

Texas Quarterly Update

NON-CIRCULATING

Published by the Texas Industrial Commission

TIC takes exception To study ranking State eighteenth

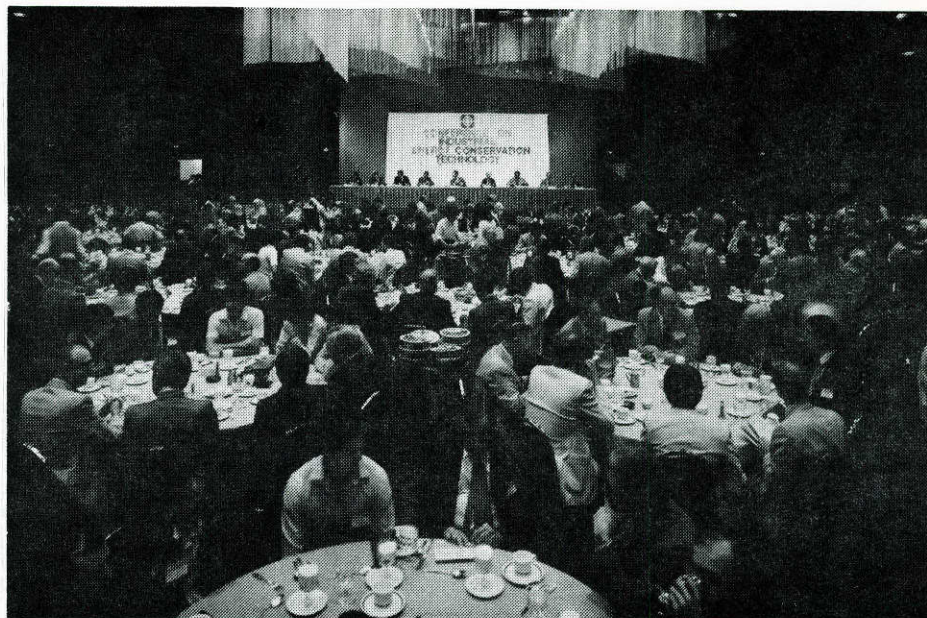
The Texas Industrial Commission (TIC) has analyzed and taken exception to a survey of the 48 contiguous states' business climates made by Alexander Grant and Company (AGC), a firm of certified public accountants in Chicago. Their findings rank Texas 18th in business climate.

The AGC report follows another such study made in 1975 by The Fantus Company (a subsidiary of Dun and Bradstreet) whose business is to recommend to its clients the most attractive areas for expansion and relocation. Texas ranked number one in the Fantus report.

The AGC report, commissioned by the Conference of State Manufacturers' Associations (COSMA), judged the states on the basis of criteria which were weighted according to the value placed on each by COSMA members. Thus the retail, wholesale, service and professional sectors were not consulted. "Since manufacturing accounts for approximately 17% of the labor force in Texas, it appears that a major portion of our economy was excluded in this determination of optimum business climate," says Danny Choate, manager of TIC's Research & Data Services Department.

TIC's research department also found that selected factors that could be used as a reliable measure of business climates were not included. For example, in the number of manufacturing jobs won/lost between 1968-1978, Texas ranked number one. This is a definite

(See AGC REPORT, Page 7)



Fourteen hundred attendees participated in the third annual Industrial Energy Conservation Technology Conference and Exhibition held in Houston April 26-29. A special supplement covering the conference is included in this issue of TQU.

Texas Manufacturers should Beware of directory scheme

Texas businesses should beware of a scheme that could cost them millions of dollars.

The U.S. Postal Service has filed a motion in the Austin federal court that would allow postal inspectors to detain mail for the "Texas Manufacturers Directory." According to Postal Inspector Harold Cross, businesses have been solicited by telephone or billed for expensive listings in the non-existent directory. Listings generally run between \$200 and \$300.

The sales people involved in the scam imply a connection with a legitimate book, *The Directory of Texas Manufacturers*, a University

of Texas publication that does not charge firms for listings. The UT publication, which lists more than 14,000 firms, is probably being used as a source for potential victims.

Postal authorities don't know yet how many businesses have bought listings in the allegedly fraudulent "directory," but Cross said he is aware of at least 50 complaints to the Postal Service.

The Austin address listed for the company is 333 Perry-Brooks Building, a legitimate mail forwarding firm. The headquarters for the alleged scam is in North Hollywood, California.

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PERSONALLY SPEAKING

Ft. Bend County Judge Jodie Stavinoha



The industrial tax base is a most important factor in determining the financial stability of a county or municipality. This is the reason I have placed industrial development as one of my top priorities in Fort Bend County. Two years ago Fort Bend County received an A-1 bond rating by the rating agencies, being denied a higher and more desirable AA rating only because our industrial tax base was not in proper proportion to the residential and commercial base.

There are several reasons for the importance of the industrial rate. Good industry provides more stability in the tax structure and also normally requires much less people-related services than a residential area would require. For instance, a 10-acre tract of land could be the site of an industrial facility valued at \$10 million. To accomplish this with a residential area on a 10-acre tract would require at least 100 residences, each with a value of \$100,000. Such a development would require that additional services, including police and fire protection, roads, educational facilities, drainage, sewage and garbage pick-up, would have to be provided for 100 families.

Often-quoted statistics indicate that a reasonable tax rate on a residence can only cover 40 to 50 percent of the cost of these services. The remainder must come from the industrial, utility and mineral tax base, or otherwise the residential taxes suffer the consequences.

The ideal situation would be for the tax base ratio to be 40 percent residential and light commercial and 60 percent industrial, utilities and minerals. However, a 50 percent ratio would be acceptable.

Fort Bend County's ratio for the past three years has been as follows: 1978 - 63 percent residential and light commercial, 15 percent utilities and industrial, 22 percent minerals; 1979 - 61 percent residential and light commercial, 18 percent utilities and industrial, 21 percent minerals; 1980 - 55 percent residential and light commercial, 18 percent utilities and industrial, 27 percent minerals.

Another problem Fort Bend County is facing is depletion of our mineral reserves, and we must plan for continued depletion in future years. Even though the percentage of mineral values increased in 1980, this was due only to the increased prices of oil and gas.

Therefore, it is imperative that we increase our industrial base to make up for this loss of mineral values in future years. Several cities and the chambers of commerce in the county have continuing programs to attract new industry which I commend very highly. However, industrial development cannot be accomplished without the complete cooperation and support of our many government entities, citizens and real estate developers.

(Continues on Page 4)



*Scenes from
Petroavance-
Venezuela*

Petroavance-Mexico will showcase Texas firms

To most, Petroavance-Mexico '82 is in the distant future, but in the minds of TIC's international staff and many Texas businessmen, it is close at hand.

February 16-19, representatives from participating Texas firms will travel to the National Auditorium in Mexico City for Petroavance '82, an international trade show designed to provide businessmen an opportunity to display their products and services.

A. F. Alagna, director of International Development at TIC, has already made his predictions for the distant show. "Last year, Texas companies grossed more than \$33 million in sales. I feel that we can at least repeat that amount this year," Alagna said.

The Mexican trade show, which is sponsored by the U.S. Department of Commerce, will feature oil petroleum equipment. "We place Texas manufacturing and sales companies in a block of booths and try to provide them with the most advantageous position in the show," Alagna said.

Alagna feels that the prime location for the "Texas section" was at least partially responsible for the great success of TIC's most recent trade show, Petroavance-Venezuela, which took place March 10-14. Texas companies accounted for more than half the \$40 million in reported sales from the show.

Maracaibo, Venezuela, was the site of this exhibition of both on

and offshore petroleum and natural gas exploration production, pipeline and refinery equipment. The Hotel Del Lago-Intercontinental's newly completed exhibition hall, located in the heart of this oil-producing center of South America, made a spectacular setting for the show.

"This show exceeded our expectations with regard to numbers of interested prospective buyers. We received several inquiries for actual purchase. This was a first for Afton," said Harold J. Derr, president of Afton Pumps, Inc. in Houston.

"Good show, the attendees appear to be those who are able to influence the specification and purchase of our equipment," said Ted Wilson, Houston Division Manager of Norvell Wilder Supply Company.

"The show gave us an excellent opportunity to display a product we feel ideal for shallow oil operations in eastern Venezuela, and introduced our company to 'decision-making' individuals in Venezuela's petroleum industry," said Bill Massengale, sales manager for Challenger Rigs and Manufacturing in Odessa.

In addition to recruiting, sponsoring and assisting Texas area companies, TIC also provided on-site services. A hospitality suite was maintained for a few hours at the completion of each day's events. This space was used for Venezuelan buyers and Texas exhibitors to

meet on an informal basis. The room was also used during days for business meetings and conferences by Texas participants.

Other Texas companies that participated in TIC's Texas section at Petroavance-Venezuela '81 include: Acme Cleaning Equipment, Houston; Baker World Trade, Inc., Houston; Cameron Iron Works, Houston; Compressor Engineering Company, Houston; Dearman International, Inc., Pearland; Delta X Corporation, Houston; Geosource, Inc., Houston; Geolograth-Pioneer, Houston; and Hughes Tool, Houston.

Alagna said TIC is interested in increasing Texas exports which in turn provides employment opportunities for Texans.

"Our trade shows can help industries advance and employ more people. The shows give buyers the opportunity to become better acquainted with Texas products firsthand on a personalized basis."

Judging from the past, Alagna said he is optimistic concerning the number of Texas companies that will participate in Petroavance-Mexico.

"Texas is the energy capital of the world. Anyone planning to drill for oil and gas needs our products and services. This exhibition will give foreign buyers an opportunity to view the equipment firsthand."

Attendance at energy workshop Programs climbs 74% over 1980

Attendance at TIC's energy conservation workshops is up 74% according to a recent department report.

Eleven workshops were held during the past three months with attendance reaching 438 — an average of 40 persons per workshop. This compares with a 23 person attendance average for workshops held during the same time period last fiscal year.

Ted Waldrop, manager of the Energy Utilization Department, attributes the increased attendance to two factors — the continuing increase in energy costs and a quality product. "Over the years the industrial sector in Texas has come to realize that by attending our workshops they can really

save money. Our surveys show that 84% realize a significant reduction in energy costs by implementing measures learned through our programs," Waldrop said.

Recent workshops were held in Amarillo, Canyon, Conroe, Dallas, Harlingen, Houston, Lubbock and Waco covering the following subjects: small plant energy management, heat recovery, air conditioning, demand control and employee motivation.

Since its beginning in 1978, TIC's energy conservation program has contributed to a savings of 448.1 trillion BTUs of energy. This converts to 77.3 million barrels of oil equivalent or \$2.7 billion of avoided energy costs to Texas industries.

Legislation amending IRB's receives Governor's action

Governor Bill Clements has signed into law legislation amending the Development Corporation Act of 1979. The Bill provides for several significant changes.

Senate Bill 978 was sponsored by Senator Ed Howard of Texarkana and Representative Tim von Dohlen of Goliad. Howard and von Dohlen were the authors of the original bill.

A brief summary of the changes is as follows:

1. The Act clearly specifies that neither sales tax nor ad valorem property tax exemptions are allowed on projects financed by industrial revenue bonds.
2. The Act clearly restricts commercial projects to economically distressed areas.
3. The Act more clearly defines industrial projects to include air and water pollution control facilities, airport and port facilities, truck terminals operated by regulated common carriers, distribution centers and sewage and solid waste disposal facilities in addition to manufacturing projects.
4. The Act allows the Industrial Commission to incorporate a Small Business Development Corporation which would be primarily used to issue bonds financing small business projects backed by SBA guarantees.
5. The Act allows financing of industrial revenue bond projects within the coastal waters of the state.
6. The Act requires the Industrial Commission to charge a \$1,500 filing fee.
7. The Act specifies that the Industrial Commission require nonprofit development corpora-

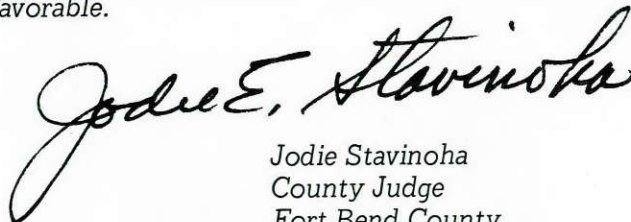
Personally Speaking

I was very pleased that the Fort Bend County Commissioners Court agreed to form the Fort Bend County Industrial Development Corporation in 1979. The Fort Bend County Industrial Corporation is comprised of the mayors of all the municipalities and the commissioners of Fort Bend County, thereby making it a very diversified group covering all areas of our county.

The county IDC has attracted several good, clean industrial projects to Fort Bend County. Within two years, when all of these projects are completed, they should have a total value approaching \$50 million.

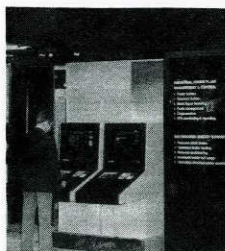
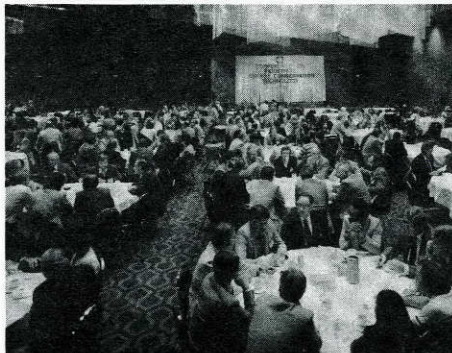
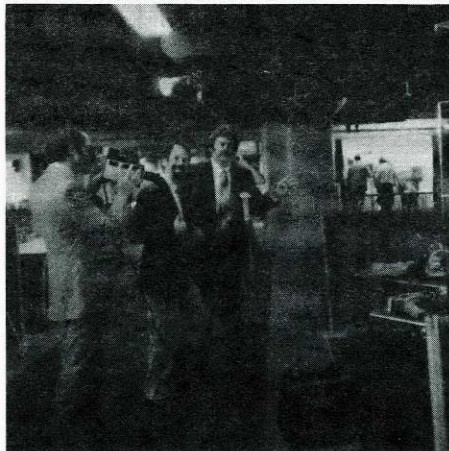
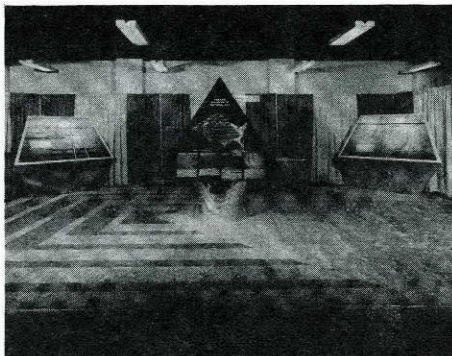
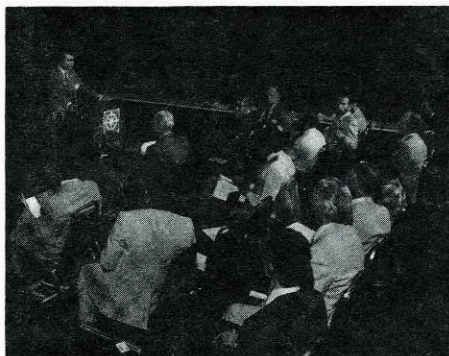
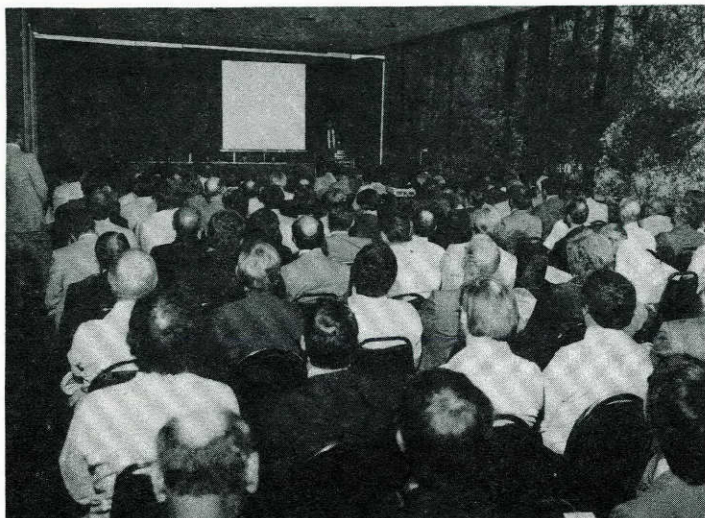
An added benefit of locating industries of this type in Fort Bend County is that it provides for a larger and more diversified demand for jobs of all types. The industries locating here will offer jobs from the executive level to technical positions to blue collar. They will also require various support services from existing county industries and business, and the potential of moving people here offers obvious benefits to real estate development.

The effect of this industrial expansion will be felt in all areas of Fort Bend County and the effect on the tax rolls of the municipalities, the county, the school districts and other taxing entities will obviously be favorable.



Jodie E. Stavinoha
County Judge
Fort Bend County

Energy conference '81



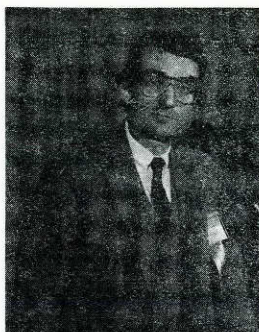
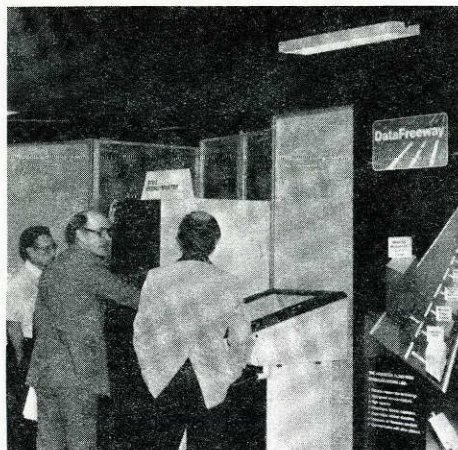
Hailed as a success by attendees, participants and media, TIC's conference on Industrial Energy Conservation Technology and Exhibition completed its third annual presentation in Houston, April 26-29.

Fourteen hundred energy managers, engineers and educators from across the nation and five foreign countries attended the three-day conference and viewed the 120 exhibits of the latest innovative energy equipment and services. They attended 145 back-to-back technical sessions ranging in subjects on energy management, heat recovery, electrical systems and cogeneration. Some of the sessions were so well attended that it was standing room only.

The technical sessions stressed practical energy management and were organized so that all of the attendees could hear each subject of interest to them without missing the other sessions. The preconference planning paid off.

According to *Energy User News*, a business newspaper streamlined to the energy field, several attendees reported the industrial conference was far superior to similar programs such as the Association of Energy Engineers' annual conference in Atlanta, the Energy Technology Conference in Washington, DC, and an annual plant maintenance conference in Chicago because of the careful timing of events and the informal feedback in discussion groups.

"It's one of the tightest ships I've ever seen — that is the way to run a meeting," said Emory Kimball of Monsanto Company, St. Louis. "It's more slanted to the process industries than buildings like some of the other shows are."



With 27 attendees, Canada led the foreign countries in attendance at this year's conference. Representatives came from as far as Australia, Japan, England, Belgium and Wales.

The papers in general are high level and some of the speakers use superb slides."

Return on Investment — a term heard frequently in energy management — was also applicable to the energy conference attendees.

"There is only one conference I really want to go to and that is Houston," said Bill Allinson, Director of Energy Conservation for Carnation Company in Los Angeles. "Last year I picked up an idea that is going to pay for my trip 5,000 times over." He said that at the conference last year he heard a Frito Lay, Inc. engineer deliver a paper on recovery of heat from potatoe fryer stacks which led him to instigate a similar project at Carnation Company.

"This year I think I might have already got a couple of new ones," Allinson said. "I have to think about them," he recalled, saying that a paper on recovering energy lost when steam line pressure drops to low levels was of particular interest. "We have a lot of applications where we drop the steam pressure," he said.

Funding cutbacks could devastate Programs, DOE official warns

The effect upon energy conservation programs by the current proposed budget cuts in Washington was the subject of an address by Federal Energy Regulatory Commissioner John David Hughes. Hughes, the first Texan to serve on the Commission, was the governmental speaker at the morning session of the Industrial Energy Conference in Houston, April 27.

In his speech entitled, "Is There a Future for Energy Conservation," Hughes said that he was not speaking as a representative of the Reagan administration, but he did emphasize his clear preference for federal commitment to more effective conservation as well as increased production of energy.

"With the Reagan administration's budget cut from \$1 billion to \$200 million for the Department of Energy (the agency which funds TIC's Energy Utilization Department) conservation programs, there is great concern that a federal role in conservation cannot survive," Hughes said.

"The only major office which directly deals with industrial energy conservation, the Office of Industrial Programs, has been eliminated by the Reagan administration in the fiscal year 1982 budget.

"That means no more workshops, energy audits for small firms, publications, or annual reports on industrial energy efficiency. Joint research and development ventures . . . are on the doubtful list," Hughes continued.

"Unfortunately, without government support, industry is not likely to address either the informational or long-term research needs."

Cutting energy conservation programs seems to violate a belief practiced by other departments of the federal government, Hughes said.

Citing a parody practiced by the State Department's Agency for International Development (which administers to the U.S. participation foreign aid programs in Africa, Asia and the Middle East), Hughes said, "AID says there are two ways to feed a starving man. You can give him a fish that will keep him alive for a day, or you can teach him to fish so he can feed himself. AID prefers to teach the man to fish.

"I believe that analogy also works with energy. If you find a man freezing to death in the winter, you can make him warm by giving him a stack of wood and a match. But wouldn't it be more

Legislative Update

House Bills

HB 4 by Schlueter. Amends method of determining the amount of corporate franchise tax payable to the state. Companion to **SB 390** by Jones. *Signed into law 5/1. Effective immediately.*

HB 25 by Kubiak. Appropriates funds for loans administered by TIC to establish plants to make fuel from renewable energy resources. *Referred to Appropriations Committee. No action taken.*

HB 69 by Hudson. Expands Small Business Act of 1975 requiring state agencies to make 10% of purchases from "small businesses" when possible. *Business & Industry Committee hearing 3/9. Referred to subcommittee. No action taken.*

HB 329 by Ragsdale. Establishes a procedure for "assigning risks" associated with providing performance and payment bonds for prime contractors who wish to contract with the state or political subdivisions but who are unable to obtain such bonds on the open market. Identical to **HB 331**. *Referred to Insurance Committee. No action taken.*

HB 336 by Ragsdale. Increases required state contracts with and purchases from small businesses to 20% of the amount of all such contracts and purchases with 20% of that amount to be purchased from and contracted through minority businesses. *Reported favorably from Business & Industry Committee 4/27. No floor action taken.*

HB 397 by Patterson. Amends taxation of family business property under the state inheritance tax. *Referred to Ways & Means Committee. No action taken.*

HB 629 by Henderson. Changes maximum rate of interest for state and local government bonds and other evidence of indebtedness from 10% to 15%. Amends Article 717k-2 of Vernon's Civil Statutes. Companion to **SB 428** by Jones. *Signed into law 4/15. Effective immediately.*

HB 902 by Messer. Allows certain employers to self-insure their workers' compensation risks and prohibits unfair or deceptive claims practices. Companion to **SB 415** by Traeger. *Referred to Employment Practices Committee. No action taken.*

HB 913 by Wolens. Allows agreements between cities and property owners for the redevelopment of unproductive areas and property tax relief. *Reported favorably from Ways & Means Committee 5/25. No floor action taken.*

HB 939 by McBee. Establishes a foreign trade zone in Del Rio. *Signed into law 5/13. Effective 8/31.*

HB 1056 by Coody. Permits the \$100 corporate franchise tax deposit to be credited to the payment of a corporation's franchise tax liability. *Referred to Ways & Means Committee. Tabled 4/8.*

HB 1409 by McBee. Establishes a foreign trade zone in Eagle Pass. *Signed into law 5/13. Effective 8/31.*

HB 1438 by Semos. Companion to **SB 939** by Brown. Establishes a small business loan guarantee program administered by TIC. *Reported favorably from Business & Industry Committee with amendment 4/27. No floor action taken.*

HB 1635 by Ragsdale. Programs by home rule cities to increase participation by minority businesses in contract awards. Companion to **SB 977** by Mauzy. *Reported favorably from Business & Industry Committee 4/29. No floor action taken.*

HB 1673 by Wolens. Encourages support and development of small and minority business development throughout the state. *Passed both Houses. Awaits Governor's signature.*

HB 1823 by Semos. Creates state agency to promote industrial and small business development, travel and film production in the state. *Referred to State Affairs Committee. No action taken.*

HB 1972 by Sutton. Provides for set asides for minority businesses bidding on construction contracts awarded by governmental entities. *Reported favorably from Business & Industry Committee 5/4. Died on the floor.*

HB 2044 by Hall. Establishes foreign trade zone for Laredo. *Referred to Intergovernmental Affairs Committee. Tabled 4/22.*

HB 2058 by Crawford. Establishes a foreign trade zone in the Port Arthur Customs District. Companion to **SB 1016** by Parker. *Referred to Intergovernmental Affairs Committee. Tabled 5/20.*

HB 2212 by Thompson. Exempts certain corporations from the corporate franchise tax. *Referred to Ways & Means Committee. No action taken.*

HB 2262 by Von Dohlen. Amends Development Corporation Act of 1979. *Referred to Business & Industry Committee. No action taken.*

HB 2385 by Schoolcraft. Authorizes San Antonio to establish a foreign trade zone. *Passed both Houses. Awaits Governor's signature.*

House Resolutions

HJR 8 by Schlueter. Constitutional amendment prohibiting imposition of income tax. Identical to **HJR 18** by Riley. *No action taken.*

HJR 40 by Brown. Constitutional amendment prohibiting the imposition of net income taxes on individuals. *No action taken.*

HJR 55 by Wolens. Constitutional amendment authorizing cities to undertake and finance certain improvements in areas needing redevelopment. *No action taken.*

HJR 71 by Semos. Constitutional amendment relating to the guarantee of small business loans by the state. Identical to **SJR 47**. *No action taken.*

(Continues overleaf)

Senate Bills

SB 15 by Traeger. Establishes foreign trade zone in Rio Grande City. *Signed into law 4/30. Effective immediately.*

SB 264 by Mengden. Amends the existing "right-to-work" law to outlaw union and agency shops. *Reported favorably from Economic Development Committee 2/9. No floor action taken.*

SB 369 by Farabee. Amends Texas Miscellaneous Corporation Laws Act. *Signed into law 6/10. Effective 8/31.*

SB 390 by Jones. Companion to **HB 4** by Schlueter. *Referred to Finance Committee. No action taken. Companion bill passed.*

SB 399 by Traeger. Appropriates \$15 million to TIC for loans to establish plants to make fuel from renewable energy sources. *Referred to Finance Committee. No action taken.*

SB 415 by Traeger. Companion to **HB 902**. *Reported favorably from Economic Development Committee with substitutions 4/21. No floor action taken.*

SB 428 by Jones. Companion to **HB 629** by Henderson. *Reported favorably from State Affairs Committee 2/25. No floor action taken. Companion bill passed.*

SB 539 by Harris. Creates state agency to promote industrial and small business development, tourism and film production in the state. *Referred to State Affairs Committee. No action taken.*

SB 939 by Brown. Companion to **HB 1438** by Semos. Establishes small business loan guarantee program administered by TIC. *Referred to Economic Development Committee. No action taken.*

SB 977 by Mauzy. Companion to **HB 1635** by Ragsdale. *Referred to Intergovernmental Relations Committee. No action taken.*

SB 978 by Howard. Amends Development Corporation Act of 1979. *Passed both Houses. Awaits Governor's signature.*

SB 1016 by Parker. Companion to **HB 2058** by Crawford. *Passed both Houses. Awaits Governor's signature.*

SB 1122 by Traeger. Establishes foreign trade zone for Laredo. *Signed into law 5/9. Effective immediately.*

Senate Resolutions

SJR 8 by Travis. Constitutional amendment prohibiting the imposition of net income taxes on individuals or corporations. *Referred to Finance Committee. No action taken.*

SJR 9 by Travis. Constitutional amendment to make "right-to-work" part of the Constitution. *Referred to State Affairs Committee. No action taken.*

SJR 11 by Mengden. Constitutional amendment guaranteeing the right of a person to work without regard to whether the person is a member of or makes payment to a labor organization. *Reported favorably from Economic Development Committee 2/9. No floor action taken.*

SJR 36 by Mengden. Constitutional amendment prohibiting legislature from taxing personal or corporate incomes without approval by a popular vote. *Referred to Finance Committee. No action taken.*

SJR 37 by Mengden. Constitutional amendment requiring voter approval on new or increased state taxes. *Referred to Finance Committee. No action taken.*

SJR 38 by Mengden. Constitutional amendment restricting the power of political subdivisions to create taxes. *Referred to Finance Committee. No action taken.*

SJR 39 by Mengden. Constitutional amendment relating to voter approval of local government debt. *Referred to Finance Committee. No action taken.*

SJR 47 by Brown. Companion to **HJR 71** by Semos. *Referred to Economic Development Committee. No action taken.*

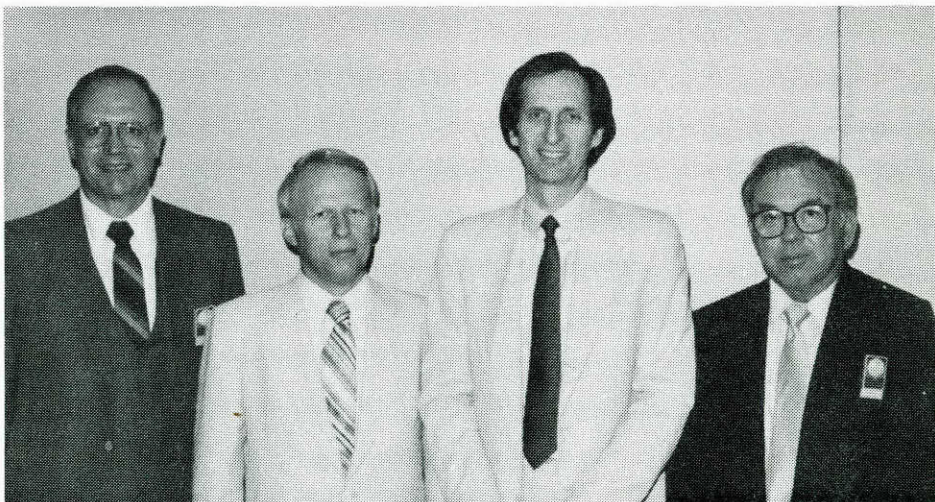
HB = House Bill

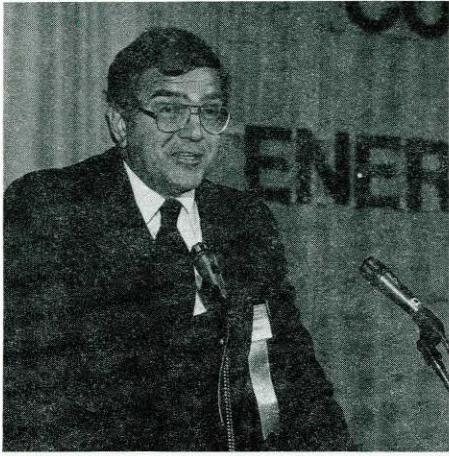
SB = Senate Bill

HJR = House Joint Resolution (used to introduce proposed Constitutional amendments).

SJR = Senate Joint Resolution (used to introduce proposed Constitutional amendments).

The Denison Area Chamber of Commerce was one of many organizations sending a community delegation to Austin. Pictured from left to right are Garland Thornton, president of the Denison Chamber; State Representative Bob Bush of Sherman; Senator Ed Howard of Texarkana; and Ken Lovell, director of the Chamber's Governmental Relations Division.





U.S. using energy more wisely, says President of API

Energy conservation and increased energy production was also emphasized in a speech by Charles DiBona, president of the American Petroleum Institute. DiBona, Chief Executive Officer of the oil industry's largest association, said that the United States is "making real progress in reducing the amount of oil it imports," but warned that, "we are far from out of the woods yet."

"In fact, we will probably face a crisis or two during the 1980s, as we did during the 1970s. But the difference between the '70s and '80s," DiBona said, "is that today we are choosing — not avoiding — the difficult road to recovery. We are turning the corner now because we are using energy more wisely and because we're producing more of our own energy in the U.S."

DiBona pointed out that total U.S. energy consumption fell by more than three percent last year — "only the second decline in the last 22 years," he said, noting that at the same time, the gross national product rose slightly. This, he said, "was due to our using energy more efficiently, (while) not giving up economic growth or stability."

"I think many people would be surprised to learn that we saved energy last year by using it more productively. Most Americans still think that conservation means doing without rather than doing more with less."

Noting that the word "conservation" once meant "preservation," DiBona said "conserving energy is not like conserving woodlands or conserving wildlife. We do not conserve energy mainly by preserving it. We save energy principally by making it more productive, by getting more output from less fuel, rather than by simply cutting down on the fuel itself."

While DiBona stressed that progress had been made on the energy front, "no serious forecaster suggests that energy consumption will level out during the 1980s."

"... It is clear that conservation cannot, by itself, solve today's number one energy problem: our country's excessive dependence on expensive and insecure foreign oil."

"To get our dependence on imports under control, we will need to produce more energy as well as to conserve more energy."

practical to teach him how to build a shelter and gather his own wood?

"I believe that conservation is the least costly, most efficient, best long-term solution to the nation's energy problems," he added, stating that "conservation does not mean going without — being hot in the summer and cold in the winter."

"I also do not believe there is any conflict between energy production and energy conservation. We can have the best of both worlds without sacrificing either effort."

Hughes praised the Texas Industrial Commission's role in the field of energy conservation workshops and the annual industrial conference. "I firmly believe that this nation's energy future will largely be determined by industries like these brought together by TIC. Individual enterprise and the healthy spirit of a free marketplace is as important in energy conservation as it is in energy production," he said.

"Shirt-sleeve session" addresses Energy management topics

"The Shirt-Sleeve Session," a new feature of the 1981 Conference, was an outstanding success. Held the second night of the conference from 7:00 to 10:00 p.m., it was specifically designed to bring together the engineers and educators with the experts in energy fields. More than 130 attendees met with Walter F. Allaire, Allied Chemical; Richard Kelly, General Motors; Ed H.

Mergens, Shell Oil; Robert Shade, Boise Cascade; Ray Doerr, Monsanto; and Milt Williams, Technical Conference Director, to informally discuss specific energy questions and problems relating to their specific areas of interest.

The forum will be expanded for the 1982 Conference with these Shirt-Sleeve Sessions incorporated into the regular conference schedule.

Seven firms win Energy Conservation Awards

Seven Texas firms, manufacturing products that range from petrochemicals to electronic telephone switching equipment, were presented awards for Outstanding Leadership in Industrial Energy Conservation by TIC's Executive Director Gerald Brown.

Through their combined conservation efforts over the past year, these seven companies saved approximately 1.46 million barrels of oil equivalent.

Each of the companies had representatives attend one or more of TIC's Energy Utilization Department workshops on areas of energy conservation applicable to its particular industry. These workshops, funded by the U.S. Department of Energy through the Texas Energy & Natural Resources Advisory Council, are held regularly throughout the state and cover subjects such as waste heat recovery, energy management, alternate energy sources, and other subjects which affect small- to medium-sized Texas firms. After following the workshop recommendations, the companies submitted detailed explanations of their conservation efforts with the breakdowns in percentages of energy saved for electricity, natural gas and other energy sources.

The winners were chosen on a percentage basis, enabling the small firms to compete equally with the larger companies.



Accepting the awards from left to right are:

*T. Bruce Brunelli, Senior Electrical Engineer
Kelly Springfield Tire Company, Tyler, Texas
Kelly Springfield is a division of Goodyear Tire and Rubber Company.*

*Jose I. Verdin, Refinery Engineer
Tesoro Refining Marketing & Supply, Carrizo Springs, Texas
Tesoro, a crude oil refinery, is based in San Antonio.*

*Robert R. Baker, Plant Manager
Air Products & Chemicals, Pasadena, Texas
Air Products manufactures chemicals which are made into polyurethane foam for car seats and insulation.*

*Harold L. Gluckman, President
Houston Die Casting Company, Houston, Texas
The company manufactures aluminum and zinc die castings.*

*Gerald R. Brown, Executive Director
Texas Industrial Commission*

*J. C. Stewart, P.E., Managing Engineer
Western Electric Company, Mesquite, Texas
Western Electric manufactures electronic telephone switching equipment.*

*Fred Jackson, Manufacturing Administrator
Oxirane Corporation, Houston, Texas
Oxirane makes petrochemicals such as propylene oxide, styrene monomer and tertiary butyl alcohol.*

*A. Fred Dohmann, Project Engineer
Gulf Oil Chemicals, Orange Plant, Orange, Texas
The Orange Plant for Gulf manufactures polyethylene.*

AGC report findings Questionable

(Continued from Page 1)

indicator of how manufacturers view business climate, yet this factor was eliminated from the 1980 study, Choate said.

Another question involves the time period in which the study was done. The AGC study states that the data used was the latest available. On each table the date posted is 1980, however, in most cases the data used was for 1977-78. For example, in the factor "State and Local Taxes per Capita," the table ranking Texas 18th in 1980 was actually taken from 1977-78 information. Using the same source and 1978-79 data, Texas ranks 11th.

In another factor ranking on "Percentage Change in State and Local Taxes per Capita" Texas improves its ranking from number 31 to number six if more current data is used.

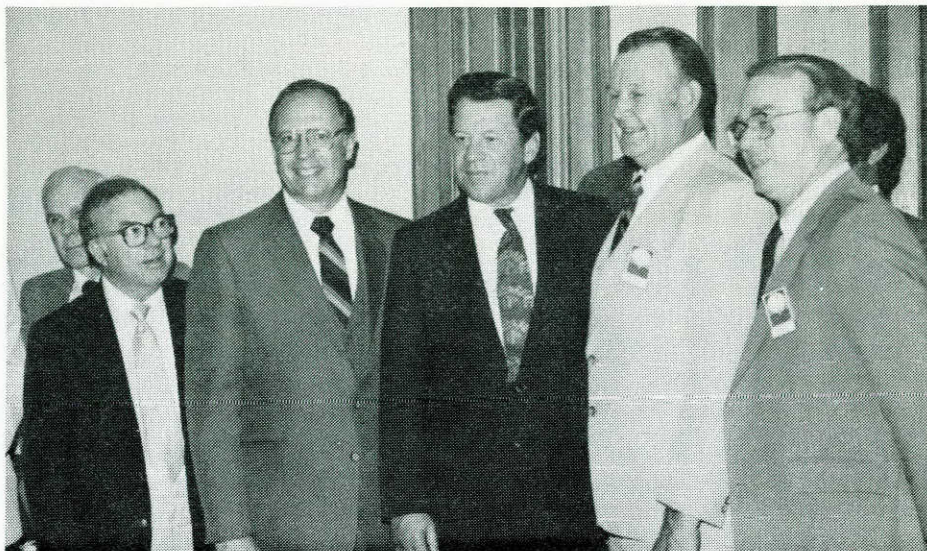
"We feel that each table should state the date of the information to indicate what conditions existed in those years rather than falsely connoting conditions in 1980," Choate said. "Since different years are used on various factors, the calculation of an overall business climate score is not statistically correct for any given year."

Revenue bond

Regulations

tions to file fee schedules and bond procedures. Bond counsel and financial advisors participating in an issue shall be mutually acceptable to the corporation and the user.

Governor Clements has until midnight June 21 to act on pending legislation. At that time all legislation not signed or vetoed becomes law.



Throughout the 67th legislative session many communities sent delegations to Austin, hosted legislative receptions and took time to write, telephone or personally visit their elected officials to voice their opinions on pending or proposed legislation. Pictured above, the delegation from Denison visits with Lt. Governor Bill Hobby (center).

41 new IRB Corporations formed

Following is a list of non-profit development organizations incorporated and not published in previous newsletters:

Allen Industrial Development Corporation
Azle Industrial Development Authority
Bell County Industrial Development Corporation
Bosque County Industrial Development Corporation
Bowie County Industrial Development Corporation
Brazos County Industrial Development Corporation
Brookshire Industrial Development Corporation
Burleson County Industrial Development Corporation
Capital Industrial Development Corporation
Cass County Industrial Development Corporation
Cherokee County Industrial Development Corporation
Childress Industrial Development Corporation
Collin County Industrial Development Corporation
Conroe Industrial Development Corporation
Denton Industrial Development Authority
Edcouch Industrial Development Corporation
Elsa Industrial Development Corporation
Fairfield Industrial Corporation
Grand Saline Industrial Development Corporation
Hays County Industrial Development Corporation
Port Development Corporation (Houston)
Lamar County Industrial Development Corporation
The Laredo Industrial Development Corporation

Development Corporation of Mercedes
Midlothian Industrial Development Corporation
Potter County Industrial Development Corporation
Ochiltree County Industrial Development Corporation
Olney Industrial Development Corporation
Raymondville Industrial Development Corporation
Red River Industrial Development Corporation
Richardson Industrial Development Corporation
Rockwall Industrial Development Corporation
Sabine Pass Industrial Development Corporation
San Saba County Industrial Development Corporation
Selma Industrial Development Authority
Sonora Industrial Development Corporation
Tomball Industrial Development Corporation
Ward County Industrial Development Corporation
Washington County Industrial Development Corporation
Wichita County Industrial Development Corporation
Wood County Industrial Development Corporation

The Industrial Commission maintains a complete computerized listing of all development corporations in Texas. The listing is available at no charge upon request.

EDITOR'S NOTE: New incorporations are reminded to provide TIC with a personal contact, complete mailing address and telephone number. This information is kept on file for use by industrial prospects.

Summary of IRB approvals

INDUSTRIAL DEVELOPMENT CORPORATION	DATE OF FINAL APPROVAL	COMPANY	AMOUNT AVERAGE RATE TERM	LOCATION	ESTIMATED NO. OF EMPLOYEES	PROJECT DESCRIPTION
El Paso County Industrial Development Corporation	3/5/81	Continental Water Systems Corporation	\$ 2,318,000 10%—12 yrs.	El Paso	122	Expansion Manufacture custom water filtration systems
Trinity River Industrial Development Authority	3/5/81	Dotty Corporation	\$ 1,250,000 9.75%—10 yrs.	Fort Worth	30	New Manufacture diesel power equipment
Trinity River Industrial Development Authority	3/5/81	Tony Lama Leather Products, Inc.	\$ 750,000 9.6%*—18 yrs.	Fort Worth	50	Expansion Manufacture leather products
Trinity River Industrial Development Authority	3/12/81	General Mills Products Corporation	\$ 1,000,000 10%—19 yrs.	Addison	20	New Manufacture yogurt products
Fort Bend County Industrial Development Corporation	3/12/81	Harrison-Tate Interests	\$ 5,000,000 10%—15 yrs.	Houston	20	New Manufacture industrial electronics
Grand Prairie Industrial Development Authority	3/12/81	The Metalsource Corporation	\$ 1,000,000 9.75%—16 yrs.	Grand Prairie	6	New Steel conversion & distribution center
Trinity River Industrial Development Authority	3/12/81	Newspaper Enterprises, Inc. of Texas	\$ 1,750,000 9.875%—9 yrs.	Dallas	25	Expansion Offset printing
Garland Industrial Development Authority, Inc.	3/12/81	Sullair Corporation	\$ 2,000,000 9.25%—5 yrs. 9%—5 yrs.	Garland	46	New Manufacture rock drilling equipment
Galveston Industrial Development Corporation	3/12/81	Todd Shipyards Corporation	\$ 40,000,000 9.5%—3 yrs.	Galveston	500	New Dry dock repair facility
Port Development Corporation	3/19/81	Atlas Van Lines International Corporation	\$ 200,000 9.5%—5 yrs.	Houston	35	New Atlas/Aramco International distribution center
Waco Industrial Development Corporation	3/19/81	Kirsch Window Treatments, Inc.	\$ 1,500,000 10%—25 yrs.	Waco	50	Expansion Manufacture woven window coverings
San Antonio River Industrial Development Authority	3/19/81	S&B Properties	\$ 1,400,000 9.75%—12 yrs.	San Antonio	15	New Distribution center
Trinity River Industrial Development Authority	3/19/81	Williamette Industries, Inc.	\$ 6,000,000 9.25%*—20 yrs.	Irving	84	New Manufacture printed business forms
Capital Industrial Development Corporation	3/19/81	Rolm Corporation	\$ 8,300,000 9%—15 yrs.	Austin	400	New Manufacture electronic equipment
San Antonio River Industrial Development Authority	3/23/81	Willis & Cox Associates	\$ 2,200,000 9.75%—10 yrs.	San Antonio	20	New Distribution center
Gulf Coast Industrial Development Authority	3/26/81	Amega Corporation	\$ 6,000,000 9%—3 yrs.	Houston	100	New Concrete plant
San Antonio River Industrial Development Authority	4/2/81	Lack Properties, Inc.	\$ 2,500,000 10%—10 yrs.	Victoria	46	New Distribution center
Lancaster Industrial Development Authority	4/2/81	Perfect Tinning & Chemical Company, Inc.	\$ 170,000 7.5%—10 yrs.	Lancaster	15	New Manufacture glass processing equipment
Trinity River Industrial Development Authority	4/2/81	Reynolds Metals Company	\$ 1,500,000 8.75%—12 yrs.	Dallas	17	New Aluminum recycling facility
Industrial Development Authority of Harlingen, Inc.	4/2/81	Varmicon Industries, Inc.	\$ 2,500,000 9.75%—13 yrs.	Harlingen	40	New Manufacture concrete pipe

INDUSTRIAL DEVELOPMENT CORPORATION	DATE OF FINAL APPROVAL	COMPANY	AMOUNT AVERAGE RATE TERM	LOCATION	ESTIMATED NO. OF EMPLOYEES	PROJECT DESCRIPTION
Trinity River Industrial Development Authority	4/9/81	Whittaker Corporation	\$ 3,500,000 10%—18 yrs.	Carrollton	16	New Bulk steel processing plant
Waller County Industrial Development Corporation	4/9/81	Tubular Steel, Inc.	\$ 5,750,000 9.5%—25 yrs.	Katy	48	New Manufacture specialty metal products
Port Development Corporation (Houston)	4/24/81	Allied Tube & Conduit Corporation	\$ 1,000,000 10%—12 yrs.	Houston	50	Acquisition Finish and distribute tubular steel products
City of Farmers Branch Industrial Development Corporation	4/24/81	Thermalloy, Inc.	\$ 4,200,000 10%—20 yrs.	Farmers Branch	115	Expansion Manufacture semi-conductor accessories
Hillsboro Industrial Development Corporation	5/8/81	Tidwell Industries, Inc.	\$ 1,500,000 10%—15 yrs.	Hillsboro	50	New Mobile home manufacturing
McAllen Industrial Development Authority	5/8/81	McAllen Public Cold Storage, Inc.	\$ 2,600,000 15%—10 yrs.	McAllen	45	New Industrial refrigerated distribution complex
Brazos Harbor Industrial Development Corporation	5/15/81	Monsanto Company	\$ 8,100,000 11%—20 yrs.	Freeport	15	New Bulk liquid storage facility
City of Cuero Industrial Development Corporation	5/15/81	Crossroads Canning Company	\$ 2,500,000 10%—15 yrs.	Cuero	13	New Manufacture canned beverages
Brazos Harbor Industrial Development Corporation	5/15/81	The Old River Company	\$ 5,400,000 9.14%—10 yrs.	Freeport	15	New Public marine terminal
Corsicana Industrial Development Authority	5/19/81	Guardian Industries Corporation	\$ 1,000,000 10%*—4 yrs.	Corsicana	212	New Glass manufacturing facility
Trinity River Industrial Development Authority	5/19/81	ESCO Elevators, Inc.	\$ 5,500,000 15%*—5 yrs.	Fort Worth	20	New Manufacture oil hydraulic & freight elevator equipment
North Central Texas Industrial Development Authority, Inc.	5/21/81	Fellowes Manufacturing Company	\$ 2,500,000 9.9%—5 yrs.	Plano	65	New Manufacture & distribute corrugated paper board products
McKinney Industrial Development Corporation	5/21/81	Control & Information Systems, Inc.	\$ 1,100,000 10%—15 yrs.	McKinney	45	New Manufacture printed electronic circuit boards
City of Belton Industrial Development Corporation	5/21/81	Rockwool Industries, Inc.	\$ 1,500,000 9.75%*—20 yrs.	Belton	40	Expansion Manufacture insulation products
Longview Industrial Corporation	5/21/81	Anvil Products, Inc.	\$ 5,000,000 66% of prime*—10 yrs.	Longview	26	Expansion Manufacture pipe couplings & fittings
Port of Corpus Christi Industrial Development Authority	5/21/81	Saber Energy, Inc.	\$ 20,000,000 13.7%—30 yrs.	Corpus Christi	12	Expansion Refinery docking facility
San Antonio River Industrial Development Authority	5/29/81	Alamo Cement Company	\$ 1,000,000 10%—15 yrs.	San Antonio	50	New Cement plant
San Antonio River Industrial Development Authority	5/29/81	Wilson, Wilson & Rowland	\$ 1,250,000 10%—15 yrs.	San Antonio	72	New Manufacture wooden building components
San Antonio River Industrial Development Authority	5/29/81	Lone Star Brewing Company, Inc.	\$ 3,600,000 9.9%—18½ yrs.	San Antonio	35	Expansion Beer brewing facility
Trinity River Industrial Development Authority	5/29/81	Coca-Cola Bottling Company of Fort Worth	\$ 1,000,000 10%—10 yrs.	Fort Worth	20	New Produce & distribute Coca-Cola

(Continues on Page 10)

TEXAS INDUSTRIAL COMMISSION
 P. O. Box 12728, Capitol Station
 Austin, Texas 78711

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SUMMARY OF IRB APPROVALS

INDUSTRIAL DEVELOPMENT CORPORATION	DATE OF FINAL APPROVAL	COMPANY	AMOUNT AVERAGE RATE TERM	LOCATION	ESTIMATED NO. OF EMPLOYEES	PROJECT DESCRIPTION
North Central Texas Industrial Development Authority, Inc.	5/29/81	Bowater North American Corporation	\$ 8,800,000 12.375%—20 yrs.	Plano	130	New Manufacture computer business forms
The Greater Laredo Industrial Development Corporation	5/29/81	Laredo Cold Storage, Inc.	\$ 1,000,000 10%—8-1/3 yrs.	Laredo	25	Expansion Refrigerated food processing & distribution center
Gulf Coast Industrial Development Authority	5/29/81	Haldor Topsoe, Inc.	\$ 4,000,000 9.95%—6 yrs.	Pasadena	50	New Catalyst manufacturing plant
Sabine River Industrial Development Authority	5/29/81	National Casein Company	\$ 700,000 10%—7 yrs.	Tyler	5	Expansion Produce polyvinyl acetate glue
City of San Antonio Industrial Development Authority	5/29/81	American Hospital Supply Corporation	\$ 2,100,000 10%—17 yrs.	San Antonio	9	New Health care products warehouse & distribution center
Trinity River Industrial Development Authority	6/4/81	Dual-Lite, Inc.	\$ 1,850,000 9.5%—10 yrs.	Dallas	100	New Manufacture modular wiring
City of Mansfield Industrial Development Corporation	6/4/81	United States Gypsum Company	\$ 3,800,000 10%*—3 yrs.	Mansfield	43	New Drywall steel manufacturing
Capital Industrial Development Authority	6/4/81	Austin Coca-Cola Bottling Company	\$ 520,000 10%—15 yrs.	Austin	16	New Manufacture & distribute soft drinks
Brazos County Industrial Development Corporation	6/4/81	Norton Company	\$ 2,000,000 65% of prime*—	Bryan	8	Expansion Produce petrochemical products
Port of Corpus Christi Industrial Development Authority	6/4/81	BWT-Moore, Inc.	\$ 1,500,000 10%—10 yrs.	Corpus Christi	30	Expansion Produce oil and gas equipment

* Variable

YEAR-TO-DATE TOTALS AS OF 6/12/81
 TOTAL APPLICATIONS APPROVED — 72

AMOUNT — \$249,748,000

ESTIMATED EMPLOYMENT — 5,394

TOTAL PROJECTS APPROVED — 169

AMOUNT — \$644,066,517

ESTIMATED EMPLOYMENT — 13,911

EDITOR'S NOTE: TIC has computerized reports available on all revenue bond projects approved to date. In addition to the above information, these reports list the original bond purchasers or underwriters, the bond attorneys and the financial advisor. This information is available upon request at no charge.