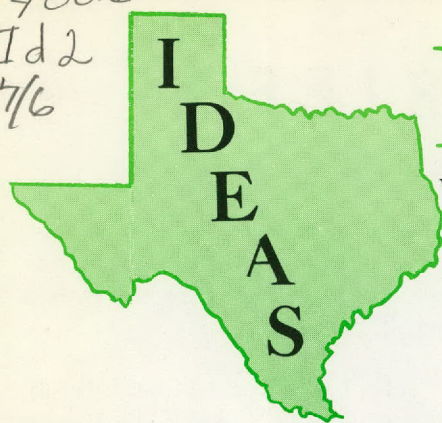


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# NEWSLETTER

VOL. 7 NO. 6

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TEXAS DOCUMENTS

JUL 23 1977

## Industrial Commission Captures AIDC Literature Awards

The Texas Industrial Commission took top honors in literature and promotion competition sponsored by the American Industrial Development Council at the 52nd annual conference in Toronto in May.

*Texas Facts - The Book on Profitable Plant Locations* won an excellent rating and the national ad campaign ranked superior in another category.

TIC Executive Director James Harwell was pleased with TIC's showing. "When you take into account the number and caliber of entries from other states and organizations, the results are quite

### Marshall Announces 3 Industrial Projects

Industrial activity in Marshall continues to gain momentum with three recent major location and expansion projects announced by Greater Marshall Industries.

Berwind Railway Service Company will employ 25 persons initially in the railroad car repair facility in the Marshall Industrial Park. August is the target completion date for the \$2 million plant.

Alcoa Conductor Products Company, manufacturers of aluminum transmission and distribution conductors, will undergo a \$3 million expansion program. The expansion should be completed by December of this year.

Freeman Chemical Corporation, a subsidiary of H. H. Robertson

(See MARSHALL Page 5)

satisfactory," he said. More than 250 entries were submitted.

The 60-page four-color fact book, compiled by the Research and Program Development Department, is one of the featured coupon items sent to companies considering a Texas location. It contains up-to-date information on labor and training, energy and natural resources, markets and transportation, taxes and financing, recreation and climate as well as community data.

Each of the ads in the award-winning campaign features a different advantage of a Texas location and invites interested companies to clip the coupon and request more detailed information.

"Productivity, taxes and lifestyle are considered to be valid, strong and persuasive subjects when communicating with industrial prospects," said R. L. (Bud) Reed, manager of TIC's Advertising Department.

Commissioner A. B. (Stormy) Shelton, publisher of the *Abilene Reporter-News*, chairs the advertising committee. Other members are Eloy Centeno of San Antonio, James Hunt of Sonora, and Sam Naifeh of Orange.

REMEMBER. . . June 30 is the deadline for communities to submit nominations for the annual Governor's Industrial Expansion Awards for 1976. For more information contact your regional chamber of commerce.

## Japanese firm establishes US headquarters in Dallas

A major Japanese industrial firm has announced the establishment of its United States headquarters in Dallas.

Sankyo International (USA) Inc., wholly-owned subsidiary of Sankyo Electric Company, Ltd. of Tokyo, will build a 25,500 square foot building in North Dallas to house corporate offices, warehouse and a complete engineering laboratory. Completion is scheduled for September.

The firm markets refrigerant compressors for automobile air conditioners.

The announcement was made by Kaihei Ushikubo, president of Sankyo of Tokyo, and H. Takahashi, executive vice president of Sankyo International.

Ushikubo said that the company decided on Dallas for headquarters because more than 80 per cent of the company's market is located in the metroplex.

Richard Maxwell, director of the World Trade Department of the Dallas Chamber of Commerce; Don Raburn, manager of economic development with Dallas Power and Light Company; and Sam Holmes, manager of industrial development for the First National Bank, worked closely with company officials in their evaluation of the Dallas area.

"The significance of the decision to locate headquarters here is that it lays the groundwork for other Japanese companies to follow suit in what could turn out to be a 'snowballing' trend," Maxwell said.

"You've got to consider that

(See SANKYO Page 5)



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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 -

According to a recent issue of *Industry Week*, a professional trade journal of industrial developers, Texas has shown the largest increase among the 50 states in the number of new manufacturing jobs opened during the last six years. The study involves new manufacturing jobs in each state between August 1970 and August 1976. Texas added about 90,000 new manufacturing jobs in that period, followed by California with 38,000 and Kansas with 29,000.

The Texas Industrial Commission will hold its regular quarterly commission meeting in Brownwood July 14-15. The Brownwood Chamber of Commerce and Industrial Foundation will host the meeting.

The Texas Industrial Development Council (TIDC) executive board will meet June 29-July 1 at Tanglewood to finalize the program for the annual conference in September. The industrial committee and board of directors of the Denison Chamber of Commerce will host the meeting.

Advance reservations are being accepted for the 16th annual Industrial Tour, sponsored by the Industrial Development Committee of the East Texas Chamber of Commerce. Approximately 40 East Texas cities will be represented on the tour to Minneapolis-St. Paul, Cleveland and New York City. For more information contact Henry Gossett, Jr., president of the East Texas Chamber of Commerce, P. O. Box 1592, Longview 75601.

Governor Dolph Briscoe was a featured speaker at the formal opening of Royal Park Fashions, Inc.'s new plant in Tulia. Royal Park, a Dallas-based manufacturer of women's sportswear first began operations in Tulia in 1972 with only 50 employees. At that time the Industrial Commission coordinated a start-up training program

which was carried out through Texas State Technical Institute. The recently expanded Tulia plant now employs 148 persons with a payroll in excess of \$1 million.

July 1 is the deadline for submitting nominations for the Volunteer Industrial Developer of the Year (VIDY) Awards. Winners will be announced at the annual TIDC Conference September 8-9 in Fort Worth. For more information contact Doug Henson, Chairman VIDY Awards Committee, Bryan Place, Suite 100, 4103 South Texas Avenue, Bryan 77801.

TIC Executive Director James Harwell was a featured speaker at the June National Metric Conference in Houston. Harwell spoke on the Role of State, Federal and Local Agencies in Metric Conversion.

Connecticut General Life Insurance Company recently opened an office in Sherman. Manager Inslee Barnett said approximately 30 persons will be employed. The company is one of the four largest dental insurers in the country.

Russell Perry has been elected vice chairman for the Southwestern region of the National Chamber of Commerce for 1977-78. Perry is chairman of the board and chief executive officer of Republic Financial Services, Inc. of Dallas.

The great majority of businessmen attending the International Conference of the Southwest in Dallas in May felt President Carter's energy program will not prove successful if it is implemented by Congress. Some 400 middle and top level executives from throughout the nation recommended less government controls, more dependence on prices rather than taxes, more realistic environmental standards and the elimination of government bureaucracy enforcing mandatory controls.

# PROJECT AID – helping refugees help themselves

In April of 1975 thousands of Indochinese people fled their homelands. More than 144,000 sought refuge in the United States and many found their way to Texas.

In fact, with more than 20,000 Indochinese refugees, Texas has the second largest refugee population in the United States. Many of these people are without a home, a job, or any of the basic necessities of life. But they do have hope – hope in the form of Project AID.

Project AID is a non-profit corporation primarily designed to assist the Indochinese refugees in emergency situations and provide them with long range services in housing, health, employment, food and clothing.

Since its inception in August of 1975, the American and Indochina Development Corporation (AID), has helped hundreds of

refugees enter the economic mainstream. With the cooperation of the manpower programs of the City of Houston and Harris County, Project AID developed into full social service.

The job development staff, through its work with business and industry, assists the refugees in securing employment, so that they become self-sufficient, productive members of society.

Michael Dismond, executive director of Project AID, says that although job placement is just one of the services provided by the organization, he feels that it is a most important aspect. "Once an individual becomes financially independent, many of the other problems, such as obtaining food and shelter, are alleviated," he said.

During its first year of operation, Project AID assisted more than 100 refugees in securing full time employment, in addition to providing the support services, such as day care, transportation and referral, to enable the refugees to remain employed.

Project AID maintains a "job qualifications bank" as well as a list of refugees that are willing to relocate.

"We prefer to work directly with potential employers," says Reverend David Lintner, deputy director of corporate affairs. "That way we are able to ascertain the employers' specific needs and perhaps provide additional training for a refugee that meets the majority of the requirements."

Business and industry or communities with possible job openings are asked to contact Lintner, at Project AID, 3843 North Braeswood, Houston 77025 or call (713)661-6372 for more information.

"We have found these people to be consistently loyal employees and hard workers," Lintner said. "Why not give them a chance to contribute to your company's growth and stability."

## WILLIAMS RESIGNS



Pat Williams, manager of TIC's Industrial Locations Department, has resigned effective July 1 to enter into private business in Wimberley.

Williams has been with the Industrial Commission since September of 1970 and has managed the Locations Department for the past four years. While under his management the Department has realized tremendous accomplishments.

With the year's final quarter unrecorded, the Department has exceeded all past records. An average of seven companies per month have visited Texas so far and an average of five TIC prospects per month have announced new locations.

"I've been fortunate to have an excellent staff that reacts quickly and instigates prospect visits and then follows through," Williams said. "The cooperation and assistance of our industrial allies in working to develop the prospects has been tremendous."

Industrial Development Director Bud Reed said, "Williams has been most effective in organizing and operating the Locations Department, and despite increased competition from other states, he has managed to keep Texas a leader in plant locations."

Prior to joining the TIC staff, Williams was area development manager for the M-K-T Railroad in Houston.

A replacement decision will be announced by September 1.

## PROSPECTS

(CONTINUED FROM PAGE 5)

prospect; you may win the battle and lose the location.

Between 50–80 minutes after the presentation has begun, the team chairman should bring the initial presentation to a close and take a break. Its purpose is two-fold, first simply to give everyone a brief rest from pressure that often seems to build up, and second to afford a team member an opportunity to get additional data.

This is an ideal time for the site specialist and the prospect to take a look at the potential sites or buildings. Team members not going on the site tour should be asked to remain until the prospect returns, at which time the meeting will be concluded. This break often gives the prospect, as well as the team, an opportunity to think through their information to see if an important point has been overlooked.

Next month this series will continue with The Site and Building Tour.

## Status of Legislation Affecting the Texas Industrial Commission

The following bills have passed both the House and the Senate and at press time await the Governor's signature.

- HB300 Establishes a Metric System Advisory Council within the Industrial Commission – *duties of the Council include research and information dissemination of the problems faced in making a transition to the metric system – Council shall consist of 12 members appointed by the Governor with Senate confirmation with the TIC Executive Director to serve as executive secretary and as an ex officio member without vote*
- HB1168 Defines "rural area" in the Texas Rural Development Act – *allows an incorporated city with a population of less than 20,000 (according to the previous federal census) to be classified as rural*
- HB1226 Creates a Minority Business Enterprise Division of the Texas Industrial Commission – *abolishes the Texas Office of Minority Business Enterprise and transfers all powers, duties and functions to the newly created division of the TIC*
- HB1990 Enabling legislation for industrial revenue bonds – *allows cities to issue municipal bonds to create jobs by financing industrial facilities – approval must be given by the Attorney General, the Texas Industrial Commission and the State Securities Board – tax payers are not liable for payment of bonds – company occupying the industrial facility must pay all taxes – no company can relocate from one place in Texas to another and use revenue bonds – will not go into effect unless the constitutional amendment passes*
- SB1229 Allows blanket approval for travel for Industrial Commission personnel – *Governor may give blanket approval to International Development Division personnel on official state business to travel out of the United States, except to, in and from the several states, U.S. possessions, Mexico or Canada*
- SB1284 Clarifies exemption of "goods in transit" from ad valorem taxes – *goods, wares, ores and merchandise originating outside of this State and deemed to be located in the State for only a temporary period do not acquire taxable situs in the State*
- SJR55 Constitutional amendment allowing political subdivisions to issue revenue bonds to develop employment opportunities – *will be submitted to the voters in November of 1978 and shall read as follows: constitutional amendment to provide that the legislature may permit political subdivisions to issue revenue bonds to develop employment opportunities for its citizens*

## \$3 Million Tannery Locates in Dumas

Years of planning and hard work have finally paid off with the location of a \$3 million leather tannery in the Schroeter Industrial Park at Dumas.

E. Hawley Foot, president of the S. B. Foot Tanning Company of Red Wing, Minnesota, recently notified the Dumas Industrial Development Commission that the company will proceed immediately with construction of a blue stock tanning operation. Exact employment is still undecided, but expectations are for a work force of 47 hourly workers per shift.

"This is a potential 50-150 employees which is quite a boost to the labor market in the Dumas area," said Jim Heath, manager of TIC's Special Projects Department.

Although Heath is proud that the Industrial Commission played a part in the location, he is quick to note that community leaders were the real "work horses."

"We were most happy to be able to play the role of coach,"

he said, "but the Moore County Development Corporation and the Dumas Industrial Development Commission carried the ball."

In February of 1970, the Industrial Commission, working with the West Texas Chamber of Commerce, organized a tanners tour of the Panhandle area. Twelve of the nation's top tanneries, including the S. B. Foot Company participated in the tour.

During the tour former Governor Preston Smith, Representative Bill Clayton and TIC Executive Director Jim Harwell joined the West Texas leaders in fielding any questions that the tanning companies might have concerning a Texas Location.

Unfortunately, at the time of the tour Dumas did not have anything but raw potential to attract a tannery.

John Grist, a consultant with the Moore County Development Corporation, went to work, and through the use of EDA funds,

made the Schroeter Industrial Park a reality. Then in 1975, Swift Fresh Meats Company located in Cactus, a small city just ten miles outside of Dumas, and the area had all the necessary ingredients for a successful tannery operation.

Grist and Howard Diedrichsen, president of the Dumas Industrial Development Commission, then contacted the Industrial Commission for possible leads, and Heath directed them to Dr. Irving Glass, a consultant and past president of the Tanners Council of America. Glass was able to advise the group of several interested tanners, and eventually the Foot Company located.

"You might say that this location was seven years in the making from the original tour to the actual plant announcement, but the end result is worth all the hard work," Heath said.

"Dumas was able to realize a potential for industry and with aggressive leadership and planning, make this potential a reality."

## MARSHALL

(CONTINUED FROM PAGE 1)

Company, will construct a new polyester resin plant. The Marshall plant will conduct business as the Freeman Resins Corporation.

The Industrial Commission worked with two of these companies in their site search over the past several years.

"We have had the opportunity to work with both the community leaders in Marshall and the area development department at Southwestern Electric Power Company," said Pat Williams, manager of TIC's industrial locations department.

"Marshall, without a doubt, has a winning combination comprised of attitude, leadership, tenacity and team effort," he said.

According to Bill Gaw, chairman of Greater Marshall Industries (GMI), the city is becoming more aware of its advantages as a potential industrial site and the confidence is catching.

GMI has purchased 180 acres backing up to the Missouri-Pacific line and has an option on an additional 600 acres. GMI Executive Director Jim Stanfill said that Marshall plans to develop a \$2.5 million industrial park using monies from a federal grant or a matching funds allocation.

"The community attitude is one of great hope to become more of an industrial area," Gaw said.

## Shelton Elected AIDC Officer

Bill Shelton, executive vice president of the Fort Worth Area Chamber of Commerce, has been elected second vice president of the American Industrial Development Council (AIDC).

Shelton, a former assistant executive director of the Texas Industrial Commission, served as AIDC director from 1972-74 and was general chairman of the 1974 annual conference held in Fort Worth.

Before becoming executive vice president of the Fort Worth chamber, Shelton headed the chamber's economic development department.

## HANDLING THE INDUSTRIAL PROSPECT VISIT

**EDITOR'S NOTE:** *The following is an excerpt from The Industrial Team, a recently revised publication by Jerry Heare, director of TIC's Community Development Division. Upcoming issues of IDEAS will continue the series.*

### THE PRESENTATION

Before you get too far, establish that you are prepared to handle the meeting. Present the prospect with a proposed agenda with times on each presentation. The agenda normally is similar to the following:

2:00 pm	Introduction by team chairman
2:15 pm	Introduction of guests
2:20 pm	Explanation of the Company's requirements by Mr. John James, ABC Corporation
2:35 pm	Response to Company's requirements by Ourtown Industrial Team Chairman, moderator
3:15 pm	Tour proposed industrial sites or buildings
4:00 pm	Final wrap-up

Timing, of course, must have some flexibility. The team chairman should take charge of the meeting, keep it on a reasonable schedule and avoid unnecessary discussion. The purpose of the agenda is to tell your prospect what you have prepared for him and to alert your team members that you are on a schedule.

The exact timing may be completely changed, but the general order of business will remain the same. Communities with slide presentations should use them immediately following the prospect's comments and prior to the industrial team responding to the prospect's needs.

The team's response should be concise and to the prospect's needs. If references are made to a general fact book or community profile, the team member would refer to the specific data. The prospect should have this data before him as he sits down. Do not assume he will bring to the meeting whatever you may have forwarded to him prior to the meeting.

Every member of the industrial team should have his own copy of

the fact book and be thoroughly familiar with it. A team member should not dominate the conversation nor should the team "oversell" with superlatives. Every industrial team thinks "We got the best little ol' town in Texas."

Each team member should have his own copy of the prospect's requirements. The prospect's personal name, as well as any others escorting the prospect, should also be known to every team member.

As you enter into the industrial team's presentation, encourage the prospect to interrupt if he needs clarification or more information. If the prospect asks a question which a team member cannot answer, then and only then should another team member help him out.

If another team member answers, be absolutely certain that answer is correct. After all, you have told your prospect that team member A is the town expert; if team member B chimes in too often, then the prospect thinks you are not well organized or team member B knows everything.

If you do not know the answer for sure, say so, then offer to get it before the prospect leaves. If the prospect has asked for detailed information for which special material has been developed, type it up, provide him with a copy and keep copies for the team's file for future reference.

Avoid an argument with the  
(See PROSPECTS Page 3)

## SANKYO

(CONTINUED FROM PAGE 1)

when Japanese companies enter a market here they don't repatriate that much money. They invest here. They'll purchase land, buildings and other things, which creates jobs for the local economy," he said.

Sankyo International's 1976 sales exceeded \$15 million and the parent company's world-wide sales topped \$150 million.

# 19 COMPANIES CHOOSE TEXAS IN MAY

COMPANY	CITY	PRODUCTS	EMPLOYMENT		ANNUAL NEW TAXES GENERATED			DIRECT ANNUAL OUTPUT OF FIRM	TOTAL ANNUAL ECONOMIC IMPACT ON ECONOMY
			NEW	GENERATED	FEDERAL	STATE	LOCAL		
Salty's Apparel, Inc.	Anson	Girl's sportswear	100	42	\$ 168,492	\$ 9,719	\$ 11,121	\$ 1,209,262	\$ 2,745,025
Sonoco Products Company	Arlington	Spiral-wound paper cores	8	11	30,420	1,741	3,219	211,780	586,631
Bell Glass, Inc.	El Paso	Insulated glass	3	3	10,551	657	910	55,952	172,332
Summit Printing & Lithographing	Cleveland	Commercial printing	4	4	13,982	786	1,020	75,135	218,643
Conservatek	Conroe	Water & sewer plate covers	30	29	96,396	4,839	5,283	545,345	1,461,525
Foodmaker, Inc.	Houston	Frozen food	50	361	\$ 531,418	\$ 31,604	\$ 64,702	\$ 3,059,226	\$12,145,127
Genesis One Products Corp.	Houston	Computer terminals	150	119	437,341	23,417	28,274	2,496,504	6,840,421
Tiffany Stone & Brick Co., Inc.	Rosenberg	Stone & brick	25	35	103,824	9,935	8,364	662,866	1,749,966
We Sew, Inc.	Longview	Ladies' clothing	150	63	252,739	14,579	16,682	1,813,894	4,117,539
Freeman Rseins Corporation	Scottsville	Polyester resins	20	28	145,069	6,832	9,421	687,686	1,898,013
Performance Corporation	San Antonio	Log rolling machines	4	4	\$ 15,589	\$ 765	\$ 823	\$ 81,809	\$ 229,883
Stay-N-Play Products, Inc.	San Antonio	Playground equipment	10	8	31,090	1,889	1,820	196,201	488,540
Cibolo Manufacturing	Wetmore	Industrial spraying equipment	5	5	21,613	940	1,149	129,681	322,906
Solartech Systems Corp.	Devine	Solar heating systems	40	44	174,522	9,169	10,749	1,256,834	2,878,150
CRA, Inc.	Eldorado	Cryogenic gas processing	6	81	310,279	44,886	23,720	2,059,025	4,982,841
Poly Pipe Industries, Inc.	Friona	Polyethylene pipe	15	15	\$ 54,705	\$ 2,744	\$ 3,519	\$ 310,578	\$ 866,513
Entronic Corporation	Kingsville	Smoke alarms	70	43	181,740	8,799	10,716	1,050,877	2,690,245
Wolf Manufacturing Co.	Marlin	Men's jumpsuits	50	21	84,246	4,860	5,561	604,631	1,372,512
Point Manufacturing Co.	Point	Ladies' clothing	30	13	50,548	2,916	3,336	362,778	823,506
TOTALS:									
Companies — 19			770	929	\$2,714,564	\$181,077	\$210,389	\$16,870,064	\$46,590,318

SOURCE: JUNE 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.