

I400.6
ID2
e.2
6/4

7605801

~~CONFIDENTIAL~~

~~JUN 17 1976~~

~~CONFIDENTIAL~~

TEXAS IDEAS NEWSLETTER

MAILING ADDRESS: BOX 12728, CAPITOL STATION, AUSTIN, TEXAS 78711 * OFFICE ADDRESS: 7TH FLOOR SAM HOUSTON STATE OFFICE BLDG.

VOL. 6 NO. 4

THE OFFICIAL PUBLICATION OF THE TEXAS INDUSTRIAL COMMISSION

APRIL, 1976

Hobby, Havey to Lead Mideast Mission

Lieutenant Governor Bill Hobby and James Havey, director of TIC's International Development Division, will lead a group of businessmen representing six Texas companies on a two-week trade mission to the Mideast.

The following Texas firms will be represented: Plains Machinery Company of Amarillo; Modern Machinery of Beaumont; Woods & Copeland Manufacturing, Inc. of Wharton; Phillips Petroleum Company of Orange; Plains Builders of Lubbock and Texas A&M University of College Station.

The group will depart for Baghdad, Iraq, April 30 and then go on to Cairo, Egypt. At the recommendation of the U. S. Departments of State and Commerce, the mission will focus predominantly on agriculture and education.

"The entire Mideast is becoming very conscious of the problem of feeding its people. The rapid population growth requires that they up their agriculture production substantially," Havey said.

Havey explained that this trade mission is designed to take advantage of the Mideast's desire to increase agriculture production. "The time is ripe to match up our pre-eminence in agriculture production and our broad expertise in farming and ranching with Iraq's determination to commit roughly \$11 billion dollars toward development of these services," Havey said.

With a population approaching 38 million, Egypt is by far the

largest of all Arab states, requiring a record amount of food imports.

Last year U. S. exports to the Arab Republic of Egypt was estimated at \$800 million. President Sadat's "open door" economic policy allows the private sector to import all but a small number of restricted commodities.



LT. GOVERNOR BILL HOBBY

On the other hand, U. S. exports to Iraq rose to approximately \$300 million from \$285 million in 1974. This is a small portion of the \$5 billion that Iraq spent in 1975 in an attempt to realize its promising agricultural potential and create a more diversified industrial economy.

"American efforts to serve the agricultural development needs of Iraq have been virtually nil so far, especially by comparison with the efforts of France, Italy, Hungary and New Zealand," Havey said.

BRISCOE ANNOUNCES EXPANSION AWARDS

Governor Dolph Briscoe has announced the four winners of the annual Governor's Industrial Expansion Awards for 1975.

Regional chambers of commerce chose the outstanding industry in their area from nominations submitted by local chambers and industrial development organizations.

The East Texas Chamber of Commerce selected Aberdeen Manufacturing, Inc., which produces curtains and draperies. The industry was nominated by the Kaufman Chamber of Commerce.

The Lower Rio Grande Valley Chamber of Commerce selected Carlingswitch, Inc., which produces electrical motor switches. Carlingswitch was nominated by the Brownsville Chamber of Commerce.

Union Carbide Corporation of Seadrift was nominated by the Port Lavaca-Calhoun County Chamber of Commerce and chosen by the South Texas Chamber of Commerce. UCC is a chemical company.

The West Texas Chamber of Commerce chose the industry nominated by the Sweetwater Chamber of Commerce - Ludlum Measurements, Inc., which produces high quality instruments used to detect nuclear radiation.

The contest, recognizing industry (See AWARDS page 4)



GOVERNOR

Dolph Briscoe

CHAIRMAN

C. Truett Smith

EXECUTIVE DIRECTOR

James H. Harwell

DIRECTOR OF OPERATIONS

EDITOR

Edwin F. G. Latta

ASSOCIATE EDITOR

Cheryl Lynn Rummel

REPRODUCTION SUPERVISOR

Cynthia Henry

For Service Call:

Area Code 512

475-5551

Operations Division

Administrative Services Dept.

Finance & Accounting Dept. (475-5556)

Information Services Dept. (475-5561)

Research & Program Dev. (475-5556)

Special Projects Dept.

475-5561

Industrial Development Division

Industrial Services Dept.

Industrial Location Dept.

Advertising Dept.

475-5551

International Development Division

International Trade Dept.

Reverse Investment Dept.

Foreign Offices Dept.

475-5556

Community Development Division

Community Services Dept.

Minority Business Enterprise (475-5945)

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

- NEWS BRIEFS -

Nominations are now being accepted for the **Volunteer Industrial Developer of the Year (VIDY) Award**. For application instructions contact: Gary Bowling, Chairman, VIDY Award Committee, Texas Industrial Development Council, Bryan Place, Suite 100, 4103 S. Texas Avenue, Bryan, Texas 77801.

E. Coy Stanphill has been named Director of Purchasing for **Texas Power & Light Company**. Formerly director of industrial development with TP&L, he is a charter member and director of the TIDC, director of the SIDC, and a member of the AIDC.

TEXAS FIRST, Governor Dolph Briscoe's job creation campaign, has succeeded in filling **29,110 jobs** in Texas. The original goal for the program was to identify and generate 4,000 new, permanent and unsubsidized jobs.

Plans are underway for the **1976 East Texas Industrial Exposition**, April 23-24 in Longview. Area manufacturers and suppliers who have not yet made their reservations should contact Cecil Greer, general chairman, at the Longview Chamber of Commerce. The number is 214/757-3333.

Fred S. Neumann, Region VI Director for the Small Business Administration (SBA), will address the April 27 meeting of the **Advisory Council on Small Business Assistance** in Austin.

Jerry Graybill, EDA's economic development representative for the East Texas area, has moved his office to 1402 Austin National Bank Tower, Austin, Texas 78701. His new phone number, effective April 26, will be 512/397-5119 and 512/397-5110.

C. Truett Smith, chairman of the TIC, was the featured speaker at the March 31 **Salute to Industry** luncheon honoring Cleburne business and industry.

Three staff members from TIC's Community Development Division

met with representatives from the **City of Big Spring** and chamber of commerce officials to discuss preparation of an impact study needed in the fight to keep **Webb Air Force Base**. TIC representatives were sent at the request of Governor Briscoe.

James Havey, director of TIC's International Development Division, accompanied **Secretary of State Mark White** on the Governor's mission to **Guatemala**. After meeting with U.S. Embassy and Guatemalan government officials, they visited areas of major earthquake damage.

A publication outlining the five-step approach to organizing a community industrial development program is now available from the Industrial Commission. "**Attracting New Industry**" tells exactly what a town can do to prepare for that new industry that it hopes to attract. Complimentary copies are being sent to all Texas chambers of commerce. Anyone else interested in obtaining a copy should contact **Jerry Heare**, director of Community Development, at the Industrial Commission.

TIC vice-chairman **John B. Turner, Jr.** of Houston will be the featured speaker at **Killeen Industry Day** on April 22. The event is sponsored by the Killeen Industrial Foundation.

Applications are now being accepted for admission to the 15th annual **Industrial Development Institute** set for August 9-13. For further information call or write: **Gerald Ruffin**, Director, Industrial Development Institute, The University of Oklahoma, 1700 Asp Avenue, Norman, Oklahoma 73069, 405/325-1931.

Jerry Heare, TIC's director of Community Development, has been named acting state director of the **Southern Industrial Development Council**. In addition to serving on the board of directors, he will be in charge of state membership. Heare succeeds **E. Coy Stanphill** who resigned his position in March.

Getting through the METRIC maze

EDITOR'S NOTE: This is the second in a series of articles intended to inform Texans on the metric system of measurement.

start

WHAT IS THE METRIC SYSTEM?

The metric system consists of a decimal system (based on units of ten) of interrelated weights and measures in which the meter is the unit of length, the liter is the unit of volume and the gram is the unit of mass or weight.

DOES THE METRIC SYSTEM HAVE ANY ADVANTAGES OVER THE CURRENT SYSTEM?

With the use of metrics, fractions will become obsolete. A mere switch of the decimal point will convert centimeters to decimeters, decimeters to meters, meters to kilometers, etc. Some experts estimate that total metric use will save from six months to two years of teaching elementary math.

HOW WILL CONVERSION TO THE METRIC SYSTEM AFFECT THE GENERAL PUBLIC?

Everyone from the housewife to the scientist will be affected by the switch. Cookbooks will be written so recipes will list grams and liters instead of ounces and pints. Grocery scales will be modified to show metric weight. Turkey will roast at 170° Celsius (325° Fahrenheit) and water will freeze

at 0° Celsius and boil at 100° Celsius. Even computers will have to be reprogrammed.

WILL CHANGE TO METRICS BE GRADUAL?

Whether or not we realize it, metrics have been a part of our lives for years. We buy 35 millimeter film, take gram aspirin, and smoke cigarettes that are a silly millimeter longer. Highway signs in fourteen states are lineal, supplying both miles and kilometers. Some patterns already have dual markings plus a metric chart for converting inches to millimeters. The switch to metrics does not mean that we will discard our old cookbooks, ovens or cars. Consumers will learn metric conversion gradually. Experts believe that it will take ten years or more for the nation to convert completely.

WILL METRIC CONVERSION BE EASY FOR THE LAYMAN TO UNDERSTAND?

The metric switch will be made as painless as possible. In fact, metric education has already begun. During the transition period, highway signs, for example, will display both mile and kilometer distance and speed. Most news media are already giving the temperature both in Celsius and Fahrenheit. Dual dimensioning of products will help consumers get acquainted with metrics. For example, some U.S.

made speedometers already have dual markings. Metric products are already on the market to aid the consumer in metric conversion. Meter sticks (metric yardsticks) and measuring cups and spoons with dual markings are just a few of the consumer aids now on the market. Sears, Roebuck and Company now has a Universal Converter Calculator that performs direct conversions changing length, weight, volume and temperature to their metric equivalents.

WHAT CAN THE GENERAL PUBLIC DO TO ACHIEVE "METRIC AWARENESS"?

First, and most important, we must accept metrics as a way of life. Go to the library and check out a book on metrics. Figure vacation mileage in kilometers instead of miles. Prepare your favorite recipe using metric measurements. THINK METRIC. Then write the Metric Information Office of the National Bureau of Standards, U.S. Department of Commerce, Washington, DC 20234 for a free packet of information.

If all fails, remember the metric dilemma of actor David Niven, who owns the world's deepest private swimming pool. The builders misread the plans and what should have been constructed as feet was misinterpreted as meters. The pool is more than three times the depth of any normal pool.

"PROFIT AID" — a boost for Texas manufacturers

The first phase of a program to boost the economic output of Texas manufacturers is underway at the Texas Industrial Commission, according to Executive Director James Harwell.

"Profitaid" will link small component manufacturing companies with buyer firms needing the components in their larger productions. Phase one of Profitaid concentrates on the metal-working industry in Texas.

The program will help buyer companies reduce order backlogs

by establishing a broader vendor base and thus meet delivery commitments. This will boost Texas metal-working manufacturers' output to more efficient levels.

"Increased employment opportunities for Texans will be a major result of this economic development program," Harwell said.

More than 400 metal-working firms in Texas have been surveyed by R. L. (Bud) Reed, director of TIC's Industrial Development Division, to determine their capabilities. The information has been fed into

the Commission's computer to help match the companies with potential buyers. Data include all phases of machining as well as plate, structural, welding and fabricating capabilities.

TIC anticipates conducting one Profitaid meeting per month.

Businesses wishing to participate should contact the Texas Industrial Commission, Industrial Development Division, P. O. Box 12728, Capitol Station, Austin, Texas 78711, or phone R. L. (Bud) Reed, 512/475-5561.

Industrial Commission To Meet in Amarillo

TIC Commissioners face a full agenda for their regular quarterly meeting April 29-30 in Amarillo.

Action items on the agenda include approval to include a presentation on the American Enterprise System in preemployment start-up training programs and approval to proceed with plans for a one-day seminar for users of natural gas.

"The inclusion of the American Enterprise orientation in training programs was mentioned in the new industrial brochure and the reaction has been quite favorable. Both industry and training institutions have expressed considerable interest in the availability of this presentation," says R. L. Reed, director of industrial development.

Plans for an energy conservation seminar for all users of natural gas as a boiler fuel will also be considered by the Commissioners. One objective of the seminar would be to review the impact of the Texas Railroad

Commission's Gas Utilities Document No. 600 which curtails or eliminates the use of natural gas as a boiler fuel.

Commissioners will also hear status reports on TEXAS FIRST, the Hobby Commission, the next biennium's budget, the Mideast trade mission, preapprenticeship training program, the Small Business Advisory Committee and a special report on the possible closing of Webb Air Force Base in Big Spring.

C. Truett Smith of Wylie is chairman of the Commission and John B. Turner, Jr. of Houston is vice chairman.

Other members are: L. T. Faircloth of Irving, Sam C. Naifeh of Orange, James Hunt of Sonora, Gerald Brown of Austin, Eloy Centeno of San Antonio, Mario Yzaguirre of Brownsville, William Porter of Terrell, A. B. Shelton of Abilene, Chester Wine of Laredo and James Bond of Navasota.

Plant Locations Down 38%

Plans for construction of 32 new plants and 57 expansions of existing facilities were reported to the Bureau of Business Research at the University of Texas at Austin during the first three months of 1976.

The totals reflect a 38 per cent decrease from the 52 new plants reported in the first quarter of 1975 and a 31 per cent decrease from the 83 expansions reported for the same period.

Standard metropolitan statistical areas continue to attract most industrial activity. The Dallas-Fort Worth, Houston, and Longview SMSA's together accounted for 50 per cent of all industrial activity in the state.

Dallas-Fort Worth SMSA led the state with 23 new or expanded plants, followed by the Houston and Longview SMSAs with 11 each.

Jacksonville led the nonmetropolitan areas with six new and expanded plants.

The most expansive segments of manufacturing during the first quarter of 1976 were nonelectrical machinery, fabricated metal products, and chemicals and related products.

TEXAS INDUSTRIAL WEEK

Communities throughout the state honored Texas business and industry April 1-7 during the 25th anniversary of Texas Industrial Week.

In proclaiming this year's observance, Governor Dolph Briscoe noted that the state's economy continues to remain sound with the location of 192 major new industries and the expansion of 287 existing ones within the last year.

"This growth did not just happen but is the result of individuals and organizations across the state working to maintain our favorable business climate," Briscoe said. "Texas Industrial Week provides an opportunity to demonstrate our appreciation of these contributions and to encourage business and industry to continue to help improve the economic conditions of our state's citizens."

Sponsored by the Texas Association of Business, Texas Industrial Week was established in 1951 by a concurrent resolution of the Texas Legislature. This year's observance follows the recent announcement that Texas has the best business climate in the United States and that the state leads the nation in the number of manufacturing jobs won.

The Department of Labor noted that Texas gained 150,000 manufacturing jobs during a recent eight-year study representing a 22.8 per cent increase in manufacturing employment. Each 100 manufacturing jobs supports 68 additional nonindustrial jobs and adds over \$1 million per year of personal income to a community.

AWARDS

(CONTINUED FROM PAGE 1)

Industrial achievement in the areas of expansion and contributions to civic and community development during 1975, was cosponsored by Governor Briscoe, the Texas Industrial Commission, the Texas Industrial Development Council, the Texas Association of Business and the four regional chambers of commerce.

Almost 80 per cent of industrial growth and the majority of new jobs come from existing industries. While new plant locations have declined considerably, a 30 per cent drop from 1974 to 1975, plant expansions declined a minimal 0.4 per cent in the same time period.

"This year's award recipients are unique because they had enough confidence in our state's economy to expand, and this very expansion boosted the economy," Governor Briscoe said.



A group of Sweetwater citizens attended a Texas Industrial Planning Seminar in March to learn about attracting industry to their community. Representative Elmer Martin of Colorado City welcomed the group to Austin.

Alvin Community College Offers Texans Occupational Safety and Health Training

Approximately 1,000 Texans received Occupational Safety and Health Training in March, according to Larry Montague, director of the special training division of Alvin Community College.

The college is offering the Occupational Safety and Health Training Courses anywhere in the state through a contract with the American Association of Junior Colleges and the Department of

Labor. Employee instruction and course material is available at no cost to the business, industry or to the individual.

The training is geared to provide a clear understanding of the Occupational Safety and Health Act (OSHA) and its regulations, as well as train managers, supervisors and employees to recognize and avoid actual or potential hazards in the performance of their jobs.

Every employer is subject to the regulations of OSHA which is designed to protect employees during working hours. In order for this law to work, it is important that each employer and his employees be aware of the provisions of the law and its regulations.

Courses in all or any combination of the following subjects can be conducted at a time and location convenient to the participants: Personal Protective Equipment; Machine Guarding; Materials Handling; Walking & Working Surfaces; Electrical Hazards; Hand & Portable Power Tools; Welding, Cutting & Brazing; Fire Protection; Cranes; Derricks; Conveyors; Forklifts; Industrial Hygiene; and Construction Safety.

Any business or industry interested in this free training can obtain more information by writing or calling L. E. Montague, Director Special Training, Alvin Community College, 3110 Mustang Road, Alvin, Texas 77511, 713/331-6111.

IRVING— a new "old" TIPS record

When Bill Stevens, manager of the Irving Chamber of Commerce, read about the new attendance record for a Texas Industrial Planning Seminar in the February newsletter, he was disturbed.

After checking the library at the *Irving Daily News*, Stevens found what was bothering him. Buried down under stacks of old newspapers was the proof he needed.

In September, 1963, fifty-five Irving citizens traveled to Austin to attend the first TIP Seminar and set an attendance record that has yet to be broken.

Unfortunately, Industrial Commission records do not go as far back as Bill Stevens' memory.

Our apologies to Mr. Stevens and all the citizens of Irving for not recognizing their record.

Start-up Training For Austin Firms Is Now Underway

Two industrial start-up training programs to train personnel for job opportunities with Austin industries are now underway.

The announcement was made jointly by State Senator Lloyd Doggett and State Representatives Gonzalo Barrientos, Wilhemina Delco, Ronald Earle and Sarah Weddington.

Fifty persons will be trained as solid state electronic and electro-mechanical assemblers for job opportunities with Eagle-Signal Division of Gulf and Western Industries, Inc. Classes are conducted twice a week for five weeks. Cost of the program is \$2,500.

An additional 40 persons will be trained for job opportunities with Woodward, Inc. a division of Temple Industries. Classes are conducted twice a week for four weeks in woodworking and finishing skills for the furniture manufacturing company at a cost of \$1,500.

Instructors for the two programs will be from the Rio Grande Campus of the Austin Community College and key personnel of the two industries involved.

Industrial start-up training programs are coordinated by the Texas Industrial Commission for industries wishing to expand but unable to do so due to a lack of skilled personnel. The TIC and the Texas Education Agency work with the industries to determine specific skills required which can not be acquired through existing programs.

Funds for industrial start-up training were authorized by the 64th Legislature which charges the TIC and TEA, through an interagency agreement, with the responsibility of working with local learning institutions and industries to provide the training for Texans. Every dollar invested in industrial start-up training generates more than four dollars for the economy.

10 COMPANIES CHOOSE TEXAS IN MARCH

| COMPANY | CITY | PRODUCTS | EMPLOYMENT | | ANNUAL NEW TAXES GENERATED | | | DIRECT ANNUAL OUTPUT OF FIRM | TOTAL ANNUAL ECONOMIC IMPACT ON ECONOMY |
|---|--------------|---------------------------|------------|-----------|----------------------------|----------|----------|------------------------------|---|
| | | | NEW | GENERATED | FEDERAL | STATE | LOCAL | | |
| Tower Manufacturing Co. | San Antonio | Nitrogen dispensers | 3 | 2 | \$ 6,759 | \$ 417 | \$ 512 | \$ 37,239 | \$ 110,227 |
| Jimco Products | Jacksonville | Wood products | 5 | 4 | 10,999 | 640 | 1,055 | 77,181 | 193,724 |
| Jacksonville Industrial Fab., Inc. | Jacksonville | Steel fabrication | 8 | 9 | 24,303 | 1,353 | 1,659 | 179,730 | 425,960 |
| Lely Multipower, Inc. | Temple | Tractors, power equipment | * | * | * | * | * | * | * |
| Texas Extrusions Corp. | Farmersville | Aluminum extrusions | 20 | 43 | 152,437 | 7,263 | 8,571 | 1,147,249 | 2,386,278 |
| | | | | | | | | | |
| Teague Auger, Inc. | Sherman | Earth auger machines | 25 | 18 | \$ 65,972 | \$ 3,543 | \$ 4,049 | \$ 437,284 | \$ 1,093,210 |
| Advance Ross Steel | Longview | Pollution control devices | 65 | 69 | 280,975 | 12,215 | 14,937 | 1,685,859 | 4,197,789 |
| Centex Cement Corp. | Buda | Cement | 100 | 138 | 415,298 | 39,738 | 33,456 | 2,651,464 | 6,999,865 |
| Decor Manufacturing, Inc. | Abilene | Decoupage products | * | * | * | * | * | * | * |
| Lone Star Builders Supply Steel Fabricators Co. | Jacksonville | Steel fabrication | 4 | 4 | 12,151 | 676 | 829 | 89,865 | 212,980 |
| | | | | | | | | | |
| TOTALS: ** | | | | | | | | | |
| Companies - 10 | | | 230 | 287 | \$968,894 | \$65,845 | \$65,068 | \$6,305,871 | \$15,620,033 |

* Information not available

** Totals reflect only those plants where information is available

SOURCE: APRIL ISSUE OF TEXAS INDUSTRIAL EXPANSION, BUREAU OF BUSINESS RESEARCH, U.T. AT AUSTIN.

NOTE: IMPACT CALCULATIONS PRODUCED BY THE TIC USING THE GOVERNOR'S OFFICE DIVISION OF PLANNING COORDINATION ECONOMIC MULTIPLIERS.