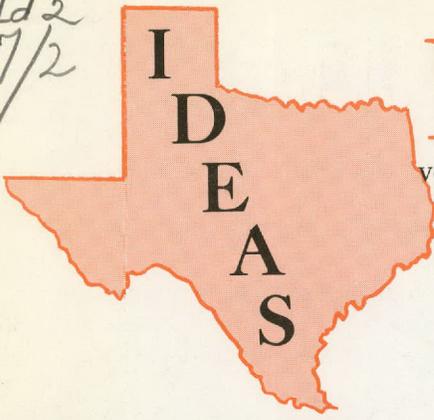


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NEWSLETTER

VOL. 7 NO. 2 Published Monthly By The Texas Industrial Commission FEBRUARY, 1977

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APR 22 1977

542,000 Jobs Needed For 4% Unemployment

At least 542,000 Texans must be provided jobs in the work force by 1980 if Texas is to reduce the unemployment rate to an acceptable four percent.

"We are in the job creation business and this time we definitely have our work cut out for us," said Jim Harwell, executive director of the Texas Industrial Commission, after learning of the Economic Development Administration's latest employment expansion projections.

The nationwide EDA survey estimates employment expansion necessary for each state to realize the four percent unemployment level.

"The statistics don't look encouraging," Harwell said. "Only four other states - California, New York, Florida and Michigan - face a greater job creation task."

Just last month the Industrial Commission set a goal to create more than 70,000 manufacturing jobs, reducing the manufacturing unemployment to four percent.

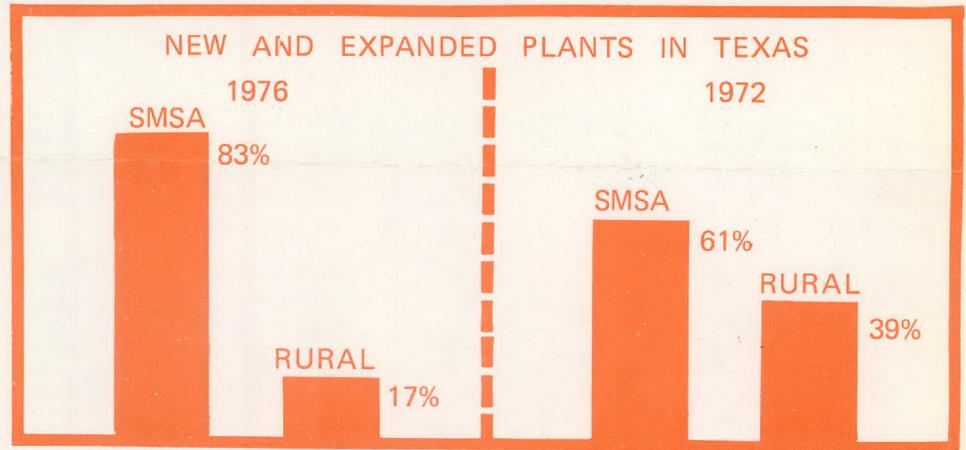
These latest EDA figures confirm our earlier projections, Harwell added. "Now we have to convince the legislature of the urgency of our proposal."

Texas population increases 11.5%

With nearly 12½ million people, the population of Texas has increased 11.5% from 1970 to July, 1976, according to the US Department of Commerce.

For the first time since colonial days, over half of the nation's population is living in the southern and western regions of the country.

Rural Texas - a slow recovery



Unlike the rest of the state, rural Texas is slow to recover from the economic recession, TIC Executive Director Jim Harwell told a special meeting of the House Business and Industry Committee.

Only 17 percent of the state's industrial locations and expansions occurred in rural areas in 1976, Harwell said.

In 1972, rural Texas accounted for nearly 39 percent of the state's industrial activity.

"We anticipated that the recession would probably hit rural areas the hardest, but until we took a look at the statistics, we didn't realize the extent of the damage," Harwell said.

Since Texas is one of the few states that does not allow revenue bond financing, Harwell feels that many rural areas are hard pressed for capital. "They simply can't compete with industrial financing available in large metropolitan areas or in other states," he said.

In an effort to get financial aid to rural areas, the 62nd Legislature created the Texas Rural Development Act under the Texas Indus-

trial Commission. As funds are available, up to 40 percent of the cost of financing a new or expanding industry in a rural area can come from the program.

The Industrial Commission has received eight applications for rural loans totaling over \$3 million during the past few months.

"Unfortunately, funds allotted for this program have already been depleted, and unless we come up with additional funds, through the appropriation process, we will have to shelve the loan requests, possibly forcing the manufacturers to go to another state where financing is available," Harwell said.

Textile Report Goes to Legislature

A report recommending a stronger effort to snare a greater share of the textile industry for Texas has been delivered to the Sixty-fifth Legislature.

Included in the recommendations of the Joint House Committee on Textile Development

(See TEXTILE REPORT Page 3)



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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 -

Victor Comptometer Corporation has announced plans to build a new plant in El Paso for the manufacture of electronic calculators and cash registers. The \$1.5 million plant will employ nearly 200 persons with an annual payroll in excess of \$1 million. The annual economic impact is estimated at \$9,120,564.

Midland may become the distribution point for Alaskan crude oil in Texas. If the Department of Interior approves the project, crude will be piped from Long Beach, California, through a 1,026-mile pipeline to Midland for distribution to Midwest refineries through existing pipelines.

TIC's labor survey methodology has been successfully implemented in Wichita Falls and Big Spring. The methodology, developed by the Research and Program Development Department, enables any community to ascertain its labor availability by skill with minimal technical assistance from the Industrial Commission.

Cryovac, a manufacturer of shrinkable plastic bags which located in Iowa Park in 1974, has announced plans to almost double its facilities. The expansion will increase employment from 250 to 425.

C. Truett Smith, chairman of the Texas Industrial Commission, was honored by the town of Wylie for his years of civic and community work. Smith, a Wylie banker and newspaper publisher, received numerous plaques outlining his years of service to the community.

Austin, Corpus Christi, Houston and San Antonio were selected by Family Circle magazine as among 22 of the best cities in which to live in the nation's Sunbelt. Texas is the only state to have four cities to make the list.

The Fort Worth Chamber of Commerce in cooperation with the Department of Commerce and Texas Christian University is sponsoring a series of seminars on the

basics of export marketing. The February 22 seminar will cover "International Financing" and the March 1 seminar will deal with "Trade Promotion." For further information contact Norm Robbins at the Fort Worth Chamber of Commerce (817) 336-2491.

Jim Heath, manager of TIC's Special Projects Department, delivered the keynote address at the annual meeting of the Mohair Council of America in San Angelo last month. Sid Harkins of Sander-son was elected president to succeed James Hunt of Sonora, who completed his third term as the Council's chief executive.

The El Paso Industrial Development Corporation is spearheading efforts to secure a Foreign Trade Zone at the US port of entry between El Paso and Juarez, Mexico. If the application is approved, the FTZ will enable foreign and domestic merchandise to be brought into the country without duty on such operations as storage, processing or manufacturing.

Plans are underway for the 1977 Sporting Goods and Camping Equipment Exhibition in Cologne, Germany, in September. The Department of Commerce will sponsor a US pavilion. For more information contact the US Department of Commerce, Room 1015-C, Washington, DC 20230, (202)377-2905.

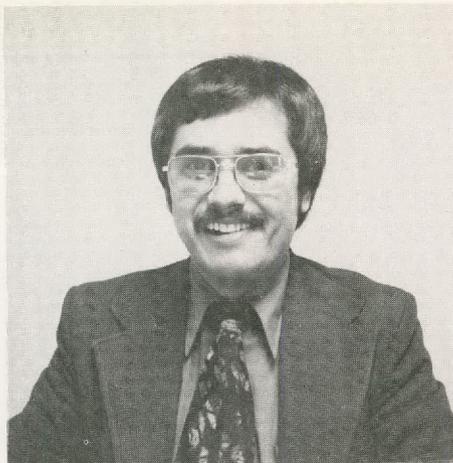
A twenty-minute slide series "Protecting the Texas Environment" is now available for professional and civic club presentations from the Texas Industrial Development Council (TIDC). The slide series deals with the efforts expended by Texas industry in preserving the environment. A \$4 handling fee is requested. For more information contact the TIDC, Box 83FM, College Station, 77843.

Navasota has been selected as the site for a plant expansion program by ROC Carbon Company of Houston. The industry will employ 10-12 skilled workers in the production of mechanical carbon.

Two Join TIC Staff



STEPHANIE COLEMAN



RALPH DEANDA

Two new employees joined the Industrial Commission staff this month under Governor Briscoe's TEXAS FIRST Job Matching Campaign.

Ralph DeAnda, a California State College economics major, will join the Community Development Division as a community development specialist. For the past 15 months, DeAnda worked as an administrative assistant for the Texas Municipal League. Prior to that he was a planner for the North Central Texas Council of Governments.

Stephanie Coleman, an indus-

trial development specialist with Industrial Locations, has had prior work experience with the Industrial Commission. Coleman was a secretary with TIC's Industrial Development Division prior to attending the University of Texas.

Industrial Commission Coordinates Pottery Training Program

Industry and art?

Definitely yes, according to Ishmael Soto.

Soto, a nationally acclaimed potter, is conducting a year-long pottery training program, coordinated by the Industrial Commission, at the Alabama-Coushatta Indian Reservation between Woodville and Livingston in East Texas.

"The pottery production here will become a self-sufficient industry, but all goods will still be handmade, individual creations," Soto said.

"Everything is being produced in a creative atmosphere. That's what's different about our pottery — the individual effort. We're an industry but not a factory."

Approximately 20 students ranging in age from 15 to 65 began the training in October. Trainees put in eight-hour days and learn every aspect of pottery production.

The training, including costs for consumable supplies, instructors and wages, are all part of a package of various state and federal pro-

Textile Report

(CONTINUED FROM PAGE 1)

in Texas is a proposal to make the Committee a permanent body. The report also calls for more market research promotion and public relations work to bring out-of-state investment into Texas.

Jim Heath, manager of the Industrial Commission's Special Projects Department and special advisor to the Committee, points out that Texas has all the necessary ingredients for a thriving textile industry.

"With Texas' vast supply of natural resources, garment manufacturers and market outlets, the missing link is the textile mills," Heath said.

Only 42 textile mills are producing fabric in Texas. However, the state is capable of supporting at least 300 textile mill operations.

WANTED

The Industrial Commission has been contacted by a firm interested in finding a contract manufacturing company in Texas.

An interested company should be capable of working with carbon steel, stainless steel and, if possible, the more exotic metals such as Morel, Hastelloy, "E-Brite", etc. in thickness up to 1/4" and heavier. The operation would consist of cutting, forming, welding, sandblasting, painting, baking, assembly and testing.

Please inform TIC's Industrial Locations Department, (512)475-5561, of any interested manufacturers.

grams put together by the Industrial Commission in conjunction with the Texas Education Agency.

The program is funded through Angelina Junior College which administers the program.

"The native ability of the artisans here on the reservation is free and unhampered," Soto said. "They learn in a day what people I have taught in universities and museums have difficulty learning in a year."

Art works to be sold at the reservation will range from 50 cent pendants to \$100 vessels, Soto said.

Every step of the production will be followed at the reservation, beginning with mixing their own clays and glazes. Three kilns will be utilized, and some porcelain products made.

"Our products will include things that are functional and utilitarian as well as decorative. We will use old Indian art and shapes as a springboard for creating our own specialized pottery," Soto added.

20 COMPANIES CHOOSE TEXAS IN JANUARY

COMPANY	CITY	PRODUCTS	EMPLOYMENT		ANNUAL NEW TAXES GENERATED			DIRECT ANNUAL OUTPUT OF FIRM	TOTAL ANNUAL ECONOMIC IMPACT ON ECONOMY
			NEW	GENERATED	FEDERAL	STATE	LOCAL		
Indeco, Inc.	San Marcos	Insulated protection cable	10	21	\$ 76,219	\$ 3,631	\$ 4,286	\$ 573,624	\$ 1,193,138
East-Tex Plastics, Inc.	Orange	Reprocessed plastics	6	6	21,882	1,097	1,407	124,231	346,604
CTS Of Brownsville, Inc.	Brownsville	Loudspeakers	120	73	311,554	15,083	18,371	1,801,504	4,611,850
Caribatik, Inc.	Harlingen	Fabric design	10	10	32,251	1,603	2,340	161,535	452,298
Road Runner Trailers of Texas	Dallas	Boat trailers	6	12	35,424	2,366	2,223	251,435	641,159
Azar Nut Company	El Paso	Nut cracking & packing	120	242	\$ 776,747	\$ 33,918	\$ 61,308	\$ 6,957,731	\$14,263,349
Victor Comptometer Corp.	El Paso	Electronic registers, calculators	200	158	583,121	31,223	37,699	3,328,673	9,120,564
Corpus Christi Petrochemicals	Clarkwood	Ethylene	*	*	*	*	*	*	*
Southwest Metal Fabricators, Inc.	Houston	Steel fabrication	35	38	106,324	5,918	7,257	786,322	1,863,583
Amsted Industries, Inc.	Houston	Precoated steel coils	*	*	*	*	*	*	*
Eastex Marble Mfg. Company	Gladewater	Marble bath fixtures	8	8	\$ 33,134	\$ 1,826	\$ 2,115	\$ 200,571	\$ 477,359
Carpenter Technology Corp.	Longview	Stainless steel tubing	50	69	212,389	12,698	13,508	1,742,949	4,183,078
W C M Construction	Longview	Structural steel fabrication	20	22	60,757	3,381	4,147	449,327	1,064,905
Rittenhouse Paper Company	Waco	Paper roll products	10	15	43,770	2,495	4,281	304,460	828,131
Bill Paul Enterprises	Collinsville	Girl's junior sportswear	15	6	25,274	1,458	1,668	181,389	411,753
International Tile Industry, Inc.	Gonzales	Glazed ceramic floor tile	60	40	\$ 155,508	\$ 17,671	\$ 9,843	\$ 706,206	\$ 2,175,114
Walls Industries, Inc.	Hamilton	Insulated coveralls & jackets	150	63	252,739	14,579	16,682	1,813,894	4,117,539
ROC Carbon Company	Navasota	Carbon & teflon fabrication	12	12	49,700	2,739	3,173	300,857	716,040
Wonder Chemical Company	New Willard	Potting soil	20	39	183,582	8,365	9,426	956,846	2,487,800
The William Carter Company	Raymondville	Nonflammable sleepware	300	126	505,477	29,157	33,363	3,627,788	8,235,079
TOTALS: **									
Companies — 20			1,152	960	\$3,465,852	\$189,208	\$233,097	\$24,269,342	\$57,189,343

* Information not available

** Totals reflect only those plants where information is available

SOURCE: FEBRUARY 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.