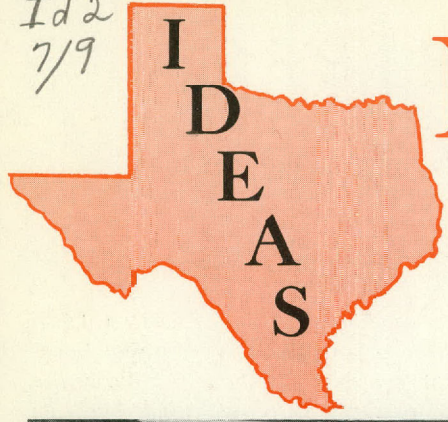


I 400.6
Id 2
7/9



NEWSLETTER

VOL. 7 NO. 9 Published Monthly By The Texas Industrial Commission SEPTEMBER, 1977
FORT WORTH PUBLIC LIBRARY
TEXAS DOCUMENTS

DEC 2 1977



Harold Jones of Wichita Falls receives a commemorative plaque from Douglas Henson, chairman of the 1977 VIDY awards committee. Jones was chosen Volunteer Industrial Developer of the Year from communities of 50,000 or more population by members of the TIDC. Pictured from left to right: Secretary of State Mark White, Jones, Henson and Pledger Cate, president-elect of the Texas Industrial Development Council.

Jones, Knorpp Are Named Volunteer Industrial Developers

Walt Knorpp of Clarendon and Harold Jones of Wichita Falls were named Volunteer Industrial Developers of the Year at the 27th annual Texas Industrial Development Council (TIDC) conference in Fort Worth.

The award is given each year to persons who have contributed significantly

OMBE is designated new TIC division

Effective September 1, the Texas Office of Minority Business Enterprise officially became a division of the Texas Industrial Commission.

Designation of OMBE as a division of TIC came as the result of House Bill 1226 introduced by Representative Paul Ragsdale of (See OMBE Page 5)

to the industrial growth and development of their local communities during the previous year. Only persons who are not full-time professional industrial developers and who have played a major role in locating one or more industries in his or her local community, are eligible for the award.

Knorpp, president of Knorpp Insurance Agency, Inc. and chairman of Clarendon's Industrial Development Board, received the award in the category for communities with populations of less than 50,000 persons.

Knorpp, who is also chairman of the industrial development committee and a past president and director of the Clarendon Chamber of Commerce, was cited for his involvement in helping to locate the (See VIDY WINNERS Page 5)

Special Section Is Planned To Promote Texas' Economic Development

Texas businessmen will have the opportunity to discuss promotion of the industrial and economic development of the state at luncheon meetings in October.

A 32-page special Texas section is planned for the April, 1978, issues of the East-West Network. The section will include 20 pages of editorial to tell the Texas story in text and pictures and only 12 pages of advertising.

East-West Network, Inc. are publishers of domestic and international in-flight and hotel/motel in-room magazines. In addition to nine domestic in-flight magazines, *Pan Am Clipper*, *Air Canada*, *British Airways*, *Air France* and *KLM* will feature the Texas section.

"This special section gives us an excellent opportunity to reach almost 14 million business executives at little cost," said TIC Executive Director James Harwell.

Harwell will represent Governor Briscoe at the October 11 luncheon at the Fairmont Hotel in Dallas and at the October 12 luncheon at the Warwick Hotel in Houston. There businessmen will have an opportunity to learn more about the proposed special section.

Earlier this year the Industrial Commission coordinated a special 36-page section in *Forbes* magazine. "This proved to be tremendously successful and I feel that the East-West Network supplement offers an even greater opportunity to reach both national and international markets," Harwell said.



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
Consolidated Services**

Finance & Accounting (475-5556)

Information Services (475-5561)

Research & Program Development (475-5556)

475-5561

Industrial Development Division

Industrial Services

Industrial Locations

Advertising

Special Projects (475-5551)

475-5551

International Development Division

International Trade

Texas International Trade Office, Mexico

475-5556

Community Development Division

Community Services

Energy Conservation

475-5945

Minority Business Enterprise Division

Procurement Development

Small Business Development

Urban Economic Development

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 -

Chicago Pneumatic Tool Company has announced plans for a manufacturing facility for its drill division in Sherman. Production of portable drilling equipment for world-wide distribution will begin in November. The plant will employ 50 persons by the end of the year with employment to increase to 150-200 within two years.

A Sales Management Seminar will be held at Texas A&M University's Rudder Center November 6-11. The conference is structured for persons in management responsible for directing their firm's marketing and sales or related activities. For registration, contact B. J. Adams, director of Executive Development Programs at (713)845-4711.

Texas Apparel, Inc. of Amarillo recently began production putting advertising emblems on hats. The firm will employ ten persons initially. Later the firm will also manufacture hats, and at that time, will increase employment to about 50 persons.

TIC Executive Director James Harwell addressed the Texas-Japan Association in Tokyo this month. Harwell spoke on "Texas and the Sunbelt", expounding on the strength of the Sunbelt's existing industrial base and its opportunity for future growth.

M.K.M Corporation of Houston, the leading fiberglass tub manufacturing company in the Southwest, will soon begin construction on a plant in Round Rock. The firm should begin production by February with about 40 persons on the payroll. The plant will be designed to produce some 300 units a day and will employ up to 300 persons as sales increase.

Disaster loans for "economic injury" are now available to cover the loss of business due to severe cold, prolonged strikes, etc. The

rate is 3% on loans up to \$25,000 and the program is retroactive to July 1, 1976. For more information contact the Small Business Administration.

Plans to build a \$15 million power plant in Pampa were recently announced by Celanese Chemical Company and Southwestern Public Service Company. The coal-fired electrical cogenerator, to be built jointly by the two companies, is due to start operation in 1979. When completed the project will add 30-40 employees to the Celanese plant's current 325-member workforce. No federal funds are being used in the project.

South Texas Coal Supply, Inc., a subsidiary of ADA Resources, Inc., will supply up to four million tons of coal per year to industrial plants along the South Texas Coast beginning about 1980. This is the first coal delivery company in the region specifically planned around the needs of industry. The firm will provide coal on a full-service basis, assuming responsibility for all transportation, handling and processing from the mine mouth to the customer's boiler or stockpile. Price of the delivered coal is expected to be about \$1.60 per million Btus.

Jim Heath, manager of TIC's Special Projects Department, is working closely with Carmon Stiles with the Department of Commerce in Dallas on opportunities for Texas businesses interested in merger, acquisition and joint ventures.

In-Sol, Inc. has recently announced plans for a manufacturing facility in Taylor. The company will produce 5,000 pounds of insulation per hour from scrap waste paper purchased locally and will employ 25-50.

Phyllis Procter, manager of TIC's Research and Program Dev- (See NEWS BRIEFS Page 5)

Rosberg Leaves Industrial Commission

Ron Rossberg has resigned his position as manager of TIC's Information Services Department effective August 31, to enter private business.

Rosberg joined the Industrial Commission staff in 1970 and was instrumental in developing the award winning insta-site program—a computerized site selection program designed to give the site-seeker an objective, precise and comprehensive evaluation of optimum locations for new plants.

Ed Latta, director of the Operations Division, praised Rossberg for his departmental leadership. "When Ron first came to the Industrial Commission, we were receiving site selection data directly from communities in various forms, and our industrial prospects were hard pressed to make effective comparisons. Through his leadership we instigated the insta-site program which now stores 2,662 pieces on information on each of 543 Texas communities," Latta said.

During his tenure the department has increased both in size and service successfully computer-



izing economic impact analysis, advertising analysis, building and site data and labor survey programming.

"I feel that the knowledge and management experience that I gained while at TIC will be invaluable in operating Datel, Inc.," Rossberg said.

Rosberg and John Glass, formerly TIC's systems analyst programmer, will serve as chief executive officers of the Austin-based computer service bureau which specializes in accounting, automated mailing systems and general data base management programs.

Program Announced For NADO Conference

The tenth annual conference of the National Association of Development Organizations (NADO) will be held October 2-5 in Corpus Christi.

John O'Leary, administrator of the Federal Energy Administration, will address the convention on the implications of energy resource location and energy supplies for balanced national growth and future economic development. For the past 22 years, O'Leary has been involved in energy-related services including the Atomic Energy Commission, the Department of Interior, and the Federal Power Commission.

A debate on regional fiscal disparities will be presented between U.S. Congressman Michael Harrington (Massachusetts) and North Carolina State Senator Willis Whichard.

Other speakers include Dr. William Nagle, administrator of rural development service of the U.S. Department of Agriculture and Dr. Michael Koleda, director of the White House Conference on Balanced National Growth and Economic Development.

The White House Conference on Balanced National Growth and Economic Development has formulated six themes for its investigation. These issues will be the subject of three workshop sessions at the convention. They include:

1. Structuring an Economic Development Strategy Toward Places
2. Creating Employment Opportunities for Individuals
3. Addressing the Fiscal Capacity and Service Delivery Problems of Governments
4. Recognizing the Impact of the Public Sector on the Geographic Distribution of Economic Activity and Population
5. Assessing the Inadequacies of Government Structure and Processes
6. Toward a National Growth and Development Policy

Be a walking Chamber of Commerce

The best proof you can offer a prospect is your own confidence in what you sell. Believe in your products and services and you'll help your prospect believe in them, too.

"These words are as true today as they were several years ago," says Bob Bray, former publisher of *The Highlander*, one of the largest weekly newspapers in Texas.

Bray recently recalled an incident that occurred several years back when he was serving as the first executive director of the Texas Industrial Commission.

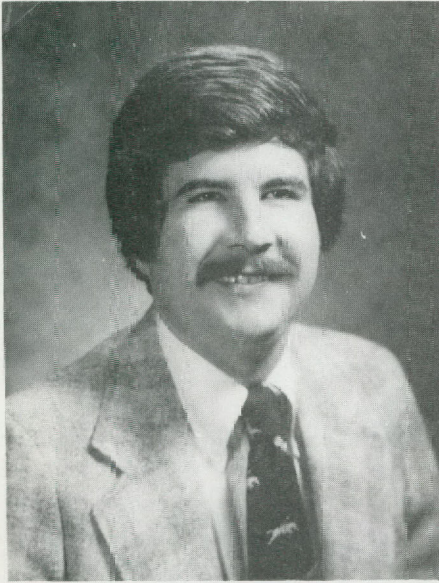
We had set up an appointment with the president of a St. Louis shoe company who was interested in locating a plant in Texas.

Three hours late for his appointment, the man called us, and after apologizing, said: "Mr. Bray, I decided to drive down to get a better conception of Texas, and I stopped here in Tyler to get some gas. The young attendant got to talking about Tyler, and he did such a selling job on me that I decided on the spot that this is where we would locate our Texas plant. Sorry I was late, and thank you again for your valuable assistance."

"These words point up the fact that we can all be walking chambers of commerce," Bray said. "This is particularly true of people who meet the public."

Bray's advice is: "Be enthusiastic in talking with out of area friends, relatives and strangers. You, too, may be responsible for locating a 'shoe factory' in your area."

Gleason to Manage Industrial Locations



Gary Gleason of Jefferson City, Missouri, will join the Industrial Commission staff in early October as manager of the Industrial Locations Department.

For the past three years, Gleason served as project manager of the Missouri Division of Commerce and Industrial Development where he was responsible for directing all aspects of major industrial location projects within the state.

Prior to that he was a planning coordinator for the Missouri State Department of Community Affairs.

Gleason received his B.A. in political science from Drury College in 1970 and did graduate work at the University of Missouri.

"We are all looking forward to Gary joining our staff," said Bud Reed, director of the Industrial Development Division. "I feel sure that with his talents he will be a most important addition to our overall professional capabilities."

Reed said that he plans to formally introduce Gleason to Industrial Commission allies across the state as soon as possible.

"I am looking forward to this job and the challenge it brings. I intend to make people my number one priority, spending the first few weeks getting acquainted with those involved with industrial development in Texas," Gleason said.

Texas starts planning for conversion to metric system

Texas has joined the long list of states that are planning for metric conversion with legislation that took effect August 29.

H.B. 300 introduced by State Representatives Kenneth Vaughan of Garland and Chris Semos of Dallas created a Metric System Advisory Council within the Texas Industrial Commission.

Under this bill the Governor will appoint a group of 12 advisors representing government, education, industry, small business, consumer interests and labor. The executive director of the Texas Industrial Commission will serve as an ex officio member of the Council.

The Council will investigate metric conversion problems faced by Texas, assist affected groups, disseminate information pertaining to the transition and report to the Governor and the Texas Legislature on the progress of the state as a whole.

"The necessity of conversion to the metric system has been brought into prominence by several facts, not the least of which is the annual loss to Texas of about \$15.3 million or more in international trade," said TIC Executive Director James Harwell.

Harwell feels that conversion to the metric system will benefit the Texas economy in two ways—through increased exportation of goods manufactured in the state and through increased use of Texas seaports for exporting goods produced in inland states.

Countless studies have been made comparing total costs and benefits of conversion.

J. Bryan Adair of the Bureau of Business Research at the University of Texas at Austin estimates that conversion will cost the Texas manufacturing industry between \$260 million and \$540 million, assuming a ten-year conversion program supported by legislation. Adair estimates the cost to Texas non-manufacturing busi-

nesses at \$85 million to \$190 million.

"It is most important to remember that these conversion costs would be a one-time expense, while benefits would continue to add up long after total conversion," Harwell said.

Harwell also points out that a long conversion time period (at least ten years) will reduce one of the major costs by allowing for normal replacement of worn-out equipment with metric standardized equipment.

Cate Elected TIDC President

Pledger Cate, executive vice president of the South Texas Chamber of Commerce from San Antonio, was elected president of the Texas Industrial Development Council (TIDC) at the 27th annual conference in Fort Worth.

Cate served as first vice president of the organization last year.

Completing the slate of officers for 1977-78 are: Olin Humphries, Jr. (Houston), first vice president; Larry Milner (Amarillo), second vice president; Gary Bowling (Fort Worth), third vice president; and Jim Hardy (Denison), secretary-treasurer. Perry Shepard (College Station) will again serve as executive director.

Brodie Allen, Wendell Fields and Bob Eitelman were reelected to the Board of Directors. Newly elected board members include: Oscar Castillon, John Gray, Dale Hubbard, Bob Johnson, George McKinney, Bill Warner, and Kent Fuller.

TIDC is an organization composed primarily of professional industrial development personnel in the state who devote their time and services for the purpose of aiding in the advancement of the industrial, business, economic and community development of the state.

VIDY Winners (CONTINUED FROM PAGE 1)

Texas Saddlery and Bill Allen's Hitch Manufacturing plant in Clarendon.

In nominating Knorpp for the award, John Sarich, manager of the Clarendon Chamber of Commerce, emphasized the obstacles that had to be overcome to locate an industry.

Clarendon (population 2,000) is an old town with many senior citizens. There are no new or old buildings available for any new business. The new hospital is closed and there is only one doctor in town. "It is very hard to entice a new business under these conditions," Sarich said, "but Knorpp was able to overcome these obstacles and locate two industries in sixty days."

In his acceptance speech, Knorpp said that he owed his success to the invaluable aid of the Texas Industrial Commission. "Whenever I had a problem, I went to the Industrial Commission and senior community development consultant Homer Tucker for help. They are the ones deserving of this award," he said.

Harold Jones, president of City National Bank and president of the Wichita Falls Board of Commerce & Industry, received the award in the category for com-



Walt Knorpp of Clarendon was named Volunteer Industrial Developer of the Year by members of the TIDC at the annual conference.

munities with populations of more than 50,000 persons.

Jones has served for two years as president of the BCI and has been a member of the BCI board of directors since the organization's beginning in 1970.

In nominating Jones for the award, Joe White, executive vice president of the Wichita Falls Board of Commerce & Industry, listed several examples of Jones' success as a volunteer industrial developer.

Jones has been an organizer and active participant in three separate million dollar industrial drives and was instrumental in locating such businesses as Levi Strauss, Johnson & Johnson, Pittsburg Plate Glass, Sprague Electric, Certainteed, O'Grady Containers and the Cer-Bay Company in Wichita Falls.

He is also credited with being a key person in the negotiations leading to the announcement by General Motors of a new AC Division plant.

In accepting the award, Jones thanked the Governor and other top government leaders for making Texas so attractive to industry.

This year's winners will have the opportunity to represent Texas at similar award competition at the Southern Industrial Development Council conference in October.

SIDC Conference Set for October 16-18

"I.D. — It's a Whole New Ballgame" is the theme of the 32nd annual conference of the Southern Industrial Development Council (SIDC) to be held October 16-18, in Baton Rouge, Louisiana.

Michael F. Vance, president of Michael F. Vance, Inc. of Marina Del Rey, California, will deliver the keynote address.

W. T. Slick, senior vice president of Exxon Company, USA and an international expert on energy matters, will speak on "Industrial Development in a Changing Energy World".

Other convention highlights include the presentation of the SIDC Industrial Development Volunteer of the Year Award and announcement of the literature awards winners.

"This year's conference has an excellent program and offers the perfect opportunity for non-members to find out more about the organization," said Jerry Heare, SIDC state director and membership chairman for Texas.

OMBE

(CONTINUED FROM PAGE 1)

Dallas. The bill was sponsored in the Senate by Senator Carlos Truan of Corpus Christi.

According to division director Albert Rodriguez, the current scope and activities of OMBE will remain the same.

Bert Adams will serve as manager of the Procurement Development Department. Jim Richardson will head up the Small Business Development Department and Shirley Shaw will manage the Urban Economic Development Department.

OMBE, now in its fifth year of operation, was originally organized as a department of TIC's Community Development Division.

OMBE offices are currently located at 510 South Congress; however, the division will soon transfer headquarters to the Sam Houston State Office Building in the Capitol Complex.

News Briefs

(CONTINUED FROM PAGE 2)

elopment Department, will be a featured speaker at the metric conversion seminar in San Antonio October 5. The seminar, sponsored by the Department of Commerce, is designed to teach management to integrate metric conversion within their organization.

The 12th annual Conference on Intergovernmental Relations and Regional Planning will be held September 25-27 at the Lubbock Memorial Civic Center. The conference is sponsored by the Texas Association of Regional Councils.

27 COMPANIES CHOOSE TEXAS IN AUGUST

COMPANY	CITY	PRODUCTS	EMPLOYMENT		ANNUAL NEW TAXES GENERATED			ANNUAL OUTPUT OF COMPANY	TOTAL ANNUAL ECONOMIC IMPACT ON TEXAS
			DIRECT	INDIRECT	FEDERAL	STATE	LOCAL		
Steves Turning Company	San Antonio	Mesquite candle holders	4	4	\$ 14,798	\$ 1,348	\$ 1,197	\$ 108,680	\$ 265,179
Performance Vans of America	Texarkana	Renovated motor homes	3	6	19,759	2,128	1,275	117,430	341,721
Brigadier Plastics, Inc.	Jacksonville	Needle art products	25	45	176,597	15,403	11,569	1,022,327	2,872,739
American Air Filter Company	Dallas	Air conditioning equipment	20	28	97,759	8,880	6,491	635,546	1,709,619
Dor-Chem	Odessa	Hydrochloric acid, potassium sulfate	25	90	377,636	35,913	26,567	2,222,024	5,510,620
Alternative Energy Resources	El Paso	Solar heating & cooling systems	7	13	\$ 50,783	\$ 4,785	\$ 3,026	\$ 377,297	\$ 845,145
Chicago Pneumatic Tool Co.	Sherman	Water well drilling equipment	50	46	161,398	14,711	10,623	1,528,537	3,148,786
Fluid Cast, Inc.	Houston	Investment castings	*	*	*	*	*	*	*
American Hoechst Corp.	LaPorte	High-density polyethylene	300	978	6,278,294	363,906	377,146	26,136,957	68,478,827
National Steps of Tx., Inc.	San Marcos	Precast concrete steps	10	18	67,122	10,937	4,838	423,298	1,087,876
Lubbock Manufacturing Co.	Big Spring	Transport trailers	50	81	\$ 383,670	\$ 33,853	\$ 20,551	\$ 4,583,791	\$ 7,563,255
Universal Towel, Inc.	Greenville	Towels, throw mats	19	29	104,199	9,882	6,920	620,570	1,706,568
Feed, Inc.	Etter	Cattle feed	*	*	*	*	*	*	*
K.D.'s Portable Buildings	Cleburne	Metal portable buildings	10	17	62,859	4,952	3,606	387,987	1,001,006
Cotton Machinery Co., Inc.	Lubbock	Farm equipment	25	30	113,726	10,124	7,065	665,070	1,815,641
Kirsch Company	Waco	Draperies, shades	60	49	\$ 176,583	\$ 15,231	\$ 12,872	\$ 1,252,217	\$ 3,092,976
Packless Industries	Waco	Heat exchangers, air cond. equip.	150	174	695,347	60,523	44,478	4,622,923	11,141,244
Skytop Rig Company	Conroe	Oil field equipment	350	543	2,077,272	178,195	125,203	12,602,621	32,514,762
Leamco Bearings	Perryton	Bearing assemblies	7	10	34,216	3,108	2,272	222,441	598,366
Commercial Plastics	Amarillo	Plastic bottles	2	4	14,128	1,232	926	81,786	229,819
R&M Enterprises	Ballinger	Commercial printing	2	2	\$ 7,247	\$ 729	\$ 509	\$ 41,043	\$ 117,793
M P Industries, Inc.	Tyler	Molded rubber products	8	10	36,376	3,242	3,004	221,790	598,833
Sims Eloquent Trophies & Engr.	Fort Worth	Plaques & trophies	2	4	14,128	1,232	926	81,786	229,819
Azon Texas	Arlington	Diazo paper	12	12	42,524	4,711	2,755	264,014	696,997
Rigid Tank Co., Inc.	Throckmorton	Oil field storage tanks	9	10	41,721	3,631	2,669	277,375	668,474
Laredo News	Laredo	Newspaper	70	87	\$ 330,509	\$ 25,909	\$ 23,196	\$ 1,545,015	\$ 4,665,945
MKM Corporation	Round Rock	Fiber glass bathtubs	40	71	282,555	24,645	18,511	1,635,724	4,596,384
TOTALS: **									
Companies — 27			1,260	2,361	\$11,661,206	\$839,210	\$718,195	\$61,678,249	\$155,498,394

* Information not available

** Totals reflect only those plants where information is available

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

NOTE: IMPACT CALCULATIONS PRODUCED BY THE TIC USING ECONOMIC MULTIPLIERS DERIVED BY THE TEXAS WATER DEVELOPMENT BOARD, INPUT-OUTPUT BRANCH.