

# TEXAS QUARTERLY UPDATE

## Small firms gain through state business

According to a report compiled by TEDC's Business Development Department, \$672 million in state purchases were awarded to small businesses during fiscal year 1983. Minority-owned firms received \$36.2 million through business with the state.

The Small and Minority Business Report FY 1983 states business awarded to small firms was over 30% of the state's \$2.2 billion in purchases of commodities, supplies, professional and general services and construction contracts.

The Small Business Assistance Act of 1975 encourages state agencies to do business with small firms and requires TEDC's Business Development Department to report on the amount of transactions that take place. Governor White's Executive Order MW-8 requires the state agencies to seek out business with minority-owned firms as well.

The business report was compiled through reports received from 176 of the more than 200 state agencies.

## Cairo exhibit to generate sales, contacts

TEDC is currently recruiting Texas companies for the 17th Annual Cairo International Fair, to be held in Cairo, Egypt, March 10-24.

The Egyptian Government's allotment of \$50.4 billion for economic development over the next five years makes the exhibition an excellent opportunity for U.S. suppliers. *(Continued on page 3)*

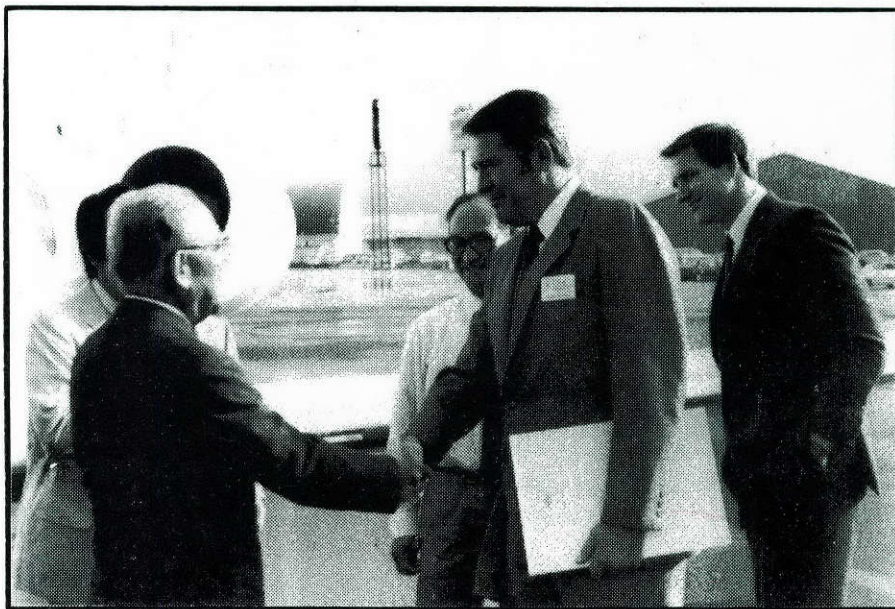
## Texas communities receive funds for area development

Community Development Block Grant Funds totaling \$28.9 million have been awarded to 117 Texas communities. The money will be shared among the communities for use in public works projects. Included in the cities receiving funds are Bay City, Cleveland, Conroe and Corsicana.

The Texas Department of Community Affairs (TDCA) will distribute another \$1.6 million in block grant funds among Carthage, Mission, Morris County, San Diego and Weslaco to create a total of 617 permanent jobs.

Twenty-four regional review boards screen competing applications for the Block Grant Funds. These boards forward a listing of funding priorities to a state review board composed of 12 elected officials appointed by the Governor. The TDCA distributes the funds based on the board's recommendations.

Another \$14.5 million in grants will be distributed before June 1, 1984. For more information, contact Les Ready, Texas Department of Community Affairs, 512/443-4100, ext. 249.



Charles B. Wood (center), greets Shigeichi Koga, counsellor of Mitsubishi Heavy Industries and chairman of the Japan contingent of the Japan-Texas Association. Looking on is Harden Wiedemann (right), of the Governor's Office of Economic Development. Koga arrived in Austin for an informal meeting with Governor Mark White. Mitsubishi officials also toured Dallas and Houston during October in efforts to enhance the business relationship between Japan and Texas.



# Texas Quarterly Update



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The Official Publication of the Texas Economic Development Commission. Editorial contributions are welcome and should be addressed to Editor, P.O. Box 12728, Capitol Station, Austin, Texas 78711.

## Personally Speaking



*In light of its vital economy and growing markets, many companies are expressing a strong interest in our state. The response to economic opportunities within Texas has meant a busy and productive first quarter for TEDC. The number of industrial prospects has almost doubled that of this time last year. Increasing numbers of companies are choosing to locate or expand their businesses within Texas.*

*During September 1 through November 30, 12 companies announced their intent to establish firms in Texas. Eleven of these businesses are new to the state.*

*In addition, the Industrial Locations & Services Department has implemented eight Industrial Start-Up Training programs. Together the training programs and new plant announcements have generated 3,592 jobs and \$1.7 million in new annual state taxes.*

*At the end of our first quarter, a total of 343 active industrial prospects were reported - a 78% increase over the same period last year. Seventy new prospects, with the potential of employing 10,676 people, have been registered. These prospects represent electrical and electronic machinery manufacturers, transportation equipment manufacturers, fabricated metal products and business services. Twenty-five of the companies are from outside the state.*

*The increase in the number of industrial prospects is partially the result of an intensified advertising effort. Five advertisements in national magazines and a strong direct mail letter campaign have prompted 346 replies. Fifteen new prospects have been registered from our fiscal year 1984 advertising efforts compared with six prospects the previous year.*

*The amount of revenue bond applications approved during the first quarter also indicates the growing number of firms expanding in Texas. The 1000th industrial bond financing application was among the 71 industrial revenue bonds approved during the first three months of the fiscal year.*

*Since the IRB program's inception in 1979 through the end of November, there have been approximately 56,754 jobs created or retained as a direct result of IRBs. The outlook for this quarter looks equally promising - the IRB Department approved 126 revenue bond applications in December alone.*

*We are pleased to announce the increasing response to opportunities within our state. During this second quarter we anticipate continued economic growth and the many benefits resulting from that growth.*

A handwritten signature of Charles B. Wood.

Charles B. Wood  
Executive Director



# News Bulletin...

## New commissioners appointed to TEDC

Governor Mark White appointed seven new Commission members to TEDC on January 24. They include:

**Chairman Dan S. Petty**  
President and Chief Executive Officer  
Henry S. Miller Real Estate  
2001 Bryan Tower 30th Floor  
Dallas, Texas 75201

**Jon Brumley**  
President and Chief Executive Officer  
Southland Royalty  
801 Cherry Street  
Fort Worth, Texas 76102

**Barbara Chaney**  
Vice Chairman  
Western Bank  
2501 North Mesa  
El Paso, Texas 79998

**Henry G. Cisneros**  
Mayor of San Antonio  
115 Plaza De Armas  
San Antonio, Texas 78205

**Ed Smith**  
Executive Vice President  
Allied Bank  
Allied Bank Plaza  
Houston, Texas 77001

**Lucien Flournoy**  
Chairman and Chief Executive Officer  
Flournoy Drilling Company  
1907 East Main  
Alice, Texas 78322

**Hugh Robinson**  
Vice President  
Southland Corporation  
2828 North Haskell Avenue  
Dallas, Texas 76221

Four of the newly appointed commissioners are replacing those whose term of office has expired. Commissioners Don Adams, Zack Burkett, Ray Clymer and Jim Sale are stepping down from the Commission. The three additional appointees were authorized by the last legislature.

The Commission has rescheduled their quarterly meeting for February 24 at 9:00 a.m. They will meet in the Anson Jones Building, Room 221, 410 East 5th Street, Austin, Texas. For more information contact Alexa Richter at TEDC, P.O. Box 12728, Capitol Station, Austin, Texas 78711, 512/472-5059.

## Minority Business Advisory Committee plans conferences

The Governor's Advisory Committee on Minority Business Enterprise will have three regional conferences for minority business enterprises. These meetings will provide minority firms an opportunity to discuss the problems and concerns they may have in procuring contracts from state agencies.

Houston, El Paso, and Harlingen are the sites for these meetings. The specific time and dates will soon be announced.

For additional details, please contact Doyline Williams, Texas Economic Development Commission, (512) 472-5059, ext. 653.



## Energy conference scheduled for April

The 1984 Industrial Energy Conservation Technology Conference and Exhibition will be held at the Shamrock Hilton Hotel in Houston, April 15-18. The Conference is sponsored by TEDC and the Public Utility Commission.

The event is designed to bring nationally-recognized industrial energy conservation experts together with manufacturers and academic and government representatives for interaction on topics relating to energy conservation in industrial processes.

This year's program includes the presentation of 138 technical papers. Attendees will have the opportunity to participate in their choice of 36 scheduled sessions. These sessions will focus on a variety of areas including: Alternative Energy Sources, Combustion Systems, Electrical Utilities, Heat Recovery and Process Computer Controls.

Over 80 companies are expected to participate in the conference's exhibition of industrial energy conservation products and services. Those attending the conference will be able to visit the exhibit hall to meet and discuss applications and state-of-the-art products directly with vendors.

For more detailed information on the upcoming conference, contact Lance dePlante, conference director, (512) 472-5059.



## Trade lead service expanding to create greater accessibility

TEDC's International Trade Outreach Program (INTOP) is currently providing 650 businesses with foreign marketing opportunities.

As participants in INTOP, Texas manufacturing firms indicate the products they wish to export. The INTOP program matches product interests of foreign buyers with those of Texas firms. When a match occurs, a foreign trade lead notice is mailed to the participant. This notice includes a description of products needed, information about the foreign buyer, bank references, bid deadlines and other pertinent information.

An addition is being made to the INTOP program which will provide businesses even greater accessibility to current foreign

trade leads. INTOP-ONLINE will allow companies public access to INTOP information through a dial-up data system. Access to the system can be achieved with a minimum amount of computer equipment. The ONLINE program allows those companies with data system hook-ups a more expedient method of obtaining trade lead information.

Businesses interested in INTOP and the ONLINE service can obtain further information by writing TEDC's International Trade Department, P.O. Box 12728, Austin, Texas 78711. To assist the department in meeting the company's specific needs, businesses are asked to include their standard industrial classification code.

## Small businesses receive financial aid packages

TEDC has completed financial packages for 93 businesses eligible for disaster relief due to the cold freeze occurring in December 1983.

TEDC's Business Development Department has been assisting the affected businesses with their applications for Small Business Administration (SBA) Economic Injury Disaster Loans.

"The businesses are obtaining these loans for working capital purposes. The freeze created a lapse in the amount of work and the loans will allow more businesses to cover upcoming payments and expenses," said Mario Hernandez, manager, TEDC business development department.

The sum of loan applications compiled to date is approximately \$1.5 million with the largest loan totalling \$45,000.

TEDC consultants helped prepare applications for those businesses that were interviewed by the Weslaco Chamber of Commerce, Valley Investment Development Association's President, Ruben Saenz, donated space for TEDC's temporary headquarters in Pharr, Texas.

## TEDC's International Division Director retires

A. F. (Frank) Alagna, Director of TEDC's International Trade Division, has retired after 14 years of service to the agency.

It is largely through Alagna's efforts that the International Division has been established as an important and reputable source of information for Texas companies as well as foreign firms.

Alagna began his association with TEDC in 1970 as an International Trade Consultant. He was instigative in opening the State of Texas Office in Mexico City and developing its policies and programs in 1971.

He later became Manager of the Start-Up Training Department until 1979 when he took over as Director of International Development Program. Alagna planned and participated in one of the agency's first trade missions. He also served as Secretariat of the Japan-Texas Association and organized several trips to Japan, as well as Japanese visits to the United States.

Alagna will continue to work in the international trade field as a private consultant.



Kimihisa Furuichi (left), Deputy Executive Secretary of the Japan-Southern U.S. Association, and Shigeichi Koga, Counsellor of Mitsubishi Heavy Industries, meet with Governor Mark White during a recent visit to promote the Japan/Texas business relationship.



## Directory to expand trade opportunities for companies

Texas companies interested in developing international business contacts have an opportunity to obtain a free listing in the 1984 Texas Foreign Trade Directory.

Otis Davenport, publisher of the Texas Foreign Trade Report is publishing the directory. It will serve as a complete guide to foreign trade in Texas containing more than 5,000 separate listings of Texas businesses.

Categories to be found in the publication include: exporters and importers, trade organizations, steamship services, consulates, freight forwarders, ports, international air carriers, chambers of commerce, free trade zones and more.

"We hope to achieve a greater global participation with businessmen and manufacturers all around the world through distribution of the directory," said Davenport.

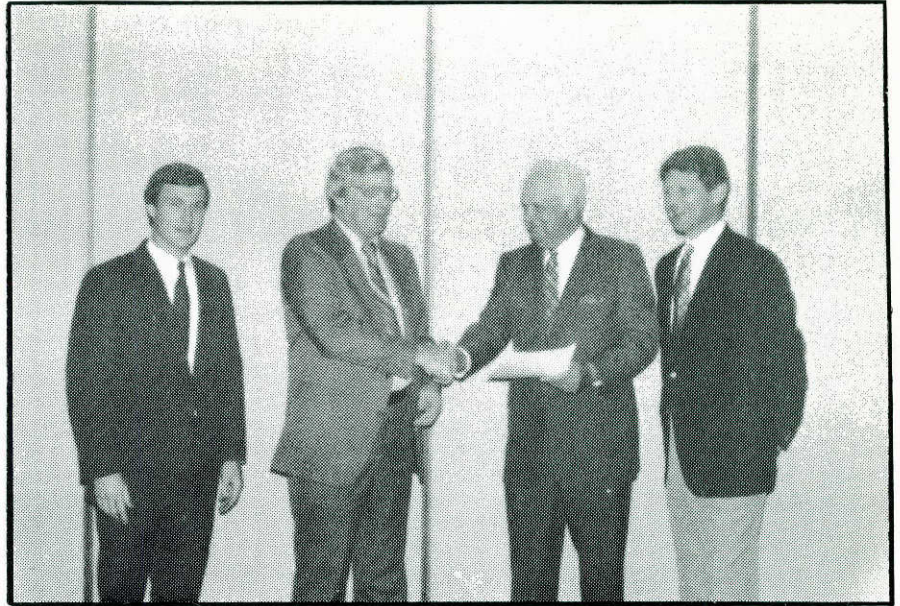
Those businesses interested in participating can call 214/744-0274, or write Texas Foreign Directory, P.O. Box 5007, Dallas, Texas 75250, prior to March 1.

*(Continued from page 1)*

The 60 American firms that participated in the 1983 Fair recorded immediate sales of \$17.5 million and over 6,000 trade leads. It is anticipated that the 1984 Fair will register an increase in sales and contacts.

Texas participants will be located in the new U.S. pavillion containing 14,000 square feet of exhibition space. Over 15,000 feet of outside space is also available.

A 4 x 3 meter booth costs \$4,900 with a \$1,000 deposit required. Companies interested in participating should contact TEDC's International Division for detailed information.



From left to right, John Rubottom, Bond Counsel, McCall, Parkhurst, Horton in Dallas; Kent Yeates, General Counsel, TEDC; John McCloud, President, Lone Star Corrugated Container Corporation; and Ed Palm, President, Trinity River Industrial Development Authority, take part in the approval ceremonies for TEDC's 1000th Industrial Revenue Bond Application. Lone Star will use proceeds of the \$4 million bond issue to construct a 184,780 square foot manufacturing and warehouse facility in Irving, Texas.

## Rising Population continues in Texas

More than half a million new residents settled in Texas between April 1980 and July 1982 and the "in-migration" is likely to continue at an even faster pace, according to a recent article in The Houston Chronicle.

With 667,000 people moving into the state during the 27 month period - the most current time for which figures are available - Texas had more net in-migration than any state in the nation. The net result between 1980-85 will be an expected in-migration and total population growth that promises to be greater than any previous five-year period in the state's history.

In-migration to Texas accounted for only six percent of all new Texans in the 1950s, 13

percent in the 1960s and climbed to 58 percent during the last decade. In the 1980s the figure is estimated to account for 63 percent of the state's total population growth.

## TEDC brochure features growing high tech climate

TEDC has completed a publication which is available to assist organizations in recruiting high technology industries.

"Texas . . . Space to Expand," a 24 page four-color brochure, highlights the evolution of the high tech industry within the state while presenting the facts behind Texas' existing high tech environment.

For additional information, contact TEDC's Communication & Information Department at 512/472-5059.



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## Briefs.....

Information Systems Development, a company specializing in community data bases, announces a new service for Austin businesses. The firm is offering a Hispanic Business Data Base which includes over 800 local Hispanic businesses and is updated weekly.

The new Hispanic Data Base is available by printout or in label format. In addition, the Data Base contains information about Hispanics involvement in education, social services, civic and political organizations, the arts and church groups.

Information Systems is a fee-for-service information broker firm with 15 years experience in developing directories. For more information, contact Cindy Laguna at 512/477-1604.

Stuart Nunnally, executive vice president of the Marble Falls Chamber of Commerce, announces that the Chamber has created an industrial development manager position. Anyone interested in this position should contact Nunnally at 512/693-3646, 2100 Highway 1431, Marble Falls, Texas 78654.



The TEDC quarterly commission meeting is scheduled for January 27 at the Americana Hotel in Fort Worth, Texas. For more information, contact Alexa Richter at TEDC, P.O. Box 12728, Capitol Station, Austin, Texas 78711, 512/472-5059.

The Commerce Department's Industrial Technology Partnership Program under Assistant Secretary Bruce Merrifield is sponsoring four half-day conferences on Research and Development Limited Partnerships (RDLPs).

The conferences will be held during February in four major cities across the U.S. -Chicago (February 2); Houston (February 8); New York (February 15); and Los Angeles (February 23).

If you're a businessman, Research & Development manager, financial specialist, new product developer or investor interested in learning more about how RDLPs can affect your investment strategies, contact Birch & Davis Associates, 8905 Fairview Road, Silver Spring, MD 20910, 301/589-6760, attention Dianne Felton or Connie Mayfield.

