carrier to fly on the shuttle. Composites are also used in defense, medical and sports equipment.

High-tech titanium composite sports equipment? “Yes,” said McBride. “Think golf clubs.”



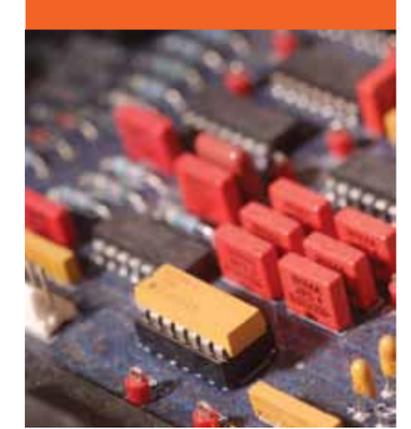
Left: Pratt & Whitney Engine Services, Inc., is a Center of Excellence for repairing and maintaining corporate turbofan and turboprop engines like this one.

Opposite: Aurora Flight Sciences Corp. manufactures metal parts for manned and unmanned aircraft.

FCX Systems, Inc.

In a quarter of a century, FCX Systems, Inc. went from being the untested new kid on the block to exporting its products to more than 70 countries worldwide. The Morgantown company designs, manufactures and tests in-house a broad line of converters and preconditioned air equipment used in military and commercial aircraft.

FCX ships to commercial, military, industrial and ship shore markets across the globe, and has earned awards from the state and federal governments for export excellence, including the Governor’s Award for Excellence in Exporting, Governor’s Commendation for International Market Entry and the Presidential E-Award for Export Excellence.



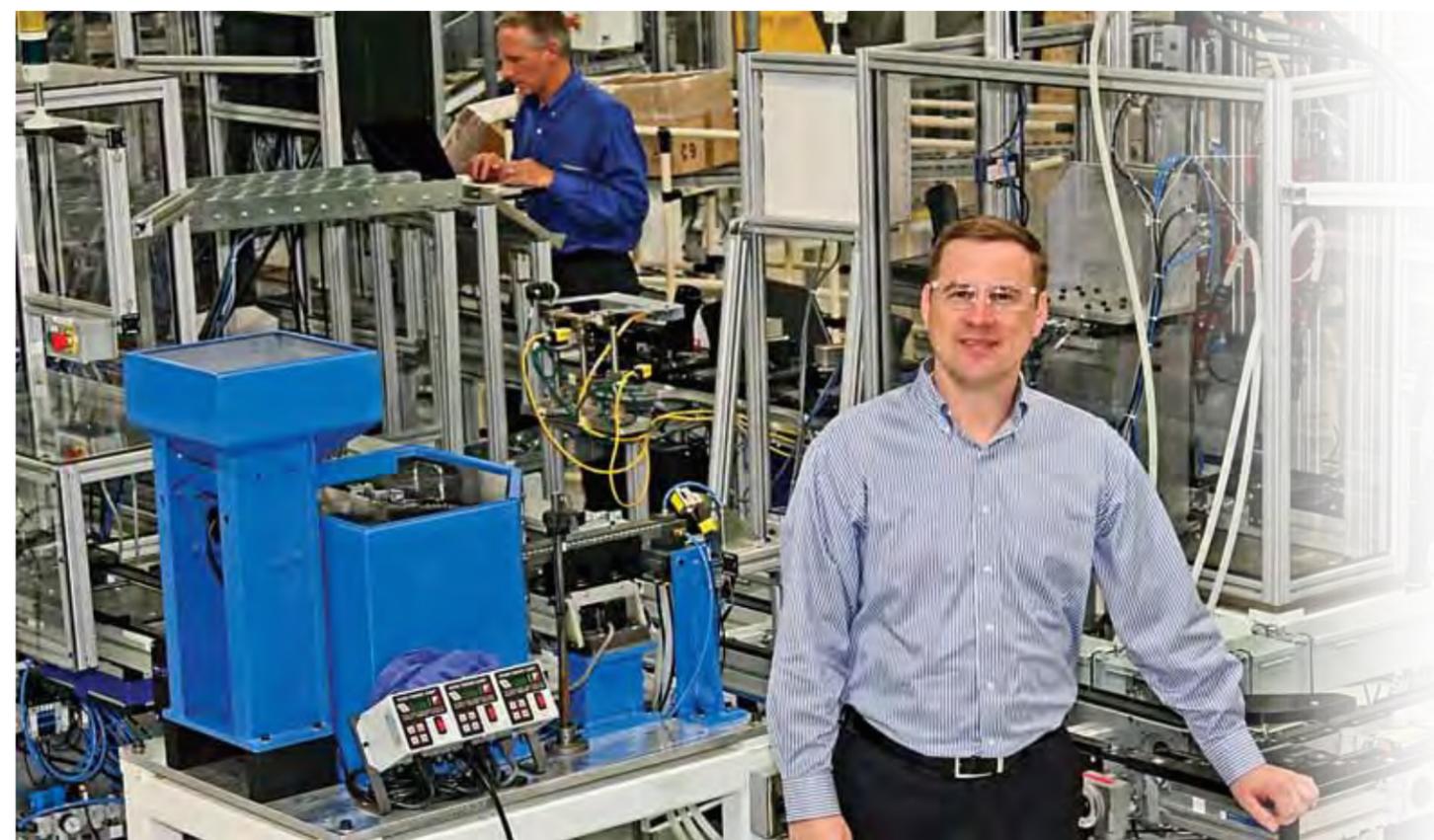
On a ROLL: AUTOMOTIVE INDUSTRY

West Virginia's motor vehicle parts and equipment sector is revving up the state's economy and employment.

In 2012, Toyota, Hino, Nippon Thermostat and Allevard Sogefi expanded and Gestamp opened a new plant. These and suppliers like NGK Spark Plugs USA, Inc. and Diamond Electric

Mfg. Corp. report that West Virginia's central location, skilled workers and lower energy costs help them serve their U.S. auto industry clients while lowering operating costs.

Toyota Motor Manufacturing West Virginia has expanded seven times since coming to the state in 1996. Its new plans to invest



NTK oxygen sensors by NGK Spark Plugs

\$45 million to increase automatic transmission production will bring total employment to 1,200 and total investment to \$1.3 billion in Buffalo, W.Va.

Because of Toyota's success, one of its subsidiaries, Hino Motors Manufacturing USA, opened its only U.S. truck assembly plant in Williamstown, W.Va., in 2007. After winning numerous quality awards, Hino announced a \$3 million investment in machinery, equipment and improvements. This move creates at least 20 more full-time jobs.

Responding to increased demand for its automotive filters, Allevard Sogefi USA is investing \$5.5 million to upgrade its equipment and facility in Prichard, W.Va. The company plans to grow its current workforce of 95 up to 160 people by October 2013.

Finally, international giant Gestamp announced plans to invest \$100 million and create 400 jobs. Gestamp will supply Volkswagen, Renault-Nissan, GM, Ford, Chrysler, BMW, Fiat and Toyota (among others) from its one million square foot plant in South Charleston, W.Va.

“WE EXPECT OUR BUSINESS TO DOUBLE IN 2013 and continue substantial growth in the following years. Investment and employment will follow this trend.”

Troy Thomas, General Manager
ALLEVARD SOGEFI USA, INC



Nippon Thermostat

Nippon Thermostat of America Corp. (NTAC) built its facility in Fraziers Bottom, W.Va., in 2004, making it the Japanese company's first plant in the United States. A new \$4 million investment to the Putnam County location will double the plant's 26,000 square-foot manufacturing facility and create 30 jobs, which will more than double its current workforce.

NTAC supplies engine thermostats for automotive manufacturers including Honda and Toyota. The parent company Nippon Thermostat Co., Ltd. (NTCL) holds the largest share of Japan's thermostat market. State and company officials credit the dedicated workforce and West Virginia's great business climate for the expansion.

STEEL here: METALS SECTOR

Specialty metals manufacturers galvanized their importance to West Virginia's economy with new investments.

In January, Constellium Rolled Products started up a new 30 million pound stretcher at its Ravenswood, W.Va., facility. Representing a \$46 million investment, the stretcher is a critical piece of equipment, providing the unique capability of handling material up to nine inches thick and allowing cross-sectional areas larger than any other aluminum manufacturer. Later, in May, Constellium announced that the Ravenswood plant will help make jet frames under the company's overall \$2 billion multiyear agreement with Airbus.



Felman Productions Inc., Letart, W.Va.

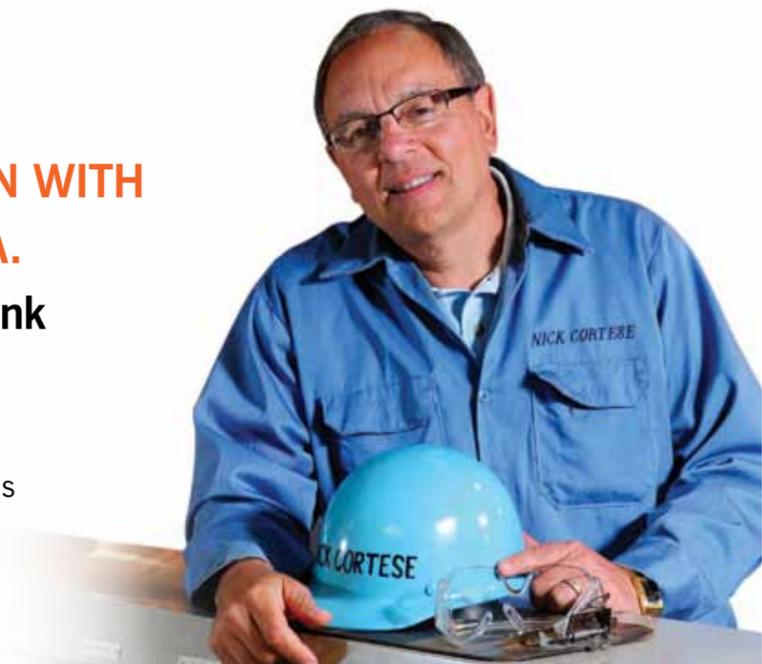
In June, Gov. Earl Ray Tomblin met with Nisshin Steel officials while he was in Japan. On the agenda was the company's wholly-owned subsidiary, Wheeling-Nisshin in Follansbee, W.Va. It is one of the country's largest hot-dip coating mills.

Following the governor's trip, Wheeling-Nisshin announced it would make a capital

“There was a lot of COOPERATION WITH THE STATE OF WEST VIRGINIA.

We have a bright future and I think we will be here for a long time.”

Nick Cortese, General Manager, Human Resources and Public Relations WHEELING-NISSHIN



investment of \$28 million to its Aluminizing and Galvanizing Line (AGL.) This was the largest investment to the AGL Line since it was commissioned in 1998, adding the new highly corrosion-resistant steel coating called ZAM®. ZAM® extends the lifetime of steel products used in severe environmental conditions such as airports, sea ports, chemical plants and highways.

“We have always remarked about the quality of life in this area as a contributing factor to our success. It goes without saying that the quality of our workforce must be included in any discussion about our company,” said Nick Cortese, the company's general manager of human resources and public relations.

Meanwhile, a metals plant in Letart, W.Va., celebrated its 60th anniversary and its revival after being purchased by Felman Production Inc. in 2006.

Felman invested nearly \$80 million in the three-furnace plant. Now, the formerly-closed plant produces high-quality ferroalloys, elements essential in the manufacture of steel. It is one of only two U.S. plants making ferroalloy silicomanganese. ■



Schonstedt Instrument Company

Schonstedt Instrument Company's Humanitarian Demining Initiative is saving lives across the globe with products made in Kearneysville, W.Va. This small business employs 25 people who make magnetic locators used in the search for landmines and underground, unexploded ordnance such as cluster bombs. In addition to producing these lifesaving products, the company provides a one-to-one match for all equipment donations received for humanitarian demining use.

The United Nations and the U.S. Department of State partnered with Schonstedt, identifying countries with the greatest need for these tools but without the funds to purchase them. Each magnetic locator costs \$1,041. Since its beginning in 2007, the initiative has deployed some 400 units to UN-supported demining teams in 23 countries. It recently provided 35 units to rapid response pools at the UN in New York and the International Committee of the Red Cross in Geneva.

Schonstedt Instrument Company's magnetic locator is on permanent display at United Nations headquarters, proving that one small company in an unincorporated West Virginia town can have a global impact. Schonstedt will celebrate its 60th anniversary in 2013. The company is 100 percent employee-owned.

JOBS WELL DONE

By Courtney Sisk

Today's GLOBAL economy depends on an educated, skilled and versatile WORKFORCE.

West Virginia is developing a national reputation for its training programs and workers who are committed to getting the job done. West Virginia's employee turnover among all industries is 8.5 percent compared to a national average of 8.8 percent. In addition, West Virginia is tied with New Hampshire for the third lowest turnover rate among manufacturing industries, with a rate of 4.5 percent, compared to a national average

of 5.9 percent. National benchmark studies show that our workforce is among the most productive in the nation. The state's training programs are structured so that they help business owners get in the best possible position to succeed.

“Welders, electricians and machinists were once called blue-collar workers... Today, those at the top of their fields are gold-collar workers. And they are paid very well!”



Perry McKinney, Phillips Machine Service



Governor's Guaranteed Work Force Program

Among them is the Governor's Guaranteed Work Force Program (GGWFP). Launched in 1991, it provides new and expanding businesses with technical and financial assistance to train, retrain or upgrade the skills of their employees.

The program emphasizes employee training designed to accommodate the needs of individual employers. To achieve this, the GGWFP works closely with education and industry to provide the most advanced knowledge possible to the state's employees.

In fiscal year 2012, the GGWFP enabled 10,530 workers to receive training. The state provided \$3,483,365 to improve the quality of our workforce. Participating companies invested \$14,758,000 in cash and in-kind contributions.

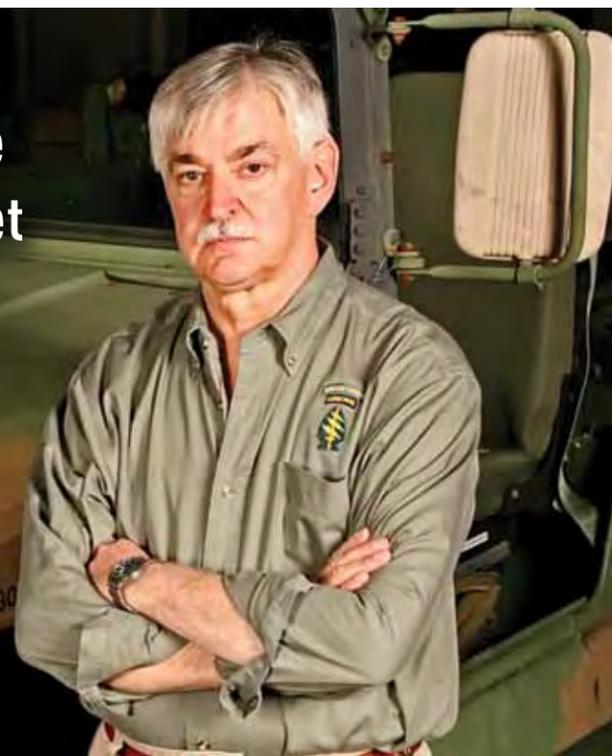
The program has helped companies such as Azimuth, located in Morgantown, and Renick Millworks, located in Renick, stay competitive.

"We converted to 3-D computer-assisted drafting years ago," said Azimuth CEO Craig Hartzell. "We requested assistance with the cost of software and the training. That allowed us to make the decision to go to the higher end design approach – ahead of our competitors."

The program helped Renick Millworks CEO Jay Petre access training grants to take his employees to the National Hardwood Flooring School in St. Louis, Mo. There, they learned advanced hardwood flooring techniques, including strict installation and moisture control parameters.

"The workforce in the state of West Virginia is a secret weapon. That is the one major reason we have been so successful."

Craig Hartzell, President
AZIMUTH INC.



Students in the chemical operator program at Kanawha Valley Community and Technical College train on the same type of equipment that's used in chemical plants here and around the country.

Teaming with CTCs

Companies such as Macy's also are taking advantage of West Virginia's training opportunities for their workforces. Macy's, which just opened a new fulfillment center in Martinsburg, is teaming with Blue Ridge Community and Technical College to offer training to employees of the center. Toyota and Bridgemont Community and Technical

College have partnered in a new program called "Advanced Manufacturing Technician," or AMT. This education-to-work program will give students hands-on experience in manufacturing while they earn a two-year degree. Kureha PGA also is participating. Students will attend classes two days a week and work at Toyota's plant in Buffalo three days a week. They will receive a starting salary of \$17.78 an hour.

Other community and technical colleges are developing programs for students to train for jobs that are in demand and also to help



"I finally got something with great benefits. I can provide for my family better."

James Parsons, Kanawha Valley CTC graduate

connect companies with students to do those jobs. Those programs are also extending into West Virginia's high schools. Two pilot projects were introduced this school year. One steers students toward careers in manufacturing, the other toward the oil and gas industry. The curriculum was developed by meeting with industry leaders and determining their needs. It includes skill sets all companies look for, such as problem solving and leadership, as well as more specific skills such as welding and land surveying.

"Our emerging workforce is high school students," said Assistant State Superintendent of Schools Kathy D'Antoni. "We need to prepare them with a foundation skill set for industries we are trying to lure or grow. It's imperative that we have that curriculum in schools. The education system must pool our

resources and work together to develop the workforce to grow our economy. There is just no other way."

The Community and Technical College System launched a new campaign this summer to showcase that a CTC education can pay off both now and in the future. "Learn More, Earn More" highlights "middle skill" jobs, which are those that require more than a high school diploma but not a four-year degree. Middle skill jobs are expected to dominate West Virginia's job growth in the years to come. Those include chemical plant operators, computer-assisted drafters and designers, as well as people with degrees in mechatronics and machine tool technology.

"Delivering an affordable college education that prepares graduates for real careers with real earnings: that's the core of everything

we do. Community and technical college education in West Virginia is a crucial component in workforce and economic development. We

produce the graduates who move our economy forward!" said Greg Morris, vice-chancellor of the West Virginia Council for Community and Technical College Education. "The community and technical colleges offer a college education that's affordable, close to home, and leads to high-paying jobs. It's just that simple. High-paying jobs in manufacturing are available right here in West Virginia. The CTC's goal is to train the next generation to fill these positions."

The Competitive Edge

West Virginia's Competitive Improvement Program helps existing businesses that may not be in a hiring mode to train and/or retrain their employees, thus stimulating their global competitiveness, as well as address critical workforce issues through customized training.

Rubberlite, based in Huntington, started utilizing the program several years ago. The company is a recognized leader in

"My business degree was a piece of paper. But CTC training increased my pay by 50%"



David Holland, New River CTC graduate

the manufacturing of custom-engineered polyurethane foam, and has customers all over the world in industries including automotive, electronics, medical and aeronautics. Company leaders say the CIP has given them an advantage in a tough economic climate.

"The CIP has been an invaluable source of funding for us to train and develop our employees," said Michael Little, director of organizational development and human resources. "Without it, we would have been significantly limited in the training opportunities we could have offered. It's not cheap to train. The CIP funding has allowed us to provide training at our facility instead of sending employees elsewhere. It limits disruption to our plant and lets people train at a convenient pace. They can take part in hands-on exercises and training on the floor."

The company has used CIP funding to train employees responsible for a new lamination line, to develop an enterprise resource planning

software training program, and to establish a project portfolio to increase speed to market.

Rubberlite now employs 145 people and plans to add 10-15 jobs during the next few years. Little said the training made possible by the CIP enables new employees to get up to speed quickly.

“It’s a win-win for both us and the employee,” he said. “They can start making contributions much sooner because of this efficient, regimented training that develops their skills and we can do it internally. We’re adding people and processes for advance technologies that can’t be found anywhere else. We can prove to our global customers that we’re capable of meeting their needs right here in West Virginia.”



A machine operator loads custom-engineered HyPUR-cel foam to a skiving machine. Statistical Process Control, combined with a rigorous training program and the most advanced machinery, ensure product consistency and quality.

Ready to Work

West Virginia is one of many states that have turned to the ACT National Career Readiness Certificate (NCRC) to help job seekers validate their workplace skills and help companies find qualified employees to fill positions.

“People can have demonstrable skills without a formal education. That’s certainly true of many West Virginians,” said Beth Carenbauer, director, Business Services and Human Resources, WorkForce West Virginia. “The NCRC is a way for us to prove what our employers tell us – we have a strong and dedicated workforce. We want employers to be confident they’re hiring the right people for their open positions. The NCRC provides evidence that workers have the skills employers seek.”

The NCRC is used across all sectors and verifies skills including problem solving, critical thinking, reading and using work-related text, applying information from workplace documents to

“Inside those plant fences are jobs – and they’re good jobs. They’re yours for the taking. But you must have the training.”



Laura McCullough, Kanawha Valley CTC

solve problems, and applying math reasoning to work-related problems.

WorkForce West Virginia has teamed with the West Virginia Department of Education and the Community and Technical College System of West Virginia to offer ACT WorkKeys assessments and NCRCs to individuals and job profiling services to employers at no cost.

Since 2008, West Virginia has issued more than 41,000 career readiness certificates. Current West Virginia employers using WorkKeys as part of their hiring process include Chemtura Corporation, Chesapeake Energy, Goodrich Corporation and NGK Spark Plugs USA, Inc. WorkKeys has also helped Monongalia County Schools find the most qualified candidates.

“I was looking for two things to come from using WorkKeys: help in screening candidates to get the best, most qualified applicant referrals, and saving time by reducing the number of unqualified candidates in my applications

file,” said Rick Williams, assistant manager of human resources. “Once we went through the job analysis and shadowing process, we came up with the most important qualities and tasks that a new employee should possess and be able to accomplish. With that determination came the WorkKeys tests to help qualify WorkForce applicants as referrals to us.”

The school system has completed the process for secretarial and custodial applicants. All of the secretarial candidates passed the state Department of Education secretary test, and the custodians turned in the same results.

“Using WorkKeys has helped us by pre-screening referrals, giving us confidence in their skills, and has lessened training time to just organization specific needs,” Williams said. “In other words, once hired, these people are pretty much ready to hit the ground running. We have plans to screen our other classifications in the near future and I’m confident the results will be outstanding.” **E**

A HIGH-TECH Tale of Two Cities

By Hoy Murphy

If technology is making the world smaller by allowing instant communications from nearly anywhere, it's also expanding the world by allowing people to live and work where they like. It's no longer necessary to live in metropolitan areas in order to work in fields that create and develop high technology. In recent years, many people are choosing to live in areas that are less urban, less crowded, and less stressful. West Virginia has become successful in attracting many young innovators and entrepreneurs, what have been called "The Creative Class," who are interested in developing high-tech innovations while enjoying a lower-stress lifestyle. Two communities that provide examples of this change are Fairmont and Huntington.

"Research continues to bring us new technology in health sciences/biotechnology, information technology, advanced energy, etc.," said David Lieving of the West Virginia Development Office.

"The foundation of all this is our research universities and their ability to develop effective partnerships with government and the private sector. This is an area we need to support with more resources if we are to stay competitive by keeping our best and brightest here and attracting others to live and work in West Virginia."

Robert H. Mollohan Research Center at the I-79 Technology Park in Fairmont

FAIRMONT

Fairmont, one of West Virginia's oldest cities, is known as "The Friendly City" and even "The Home of the Original Pepperoni Roll." In recent years, however, it has built a reputation as a magnet for young people interested in building careers in technical and development fields. It has become the central part of what has come to be known as the I-79 High Technology Corridor and can add the nickname "The Town of Opportunity."

Fairmont is in the process of reinventing itself with a closely coordinated effort by local, state and federal governments, educational institutions and individuals who love the area and want to live and work there.

Main Street Fairmont, one of West Virginia's nationally-certified Main Street communities, works with the City of Fairmont and private developers to make the city attractive to the eye and for technology development. One of the best examples of making something old new again is the redevelopment of several historic buildings into high tech office and commercial space at Veterans Square. This and several other similar revitalization projects in the downtown area have preserved the past while encouraging new, home-grown businesses and allowing for a closer partnership with local educational institutions.

"We are working to breathe life into our buildings, to create a downtown reminiscent of the past but with all the promise of the future,"

said **Kate Seim**, executive director of Main Street Fairmont.

Seim notes that Main Street Fairmont works with landlords to take advantage of USDA grant programs to offer low-cost office space to young entrepreneurs to set up new businesses, and offers grants and other assistance to help them work downtown.

"Fairmont is ripe for development. Higher Education



HUNTINGTON



In Huntington, the "high-tech corridor" is a bicycle path. That, and a shuttle service, have been added to Fourth Avenue and serve to connect Marshall University with the revitalized part of the city called Pullman Square and other nearby areas that attract "The Creative Class" and help keep them there.

"The aesthetic enhancements on the Old Main Corridor on Fourth Avenue are appealing to residents, visitors and current and prospective businesses," said David Wellman, director of communications at Marshall University. "The integration of bike lanes in a managed traffic

flow makes the distance between the main campus and the renovated Pullman Square seem negligible. It's a very short six blocks between Marshall University and downtown Huntington."

Marshall University officials believe the research and other creative activities students, faculty and staff conduct are essential to the attraction and retention of the Creative Class in Huntington. "Whether it be through an announcement of a new research breakthrough, scientists gathering over coffee, or a new exhibit or faculty recital, these activities create an intellectual vitality that complements and amplifies that in the community, and makes Huntington an exceptionally engaging place to live and work," said John Maher, vice president for research at Marshall University.

Marshall University works with many groups such as Create Huntington, a grassroots support network that encourages creative, locally driven projects by offering advice, group discussions, and even matching mini-grants. Create Huntington began in 2006 when a group of city officials and citizens came together to discuss the best way to improve the city's economic future. The organization encourages local projects that emphasize family life, technology, culture and the arts, community development and tourism.



is strong in this community and yet the incredibly diverse market that appeals to the student base and their families remains largely untapped. Main Street Fairmont and all of our partners are working to raise this community up to its greatest potential.”

“Another asset is the I-79 Technology Park, along Interstate 79 near Fairmont, which has nearly 500 acres of space and a gigapop of bandwidth with some of the best anchor institutions in the state,” said Deana Keener, president of the I-79 Development Council (I79DC), which helps coordinate all of the various groups involved. I79DC works to retain traditional businesses and develop dynamic new ones in north central West Virginia.

Above: Morrow Hall on the main campus at Fairmont State University
Left: Main Street Fairmont



Fairmont State University has become a major partner in the reinvention of Fairmont. “Two fantastic partnerships with Fairmont State include the OSIX and the IBM Initiative,” said Keener. “OSIX stands for Open Source Intelligence Exchange

“Create Huntington focuses on inspiring and empowering people to improve their quality of life in Huntington,” explained Thomas McChesney, director of marketing and business development for Huddleston Bolen LLP, who works with Create Huntington. “The idea is that with modern communications technology, people will choose to live in communities where they are inspired, have access to intellectual resources, and their families are valued.”

as appealing living and work places, but also to provide a livable atmosphere that attracts, educates and keeps thinkers and researchers.

Cooperation between the City of Huntington and Marshall University is vital to this goal. City government officials are working with Marshall not only to rehabilitate older buildings



Marshall University students discuss creative topics on a balcony at Pullman Square.

More improvements are underway as efforts continue to strengthen the “town and gown” dynamic. The major project underway now is the renovation of the old Stone and Thomas building on 3rd Avenue, which has stood vacant since 1996. The project will cost \$11 million with funding coming from the university and the city, as well as other interested sources. Upon completion, it will house Marshall’s visual arts program in conjunction with the MU College of Fine Arts.

“When the Marshall University Visual Arts Center opens downtown, it will bring hundreds of additional people per day to



Pullman Square is part of the rejuvenated downtown area of Huntington that attracts the “creative class” to the area.

Pullman Square and the surrounding businesses,” said Byron Clerex, chair of Marshall’s Department of Art and Design. “This influx of ‘entrepreneurial creatives’ from the School of Art and Design enlivens the intellectual, cultural and economic conditions that residents, visitors, local businesses and prospective employers desire.”

MU President Stephen Kopp has fostered the growing relationship with the entire university community, including downtown Huntington.

at FSU. These are student-staffed intelligence centers that encourage the development of new information technologies in support of national security and law enforcement. The IBM Initiative involves a partnership between the computer giant and FSU to train the next generation of mainframe experts.”

“I’ve seen a change in their mindset regarding future goals and career aspirations. Students realize our programs prepare them well for the competitive high-tech workforce, making them ‘market ready.’”

Dr. Richard Harvey, dean
FAIRMONT STATE UNIVERSITY
SCHOOL OF BUSINESS



Harvey said students gain confidence from the collaborative relationships and experiential learning opportunities FSU has created with the high tech firms.

“As a result, they no longer are intimidated by the thought of seeking employment with a large Fortune 500 firm such as IBM, or staying and working for the regional high-tech firms,” he said.

Pierpont Community and Technical College also has partnered with regional industry to create technological degrees and certification programs. Pierpont has outstanding programs in aviation, including two- and four-year degree programs specializing in Aviation Maintenance, Aviation Electronics, Professional Flight, and Administration and Management. These programs are housed at the Fairmont State National Aerospace Education Center at the Harrison Marion Regional Airport. All degree options lead to FAA or FCC certification.

Pierpont recently created a Power Plant Technology Certificate with Allegheny Energy, and another program on Mechatronics. That’s the study of mechanics, electronics, and system control technologies with the goal of developing knowledge and skills needed to maintain,

trouble-shoot and repair electro-mechanical systems in an industrial environment.

Casey Cid was attending the West Virginia University School of Journalism, working on a Master’s Degree in Integrated Marketing Communications, when she took an internship at the Global Science and Technology Innovation Lab (iLab) in Fairmont. The skills she learned there helped her reach her long-term goal of starting up her own marketing agency, Media Thirty Seven, in nearby Morgantown.

“I became familiar with QR codes, which are basically barcodes used

“The arts have an important impact on a community, and how an arts-rich environment helps us to attract and retain great students and great faculty,” Dr. Kopp said. “The renovated Stone and Thomas facility will bring the two together in a fantastic location.”

Success stories are already evident. An example is Vandalia Research, Inc., a Marshall University spin-off that operates in the Huntington Red Cross building. Vandalia, formed in 2004, is a biotechnology custom manufacturing organization that specializes in the large-scale production of DNA sequences. This is helping companies develop vaccines, diagnostics, bio-agriculture and gene therapies for existing and emerging markets.

“I think that having a vibrant and clean downtown is one of the most critical elements to attracting and retaining talent at a high-tech firm,” said Derek Greg, Vandalia’s chief executive officer. “Huntington has made strides in this area. I think there are ways that don’t cost much money that Create Huntington, Marshall, and government can work together with citizens to make important improvements to the aesthetics and cultural diversity of the city. All of that is important to professionals who might like to work and live in the city.”



Vandalia Research is a biotechnology manufacturing organization spin off from Marshall University

“The arts have an important impact on a community, and how an arts-rich environment helps us to attract and retain great students and great faculty.”

Stephen Kopp, president
MARSHALL UNIVERSITY

Progenesis Technologies LLC, is another spin-off from Marshall University. It has been successful with its discoveries about growing alginate in the laboratory. Alginate is used to stabilize products such as cosmetics, food and beer. Currently, alginate is normally harvested only from large brown seaweed and only in season. With its Genetically Engineered Alginate (GEA), Progenesis is ready to enter the commercial market.

After its startup and incubation at the South Charleston Technology Park beginning in 2008, Progenesis recently moved to Huntington, partly to be nearer to Marshall University’s main campus.



“Media Thirty Seven is the premier marketing agency for tech savvy local businesses, specializing in Web design, mobile app development, graphic design and communications and media planning.”

Casey Cid, Creative Director/Owner
MEDIA THIRTY SEVEN

for encoding information in two-dimensional space. You see them in magazines, advertisements, and even on TV and websites,” Cid explained. “I began to realize their immense potential for helping businesses communicate with their increasingly tech-savvy audiences. I knew that the market could handle – and needed – a new, fresh marketing agency that was well versed in new media. There was a lack of marketing agencies that put an emphasis on emerging media and technology.” **E**

“Our move to Huntington has been facilitated by Vandalia, Huntington’s first biotech company, who subleased us space in the Red Cross Building,” said Dr. Richard Niles, who also serves as Marshall’s Department of Biochemistry and Microbiology Senior Associate Dean for Research and Graduate Education. “Also, the Huntington Area Development Council and its president, Mark Sprouse, have been very generous to us with grants-in-aid to help with legal expenses and defraying the costs of attending biotechnology conferences. As we became interested in the federal Small Business Innovative Research (SBIR) program, Jamie Gaucher of the West Virginia Small Business Development Center and his team provided us with technical assistance to submit SBIR proposals to federal agencies.” **E**



Progenesis Technologies grows laboratory alginate for products such as makeup and food.

Marshall University’s new fine arts center will bring hundreds of students to downtown Huntington when it opens in the former Stone and Thomas building in the fall of 2014.

Byron Clercx, director of art and design at Marshall’s College of Fine Arts, visited four schools around the country that have done similar projects. He says in each case, the cities were transformed by economic development sparked by a youth movement downtown.

“Art and design is critical to culture and a community’s success,” he said. “A vibrant arts community can attract 21st century businesses and people in the creative class: entrepreneurs, inventors, writers, web designers. Communities need to make themselves appealing to this highly-mobile group with disposable

Creating Huntington’s TIPPING POINT

income. They can live and work anywhere by using Wi-Fi. So what is it that we offer that will make people want to come here? What are we offering to make Huntington exciting? We need green space, bike lanes, high-speed Internet, good infrastructure, tax incentives to create a good business climate so stores will want to come here. Huntington is developing those kinds of things. There’s energy, a dynamic where people are positive, excited about the future, want to do things instead of thinking, ‘we can’t do that here or that will never happen here or that’s not how we used to do it.’ They’re thinking, ‘Absolutely. Let’s try that. That would make Huntington better.’”

Clercx and his wife Lynn have lived in Huntington since 2005. Originally from St. Paul, Minn., Clercx spent several years in California, Washington and Idaho before settling in the Mountain State.



Byron Clercx, director of art and design at Marshall’s College of Fine Arts, sees his students as an influx of “entrepreneurial creatives.”

“I’m invested in Huntington. The city is developing better infrastructure. There are more restaurants. There are neighborhood groups working on creative things to make the community better. Graffiti abatement. Helping put flowers in flower beds,” he said. “Once a community changes to the point where things that seemed unbelievable suddenly become believable ... they seem plausible, probable and they’re going to happen. That’s when your community has reached what’s called the tipping point. Huntington is pivoting in that direction. Putting the art and design program in the core of downtown with all of the students and energy and positive things that are going to come out of that, I think that’s going to be one of the tipping points that moves Huntington into a better tomorrow.”

See video online: wvcommerce.org/TippingPoint.

THE Energy State

Mountain State leads in advanced energy research and resources

By Andrea Bond

West Virginia may be a top exporter of energy, but the state is not merely focused on cleaner mineral extraction. The Mountain State leads the nation with its advanced energy research and a diverse energy portfolio that includes not only coal, but wind, hydro, geothermal, biomass and solar.

“The world is hungry for West Virginia’s energy resources. With coal and gas as our core strength, the Mountain State’s energy diversity powers the nation and the world,” said Gov. Earl Ray Tomblin. “Global demand continues to fuel coal exports, and our whole region is benefitting from

natural gas coming from our vast Marcellus Shale deposits.”

To maximize the benefits of natural gas, the governor has created a Natural Gas Vehicle Task Force. His goal is to have at least one fueling station in every county.

“Beyond fossil fuels, our state is blessed with a full array of energy resources that also include biomass, geothermal,

WV Export (U.S. and International) 3,285

WV Production 3,794

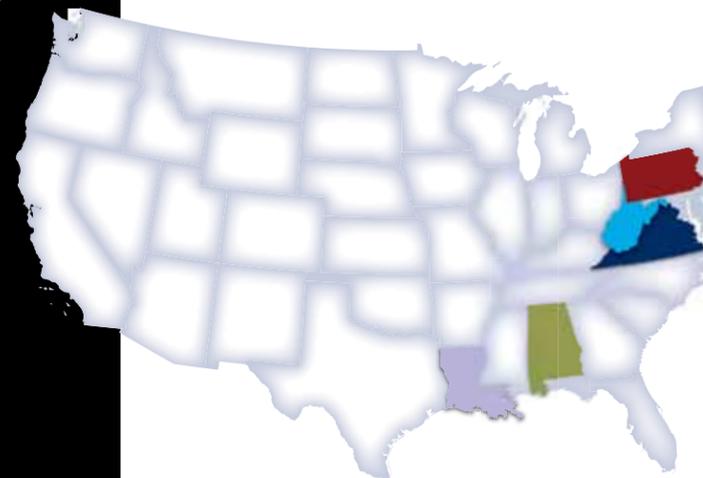
West Virginia Energy Flow

(in trillion British Thermal Units)

West Virginia Consumption 716

Imported Energy 207

2011 TOP FIVE (in billions) Coal Export States



West Virginia	\$5.3
Pennsylvania	\$2.7
Alabama	\$2.2
Louisiana	\$1.6
Virginia	\$1.3

In September, the West Virginia Division of Energy's W.Va. Clean State Program offered a natural gas vehicle workshop in Charleston to help state employees learn more about the benefits and safety of natural gas and the vehicles that use it. In addition to classes, the event included an alternative fuel vehicle expo. At right, WVU's National Alternative Fuels Training Consortium's cutaway Toyota Prius offered attendees a close look at a hybrid electric engine.

hydrogen, hydro, wind and solar power,”

Tomblin added.

The West Virginia Energy Blueprint calls for the environmentally responsible development of all forms of feasible energy technologies, from clean coal to coal liquefaction, natural gas, biomass, hydrogen, hydro, wind and solar power.

Two-thirds of the electricity West Virginia generates is exported to the rest of the country. The state ranks third in the country in net interstate sales of electricity and remains a leader in low-cost energy.

“West Virginia’s total energy production in

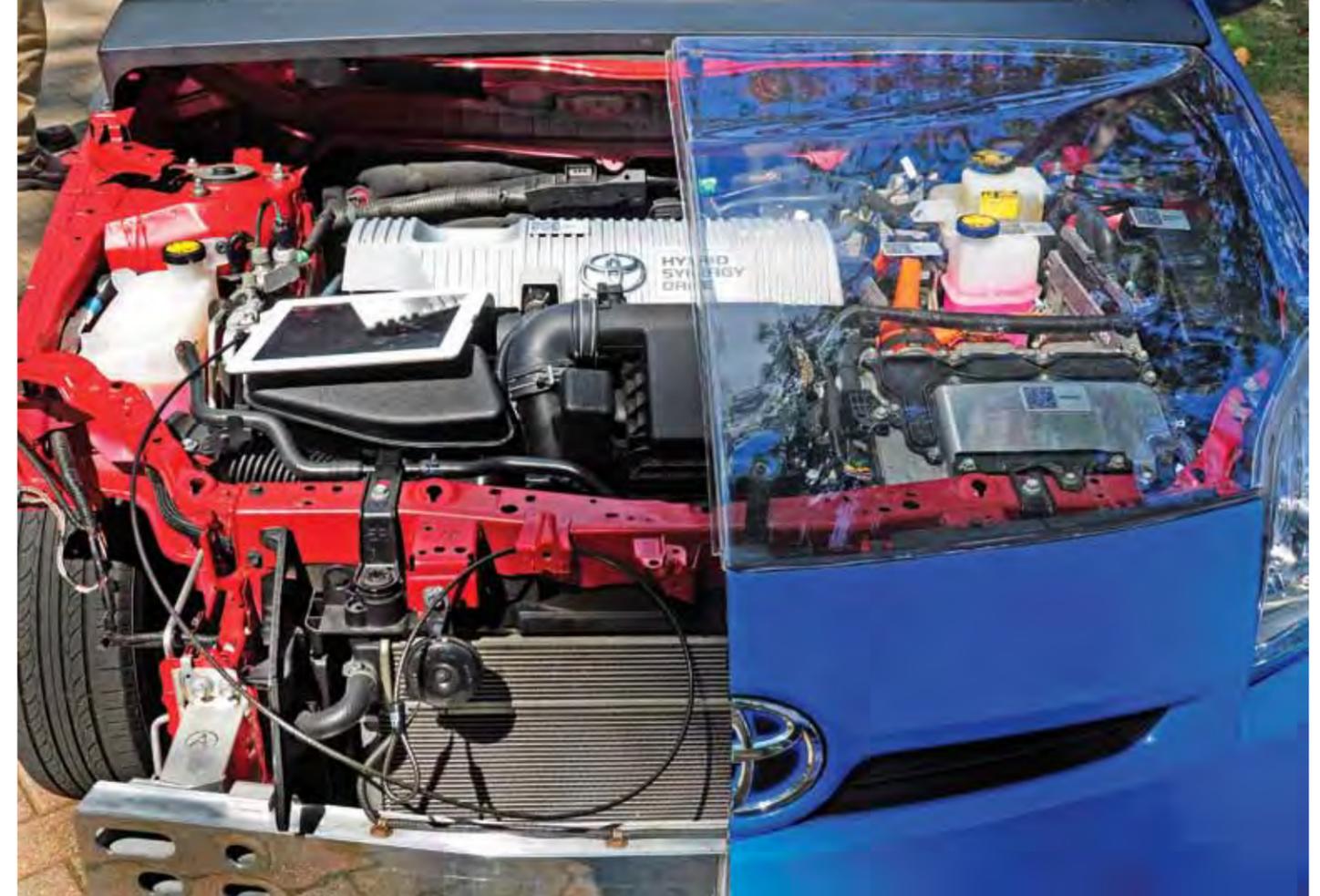
2010 was 3,674 trillion BTUs, second only to

Wyoming’s 3,998 trillion BTUs,” said

Division of Energy Director Jeff Herholdt.

“The state is third in the nation in terms of electricity exports. We have unparalleled resources and expertise to continue powering the nation and the world.”

At West Virginia University, the Advanced Energy Initiative (AEI) coordinates and promotes university-wide energy research in science, technology and public policy. AEI



WVU's Advanced Energy Initiative: innovative projects in the works

Refining wood as alternative fuel:

Ben Dawson-Andoh, a professor in the Division of Forestry and Natural Resources at WVU, and his two doctoral students, Gideon Lawer-Yolar and Emmanuel Atta-Obeng, are studying the composition of lignin, a substance in wood that limits its use as an alternative fuel and as a source of chemical products.

Their research, “Effects of lignin extraction on Biomass Cell Wall Structure Using SANS,” will examine the structural composition of lignin, which could help further research about how to remove lignin and develop possible biological products. The team has traveled to Oak Ridge National Laboratory in Tennessee, the world’s foremost neutron scattering center, to study the process.

High-capacity electric batteries:

A research team from several colleges at WVU is working on an initiative called the Center for Electrochemical Energy Storage (CEES) that could bridge the gap between fossil energy and renewable energy.

The initiative has received a \$1.3 million Research Challenge Grant from the West Virginia Higher Education Policy Commission to explore how large-scale rechargeable batteries could store more energy. Engineering professor Xinbo Liu said the rechargeable batteries could help shave peak demand, level intermittent renewable energy supply, provide emergency power, and enable numerous smart “hybrid” grid applications.

Solar house team design:

A group of WVU students are competing in the 2013 Solar Decathlon, a collegiate design-and-build competition hosted by the U.S. Department of Energy. With a \$100,000 grant provided by the Department of Energy and funds raised on their own, the 18 students were to start piecing together a solar-powered log home in the fall of 2012 on a site near the Student Recreation Center, after which it will be disassembled and transported to the competition in Irvine, Calif.

Team leader Brigid Cain says that many houses that are entered in the contest focus on being new, modern, and innovative, but lack the feeling of home. The house her team is building will be cozy, warm and welcoming.

Carbon sequestration:

Shahab Mohaghegh, professor of petroleum and natural gas engineering, was quoted in a recent *New Scientist* article. The magazine published a study that claims compressed carbon dioxide may be more suitable for fracturing methane-rich rock than water.

Mohaghegh developed a technique using artificial intelligence and data mining, which his team is using to build surrogate reservoir models that replicate the large models but run in real time. As a result, studies take less time to complete. The technology is being developed as part of a grant from the U.S. Department of Energy through the American Recovery and Reinvestment Act.



“THE WORLD IS HUNGRY FOR WEST VIRGINIA’S ENERGY. With coal and gas as our core strength, the Mountain State’s energy diversity powers the nation and the world.”

– Gov. Earl Ray Tomblin
West Virginia

On August 30, 2012, Gov. Earl Ray Tomblin joined Williams Partners L.P. in announcing the natural gas company will invest \$1.34 billion between now and 2014 including the addition of 100 new long-term generational jobs in the Northern Panhandle region.

is a collection of individually funded programs from sources such as the National Energy Technology Laboratory and other Department of Energy projects.

“For many years, WVU has had a leading role in providing the knowledge and innovation that maintained a healthy economy based on the production of energy,” said Dr. Fred L. King, interim vice president for research at WVU. “Many innovations that created a robust manufacturing industry for West Virginia had their origins in the labs of WVU researchers.”

AEI was formed five years ago when a committee of WVU deans and leaders from

the WVU Research Office saw the advantages of having a unified image for energy research at the university, he said.

“WVU’s energy research portfolio has contributed to West Virginia’s reputation as an energy state by making new discoveries that lead to safer, more effective ways to use natural resources. In addition, WVU research will continue to uncover energy breakthroughs that will make Americans’ lives

better and contribute to the national drive toward energy independence.”

King says that with so many innovative projects in the works, AEI is now looking to the future of Marcellus Shale.

“In light of the advent of the Marcellus Shale opportunity, which was unforeseen when the AEI was established, we are reviewing our strategy with regard to energy research. We have identified shale gas utilization research and innovation as an area we want to aggressively pursue as we maintain the general portfolio in fossil research and innovation that is illustrated on our website,” King said.

He said WVU sees shale gas as the path to re-establishment of a strong manufacturing base in the region.

“Our role is to develop the enabling technologies to lead this revitalization. It is a strong and healthy continuation of the role that WVU research has traditionally played for our state and its coal, chemical and manufacturing industries.”

West Virginia is in the process of developing the 2013-2017 West Virginia State Energy Plan. This plan will develop analyses and policy recommendations to guide the state in reliably meeting its future energy needs in a cost-

Mike McKechnie, Solar Entrepreneur



The U.S. Small Business Administration awarded Mike McKechnie's Mountain View Solar with its 2012 West Virginia Entrepreneurial Success Award.

Sense of place and the sustainable business opportunities drew Mike McKechnie from Maryland to the Mountain State.

"I took a leap of faith," said McKechnie. "I didn't have a job or anything lined up. All I knew was I wanted to move to West Virginia. And that's what I did."

In 1995, McKechnie and his brother Pete founded Mountain View Builders, a "green" construction company.

"We built houses that were better. 'Better' is defined by using less energy and then making some of its own energy," McKechnie said. "We also concentrated on making the indoor air quality better by putting in better and healthier products."

In 2009, the company evolved into Mountain View Solar, serving residential, commercial and municipal clients in West Virginia and surrounding states. The Berkeley Springs company has grown from five employees in 2009 to 20 today, and utilizes the services of several local contractors.

"We're a West Virginia-owned contracting company. All American made. REAL AMERICAN MADE – manufactured, assembled and shipped here in our country. That's very important to us and our clients."

"We're the largest solar installation company in the state by far. We've done all the largest projects in the state, which is a great honor to have," he said.

McKechnie said he received invaluable assistance from the U.S. Small Business Administration and the West Virginia Small Business Development Center in starting up his company.

"We love working in West Virginia. We love working for the people that live in West Virginia. We love the clientele in West Virginia," he said. "People said it over and over again – we have great employees. Well, we do: hardworking, honest, loyal, dedicated employees."

comment: "The West Virginia Center on Budget and Policy asks that the DOE propose to move forward by creating the West Virginia Future Fund, similar to funds created by several other mineral-producing states. The Future Fund will be created from a portion of natural resources severance taxes and will turn a one-time source of revenue into a permanent source of wealth for our state."

The comments represented a diversity of viewpoints, but all agreed on one point: that West Virginia is poised to lead the nation in energy diversity.

"We strongly endorse all of the recommendations of the Energy Efficiency section of the Plan," wrote Cathy Kunkel and Stacy Gloss of Naoma. "The plan provides a thorough and well-researched analysis of the status of energy efficiency policies and incentives in West Virginia and surrounding states. We concur with the plan's overall finding that energy efficiency is a low-cost and underutilized energy resource for West Virginia."

To learn more about West Virginia's diverse energy portfolio, visit www.advancedenergywv.com. **E**

effective and sustainable manner while fostering an innovative clean energy economy. The plan is updated every five years.

A series of meetings was held to invite public comment. The meetings included discussion of increased energy efficiency, traditional fossil energy forms and renewable energy.

The 2008-2012 Energy Plan is available at www.wvcommerce.org/energy/energyplan. Comments on the new plan are posted on the website as well. Residents have offered suggestions to add to the plan, such as wood pellet fuel and micro-hydro power.

Referencing the natural gas boom in the state, Ted Boettner of Charleston offered this



Taking Care of Business

By Kim Harbour

Here, businesses are not forgotten in the afterglow of speeches and ribbon cuttings.



2012 Japan trade mission

In June, Gov. Earl Ray Tomblin and representatives from the West Virginia Development Office (WVDO) led a trade mission to Japan. The group met representatives of many of the 22 Japanese companies doing business in the state and visited the headquarters of Toyota, NGK, Kureha, Wheeling-Nisshin Steel and Hino Motors, among others. Japanese companies collectively employ more than 2,300 West Virginians.

Soon after his return, Gov. Tomblin joined Hino Motors Manufacturing USA to announce 20 new jobs and direct investments of \$2.9 million for machinery, equipment and improvements at the company's Williamstown, W.Va., truck assembly plant – its only U.S. plant making fuel efficient commercial trucks.

Mark Julian, West Virginia's director of Business and Industrial Development, talks with Gestamp Plant Manager Ignacio Pipio at the South Charleston, W.Va., plant before its official opening.

RELATIONSHIPS MATTER

“In business, personal relationships are important to building trust,” observed Steve Stalnaker, vice president and plant manager of Hino’s Williamstown plant. “By leading the trip, Governor Tomblin’s actions illustrated the Japanese concept of Genchi Genbutsu or ‘go and see.’ He went to the source of Hino, its parent company in Toyko, and saw first-hand our operations and what we’re trying to build here in West Virginia.”

Hino practices this concept in its production process, too. Going to the source helps you truly understand the process, the challenge or the opportunity, Stalnaker said.

“West Virginia officials repeatedly demonstrate that type of commitment. They hold regular meetings and seek to understand our business. In doing so, when needs arise the reps are prepared to help, because they

understand our needs and can more quickly respond,” he said.

Stalnaker’s comments underscore the important role of West Virginia’s business retention reps to helping the state’s businesses thrive. Here, businesses are not forgotten in the afterglow of speeches and ribbon cuttings.

“The existing businesses are the backbone of the economy,” explained Rolland Phillips, WVDO’s senior manager of business retention and expansion.

“Existing businesses are the best testimonials for our state. We strive to create an atmosphere where businesses are welcome and successful. After all, the more successful they are, the more they will want to invest in the state and provide jobs for the future.”

West Virginia has made huge strides in the past eight or nine years, with favorable results from

lessening or eliminating taxes, addressing tort reform and paying down state debt. It is one of only six states showing a budget surplus for six consecutive years.

“SUCCESS LEADS TO SUCCESS. If we cannot demonstrate that we take care of our existing businesses – we wouldn’t have a shot at bringing in new companies.”



Pat Ford, Director
BUSINESS DEVELOPMENT
CORPORATION OF THE
NORTHERN PANHANDLE

“West Virginia officials seek to understand our business. In doing so, when needs arise the reps are prepared to help. They understand our needs and can more quickly respond.”



Steve Stalnaker, VP & Plant Manager
HINO MOTORS MANUFACTURING USA



Hino currently assembles 35-36 trucks during each eight-hour shift. Above, Hino Team Member Stephanie Shuler removes the tabs from a hose on the engine.

“West Virginia is doing the things it needs to do to be sensible. Businesses respond to that. They want certainty in their relationships with government, not uncertainty,” said Phillips.

Retention reps have a wide portfolio of products to help businesses – ranging from capital support to training program, tax credits or export programs. Often, the reps act as facilitators, helping companies with issues that impact their business – anything from working with the U.S. International Trade Commission on unfair practices to assisting with regulatory compliance or monitoring the energy costs for high-energy consumption manufacturers.

GROWING TO A NEW LEVEL

WVDO works with large and small businesses, start-ups or mature businesses alike, in every sector. The state retention reps and small business coaches look for opportunities to assist companies with staying competitive. That may mean finding new markets, pursuing upgrades or modernization.

“Growth is a strategy,” said Kristina Oliver, director of the West Virginia Small Business Development Center.

“WVSBDC business coaches work with owners to assess their needs and create an

action plan. An entrepreneur may say they want to double their sales in two years. Well, let’s talk about that. What does it take to create? What will be the end result? Every situation is different. You need to take a focused look and listen to the individual’s goals and assess what activities need to take place for change to happen. And that also includes being realistic about what won’t result from the activity.”

For instance, Oliverio’s Italian Style Peppers is a family-owned business that has operated in Clarksburg, W.Va., for 40 years, making a range of products, from peppers in sauce or in brine to cauliflower and a garden mix, as well as hot and mild vinegar peppers.

It has thrived in its niche, leading the U.S. Small Business Administration to recognize Oliverio’s as one of the state’s best businesses in 2011.

But in order to grow and leave a legacy, Deanna Mason and her brother Mark Oliverio knew they needed to upgrade their equipment and expand the facility.

Mason has fond memories of being a child and filling pepper jars one at a time by her grandmother’s side in the back of their grocery store. From those beginnings, the company grew organically, adding a building here or

“We’re still learning. It’s baby steps. Every day we’re working out the kinks! Automation does not cut jobs. It increases our capacity. We should be able to double or triple our production.”

Deanna Mason, Owner
OLIVERIO’S ITALIAN STYLE PEPPERS



there. Their father, Frank Oliverio, often made good use of old equipment that only he and his buddies knew how to fix. So, once Mason and her brother bought the business from their dad, they hired an engineer to streamline the production process and map out “the least amount of touch” on the product. Meanwhile, the Oliverios worked with the city of Clarksburg to purchase a newly-remediated brownfield property in their neighborhood to become their new facility.

“Everything was custom-engineered to our process and to our new space, including a conveyer belt that spirals up and carries the product over the line.” Mason said. Previously, the workers put the vinegar peppers in jars by hand. Now, a machine does that and pours in the brine. Instead of boxing the jars, another machine does a heat-sealed wrap and makes a full pallet of peppers, all wrapped up and ready by the time the forklift comes.

Mason calls the investment a huge leap of faith. “Some days are better than others. We’re still learning. It’s baby steps, but every day we’re working out the kinks! Automation does not cut jobs. It increases our capacity. With these new machines, we should be able to double

or triple our production.” Oliverio’s has 20 to 25 employees during this transition period as everyone is learning the new equipment. But Mason said they plan to hire more employees and start producing more product.

With that increased volume, Mason is eager to start contacting the big box stores and expand their markets. “We want to do that right. We can’t to do it prematurely, get a big sale, and not be able to deliver!”

SPEEDING FAST FASHION TO MARKET

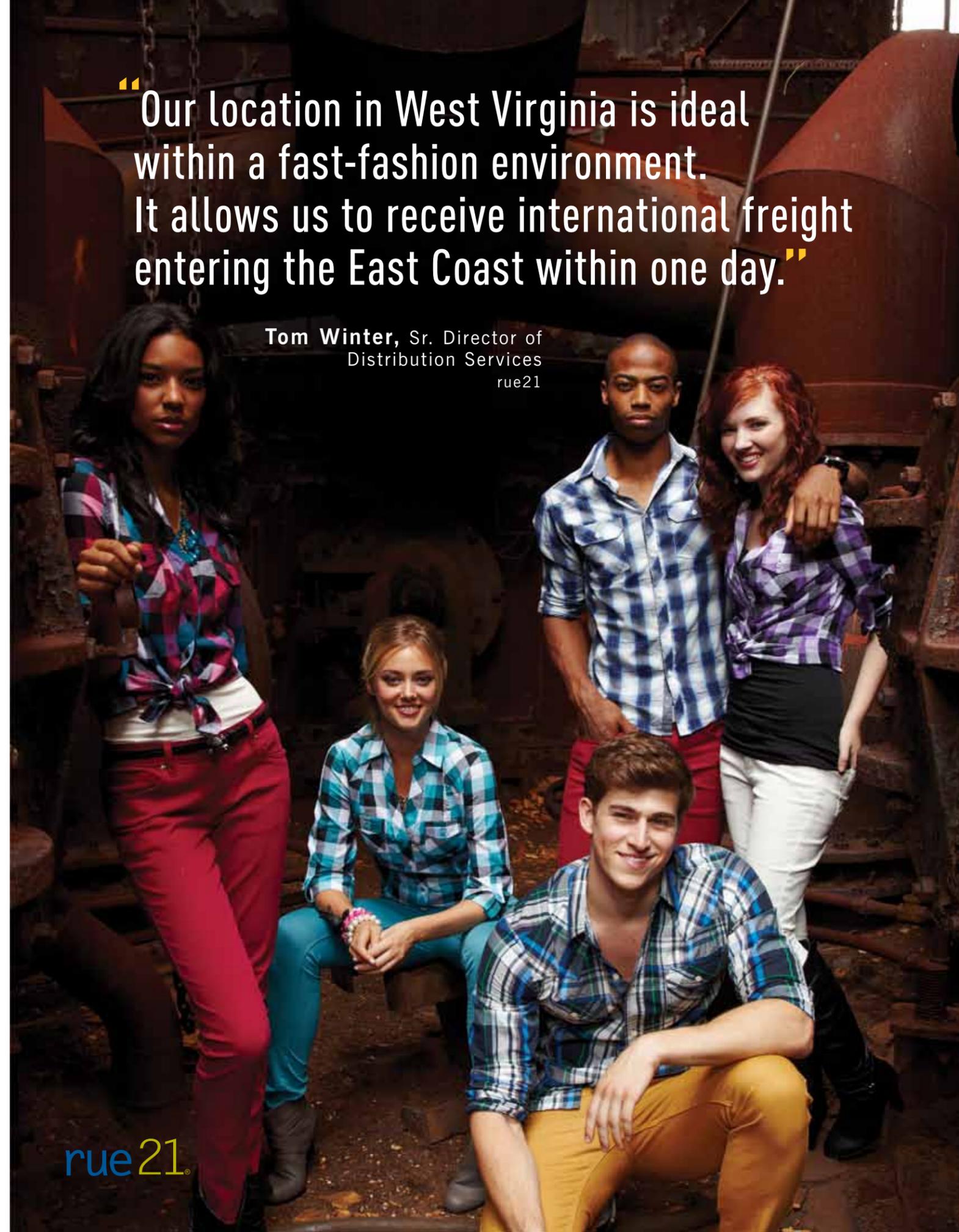
“Some businesses are comfortable with their current size. Our role is to make sure they know what the possibilities might be. They’re going to have to pull the trigger in terms of making a decision about whether to do it or not,” said David Lieving, WVDO’s manager of business retention and expansion in the state’s northern region.

Lieving explained how the state often partners with local economic developers to knock on doors and identify companies that have an interest in expanding, but perhaps don’t know where to start.

“Whether a company has 10 or 500 employees – it doesn’t matter. A company may be small, but

“Our location in West Virginia is ideal within a fast-fashion environment. It allows us to receive international freight entering the East Coast within one day.”

Tom Winter, Sr. Director of
Distribution Services
rue21



rue21.



“You can run a business or a hobby. In today’s world, if you’re going to stay in business YOU HAVE TO BECOME MORE EFFICIENT TO COMPETE.”

David Lieving, Manager of Business Retention and Expansion
WEST VIRGINIA DEVELOPMENT OFFICE

they may have a new product or an new idea that could have a significant impact. Most of the new jobs are created by existing companies. They are important to the state’s overall economy and the local community’s fabric. “

Lieving pointed to the hot fashion retailer rue21 as an example of a business that wanted to grow, but also wanted to stay in its Weirton, W.Va., location. rue21 needed help getting more physical space in an industrial park. So, the West Virginia Economic Development Authority (WVEDA) and the Business Development Corporation of the Northern Panhandle (BDC) engineered a real estate swap, stitching together different parcels to give rue21 the space to double the size and capacity of its distribution center.

Imagine! A celebrity walks down a runway or a new trend becomes hot in LA – Weirton responds. The rue21 distribution center keeps fashion flowing to where it is in demand by its more than 850 stores across the country.

“Our location in West Virginia is ideal within a fast-fashion environment. It allows us to receive all international freight entering from the East Coast within one day, which is a great advantage for then distributing the items back out to our stores,” said Tom Winter, rue21’s senior director of distribution services.

Winter said the labor force was a prime consideration for the desire to stay in Weirton.

“We are most proud of our people. Our associates are our ‘secret sauce!’” Winter said. “They are hard-working and dependable. We are able to draw on a solid pool of people for full-time employment, and can flex up with labor by using temporary services when needed. We strive to be an employer of choice in the area.”

When making its decision to expand, Winter said rue21’s leadership team looked into its future to where the still-expanding company wanted to be five or 10 years from now, which may include online fulfillment activities, too. All roads led back to West Virginia as the best choice. **E**

Artisan Entrepreneur REACHES NEW MARKETS

At 16, Matt Thomas of Shock, W.Va., became one of the youngest craftsmen to be juried into Tamarack, the state’s showcase of fine arts and handcrafts in Beckley.

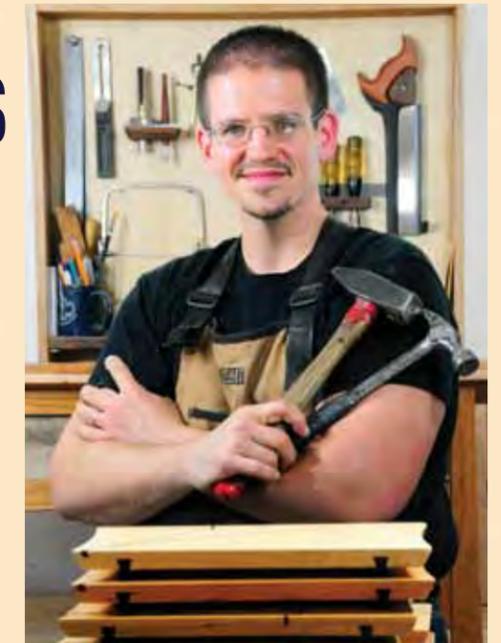
The talented woodworker also apprenticed with master blacksmith Jeff Fetty.

“He would joke that he was trying to get the sawdust out of my veins and infuse them with metal,” Thomas said. “He never did get all the sawdust out, though.”

Thomas opened his own general contracting business – Thomas|work – in 2002, while crafting a second career in metal and woodworking. One of his signature creations was wood furniture accented with metal ornamentation.

Thomas was one of eight West Virginia artisan entrepreneurs who worked with Tamarack Foundation to exhibit at the nation’s largest wholesale trade show for the craft industry, the 2012 Buyers Market of American Craft show in Philadelphia. The West Virginia Departments of Commerce and Agriculture provided

grants to support the project. The 2012 show attracted representatives of more than 1,200 galleries and more than 30 media companies from the United States and Canada.



All eight Buyers Market participants saw increases in their sales volume, with Thomas leading the pack, according to Sally Barton, executive director of the Tamarack Foundation.

“The artisan entrepreneur program has already produced measurable results,” Barton said. “The Buyers Market resulted in 138 new wholesale accounts and 125 potential new wholesale accounts among the artisans.”

View video: wvcommerce.org/ArtisanEntrepreneur

“The West Virginia Commerce Department helped us financially a great deal. **THEY REALLY WANTED WEST VIRGINIA TO SHINE, TO SUCCEED.** In some little way, with my work I’m helping to promote West Virginia.”

Matt Thomas, Artist
THOMAS|WORK



REGIONAL UPDATES



Hino Motors to create 20 new jobs, invest nearly \$6 million

Gov. Earl Ray Tomblin joined Hino Motors Manufacturing USA to announce new jobs and investments at the company's Williamstown truck assembly plant. Hino will add 20 new jobs by Jan. 1, 2013, and directly invest \$2.9 million for machinery, equipment and improvements. Approximately \$3 million will be indirectly invested to purchase tooling vital to parts production. Opened in Wood County in 2007, the Hino plant assembles Class 6 and 7 medium duty trucks.

The announcement follows a visit to Hino headquarters during a business mission to Japan led by the governor. The mission's goals were to attract new business investments in West Virginia and to maintain strong ties with established investors.

American Woodmark announces 187 manufacturing jobs

American Woodmark plans to invest \$15.2 million in the building and equipment for its South Branch manufacturing operation in Moorefield. The expansion includes the creation of 187 jobs over the next three years. American Woodmark Corporation is a leading manufacturer and distributor of kitchen and bath cabinets for the remodeling and new home construction markets.



Gestamp to create 400 jobs

Gov. Earl Ray Tomblin joined company executives and other dignitaries in a ribbon cutting ceremony to celebrate the newest milestone for Gestamp West Virginia: the official opening of the automotive stamping plant in South Charleston. Gestamp announced its intention to move into the formerly-shuttered plant in April 2012 and started small scale cold line product production by September. The plant has ramped up operations, installed new hot stamping lines and now employs nearly 70 workers. Within five years, Gestamp plans to invest at least \$100 million and create a minimum of 400 jobs in the South Charleston plant.

Rubberlite expansion creates 30 new jobs

Gov. Tomblin recently joined Rubberlite Inc. CEO Allen Mayo and employees for a ribbon cutting to mark the latest expansion of the company's facility and staff in Huntington. The expansion includes 30 new jobs, a new building and equipment upgrades. The \$5.7 million project was supported by a \$3 million loan from the West Virginia Infrastructure and Jobs Development Council. Currently, Rubberlite has 145 permanent full-time employees in its 300,000 square foot facility in Huntington.

Wheeling-Nisshin plans \$28 million expansion

Wheeling-Nisshin announced plans to invest \$28 million to expand operations at its Follansbee facility in preparation for the production of the new steel product, ZAM@. The project will upgrade an existing line, new equipment for an existing line and building extensions, as well as an additional substation for electricity. The new project will be the Follansbee facility's third major expansion in 25 years.

During a trade mission to Japan in June 2012, Gov. Earl Ray Tomblin met with top Nisshin executives.



REGIONAL UPDATES



Macy's opens new fulfillment center

Gov. Tomblin joined numerous local, state and company dignitaries for a ribbon-cutting ceremony officially opening the new Macy's fulfillment center in Martinsburg. The 1.3 million-square-foot center supports Macy's and Bloomingdale's growing online sales. The \$150 million center is expected to create 900 permanent full-time, 300 permanent part-time and 700 temporary seasonal jobs within the next five years. Employees began filling orders received from Macy's online sales on June 29.

RCBI: part of US's first additive manufacturing institute

The Robert C. Byrd Institute for Advanced Flexible Manufacturing (RCBI) is part of an initiative to establish the nation's first Additive Manufacturing Innovation Institute. Other West Virginia participants include FMW Composite Systems in Bridgeport, Touchstone Research Laboratory in Triadelphia and National Energy Technology Lab in Morgantown. Launched under the National Network for Manufacturing Innovation, the three-year project will receive \$30 million in federal funds. With a 50/50 match, the effort totals more than \$60 million. The purpose of the institute is to quickly develop and commercialize additive manufacturing technology, also known as "Rapid Prototyping" or "3D Printing."

Wayne County firm to add 45 jobs

Alleward Sogefi USA plans to add 45 jobs in its Prichard plant by the end of the year. The firm also plans to invest \$5.5 million on facility and equipment upgrades. The company produces automotive filters for Ford, Chrysler, Fiat, Mazda and TI Automotive. Alleward Sofegi USA is a subsidiary of Sogefi, based in Italy.

StartUp WV Venture launches for business

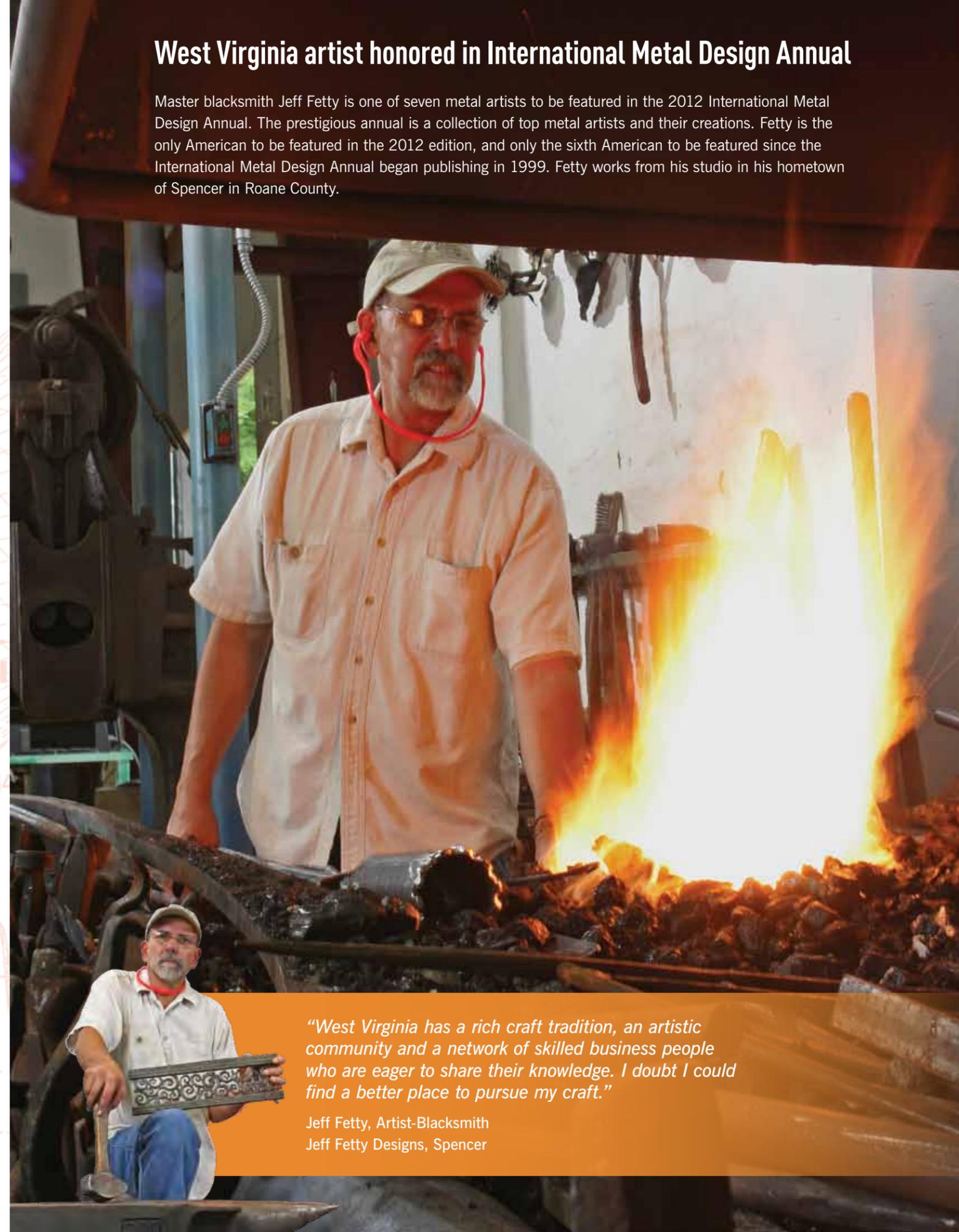
TechConnect West Virginia and the INNOVA Commercialization Group have launched StartUp West Virginia Venture, a new program to provide business assistance and funding expertise to the state's entrepreneurs. The program will assess the commercial merits of a business's product or technology offer and identify the best path to move the offer into the marketplace. In the next stage, selected companies can continue to work at no cost with INNOVA Commercialization Group to enter the market, assisted with seed money and early-stage investment capital. To qualify, a business should offer a unique product, process or technology. Priority will be given to those in the fields of biometrics, chemical and advanced materials, biosciences, and advanced energy.

\$27.4 million awarded for Intermodal Facility

West Virginia awarded a \$27.4 million contract to construct the new Prichard Intermodal Facility located off Route 52 in Wayne County to Mountaineer Contractors of Kingwood, W.Va. The rail-truck terminal will allow efficient transfer of freight containers from rail cars to trucks and from trucks to rail cars. This project stems from the Heartland Corridor project, designed to facilitate more efficient travel on Norfolk Southern rail lines between the Norfolk, Va., port region and two Midwest destinations – Chicago, Ill., and Columbus, Ohio. The West Virginia terminal is expected to give shippers a cost-effective option to move products to Columbus, Chicago and destinations west. It also will make West Virginia a collection point for shipments heading to foreign ports. The facility is expected to be operational by 2014.

West Virginia artist honored in International Metal Design Annual

Master blacksmith Jeff Fetty is one of seven metal artists to be featured in the 2012 International Metal Design Annual. The prestigious annual is a collection of top metal artists and their creations. Fetty is the only American to be featured in the 2012 edition, and only the sixth American to be featured since the International Metal Design Annual began publishing in 1999. Fetty works from his studio in his hometown of Spencer in Roane County.



"West Virginia has a rich craft tradition, an artistic community and a network of skilled business people who are eager to share their knowledge. I doubt I could find a better place to pursue my craft."

Jeff Fetty, Artist-Blacksmith
Jeff Fetty Designs, Spencer

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