



NEWSLETTER

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TEXAS DOCUMENTS

Marketing Opportunities Open to Texas Firms

Texas manufacturers of on-shore/offshore, drilling, production, transportation, storage and refining equipment and services looking to expand to foreign markets now have an excellent opportunity to do so.

The Industrial Commission is planning a special Texas section at two upcoming trade shows slated for early 1979. "Petroavance-Venezuela '79" is scheduled for January 23-27 in Caracas and "Petroavance-Mexico '79" for February 13-16 in Mexico City.

"Although the shows are several months away it is important that we hear from companies interested in participating as soon as possible," said James Havey, director of TIC's International Development Division. "We already have several firms signed up and expect to have all booth space committed by early September."

Havey stressed that both large and small manufacturers can successfully export their products. Last year there were 68 Texas companies signed up for the show in Mexico City and only a small handful of these firms were large enough to have an international marketing department.

"That's what we're here for," Havey said. "We have the expertise and since we are working directly with the U. S. Department of Commerce, through special arrangements, we can offer Texas companies a considerable savings."

Both shows will be held in the U. S. Trade Centers and are sponsored by the U. S. Embassy and (See *MARKETING* Page 6)



Representatives from the Dallas Economic Development Team present initial copies of "Dallas Apparel Industry" to TIC Executive Director James Harwell. Pictured from left to right: Don Raburn, manager of economic development for Dallas Power & Light; R. B. (Bush) Hatley, vice president of business development for the Dallas Chamber of Commerce; Harwell; David Leininger, director of economic development for the City of Dallas; Marvin Segal, executive director of Southwest Apparel Manufacturers Association; and Mike Chism, market analyst for Dallas Power & Light.

Inner city development project launched

Texas Industrial Commission officials got their first look at an innovative pilot program designed to bring industry to an inner city area at a July meeting in Austin.

Representatives from the City of Dallas, the Dallas Chamber of Commerce and Dallas Power and Light Company unveiled a special report intended to aid in the development of the apparel industry in central Dallas.

The 43-page report entitled "Dallas Apparel Industry" was prepared for the Industrial Commission by the Dallas Economic Development Team as a result of discussion between TIC staff and team members. The report presents a detailed case on the suitability of the Dallas economic environment and central city to new apparel manufacturing facil-

ities.

It focuses on three specific inner city areas examining such factors as the availability of buildings, employees, daycare and transportation.

Effectiveness of the pilot project will be tested later this year when the Industrial Commission takes the report to Canada and the northeast in an effort to attract textile and apparel manufacturers to Texas.

"There's a growing trend for all types of apparel-related industries to relocate in the South," TIC Executive Director James Harwell said. "We feel that the existing wholesale market facilities and the resources outlined in this study make Dallas an excellent candidate for potential growth in the apparel (See *PILOT PROJECT* Page 6)



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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.

The home office of the Texas Association of Business has moved to a new location. The new address is 6900 Fannin, Suite 240, Houston 77030. The phone number is (713)790-1010.

Houston Lighting and Power Company has contributed \$25,000 to support geopressed-geothermal energy research at the University of Texas at Austin. The UT Center for Energy Studies will use the funds over the next two years for research at the geothermal test site being drilled in Brazoria County.

The Greater Waco Chamber of Commerce recently announced that C-Line Products, Inc. will construct a new manufacturing plant in Texas Central Industrial District. The Chicago-based company will produce a complete line of office products and desk accessories. Operations are expected to start next spring with approximately 20 employees.

Six Texas companies have reserved booth space in the State of Texas section for the upcoming chemical and petrochemical production equipment and systems exhibition and seminar in Mexico City. "Quimequipo '78" is set for August 29-September 1 at the U.S. Trade Center. Texas firms participating are Muesco, Inc., Groth Equipment Corp., Smith Industries, Inc., Consolidated Engineering Co., Peerless Manufacturing Co., and Houston Instruments.

At the quarterly board meeting in Abilene TIC Commissioners voted to seek a name change that would better describe the agency's functions. Texas Department of Economic Development is the proposed name that will go before the next regular session of the Legislature for approval.

TIC's Energy Utilization Department has six seminar/workshops scheduled for September. The sche-

dule is as follows: September 7, industrial insulation workshop, Amarillo; September 12, fabricated metals seminar, Houston; September 14, boiler workshop, Abilene; September 20, feed and grain seminar, Fort Worth; September 27, load control workshop, Odessa; September 27, feed and grain seminar, Lubbock. For more details contact department manager, Lance dePlante.

Judy Pokorny and Maria Finch, personnel with TIC's Accounting and Finance Department, recently completed a three-day seminar on the basics of public purchasing. The seminar was sponsored by the National Institute of Governmental Purchasing, Inc.

A grim story for business and the nation is unfolding as regulations to implement the Clean Air Act Amendments of 1977 are developed in Washington, according to an article in the July issue of *Nation's Business*. "How the Clean Air Law Can Choke Industry" by George Fowler takes a close look at the amendments and how the Environmental Protection Agency intends to enforce them.

Members of the Metric System Advisory Council will get a first-hand report of how the switch to metrics affects retail packaging at the next quarterly meeting scheduled for September 6 in Austin. Richard Vincent, vice president of research and development with Uncle Ben's Rice, will address the group. The meeting will be held in TIC's main conference room.

Guardian Industries Corporation, the fourth largest producer of raw glass in North America, has announced plans to build a \$40 million manufacturing plant in Corsicana. The plant will initially employ approximately 300 persons with 99% coming from the local labor market. The plant will have the capability to produce 600 tons of glass per day.



Governor Dolph Briscoe discusses growth potential within the Texas chemical industry in an interview with James Prescott, special projects editor for *Chemical Week* magazine. *Chemical Week* is planning a special Texas supplement scheduled for release in an October issue.

TIC Conducts Public Hearings On Revenue Bond Regulations

The Texas Industrial Commission early this month wrapped up a five-day schedule of public hearings concerning regulations that would govern the issuance of revenue bonds to political subdivisions.

TIC has been charged with granting final approval to Texas counties and cities wishing to implement bond programs and has drafted a set of proposed guidelines under which the bonds would be issued.

Twenty-three hearings were conducted in communities throughout the state to gain public input on the tentative regulations. "We held these hearings with the intent of getting suggestions for improving the guidelines and the feedback has been most helpful," said TIC Executive Director James Harwell.

Information gathered through the hearings will be compiled and utilized when the Industrial Commission drafts the final guidelines that will be adopted at the October board meeting.

"Should the constitutional amendment allowing the issuance of revenue bonds pass in November, there will be no delay on our part.

The guidelines will be officially adopted and communities can proceed immediately to process bond applications," Harwell said.

Midyear figures indicate slowdown in activity

Midyear figures on new and expanding manufacturing firms in Texas indicate a slowdown in activity, according to the Bureau of Business Research at the University of Texas at Austin.

Plans for start-up of 99 new plants and 128 expansions were reported to the bureau during the first six months of 1978. These totals reflect a 13% decrease from the total of 114 new plants announced during the first half of 1977; however, expansions increased 4% from last year.

Most activity continues to occur in the state's 25 Standard Metropolitan Statistical Areas (SMSA) with the Dallas-Fort Worth, Houston, Longview and San Antonio SMSAs accounting for 59% of the total activity. The Dallas-Fort Worth SMSA led with 79 new or expanded plants.

TIDC Conference Set for Sept. 7-8

"The Industrial Future" will be the theme of the 28th annual Texas Industrial Development Council (TIDC) conference to be held September 7-8 at the Ramada Inn in College Station.

The conference is cosponsored by the Industrial Economics Research Division of Texas A&M University and TIDC.

Perry J. Shepard, head of the Industrial Economics Research Division, is the conference director and Larry S. Milner, manager of area development for Southwestern Public Service Company, is this year's program chairman.

Lindley Clark, economic news editor for *The Wall Street Journal*, will serve as keynote speaker with a presentation entitled "Speaking of Business." He will be followed on the program by Tom Sealy, vice president and general counsel of the Texas Association of Taxpayers, speaking on "Taxes Now and in the Future."

A full slate of expert speakers will round out the two-day conference including a presentation by James Harwell, executive director of the Texas Industrial Commission. He will discuss "TIC Programs."

In Memoriam

Walter Edward Dickerson, former executive director of the Texas Industrial Commission and a prominent Texas businessman, died July 23. He was 86.

Dickerson, a graduate of Texas A&M University, served with the Industrial Commission from 1958 to 1962.

During his career he was also director of industrial development for the Corpus Christi Central Power & Light Company. In addition he was an executive for Brown & Root of Houston and Victoria Bank & Trust.

Industrial Slide Presentations — a new community sales tool

EDITOR'S NOTE: The following is the third in a series of excerpts from "The Slide Presentation as a Tool in Industrial Development in Non-Metropolitan Communities," by Del W. Redetzke. The article first appeared in the AIDC Journal, Vol. XIII, No. 1. We thank the American Industrial Development Council for their permission to reprint.

PLANNING THE PRESENTATION

The preparation of a community inventory is essential to the planning process. Once the vast store of data which comprises the inventory is assembled, time limitations must be considered, and only priority data should be gleaned for presentation content. Data are then properly organized and sequenced and the planning process is completed by analyzing slide content, writing the script and preparing a picture-taking schedule.

Extensive research, in the form of a community inventory, is the basic, absolute necessity for planning your presentation. Completion of the necessary research will supply the "rough draft" for the presentation's script, as well as an outline for the necessary slide photographs.

A typical community inventory checklist should include the following:

- A. Population Characteristics
 - 1. Demographic data
 - 2. Population trends
 - 3. Income and cost of living
 - 4. Home & durable goods ownership
- B. Cultural and Recreational
 - 1. Attractions
 - 2. Libraries
 - 3. Civic & professional organizations
- C. Retail Trade Services
 - 1. Impact area
 - 2. State or regional prominence
 - 3. Variety of services
- D. Housing
 - 1. Cost of new construction
 - 2. Sale or rental adequacy
 - 3. Rental costs
 - 4. Condition of neighborhoods
- E. Accommodations Availability
 - 1. For corporate traffic
 - 2. For group meetings
- F. News Media
 - 1. Newspapers and shoppers

- 2. TV and radio
- 3. Extent of coverage
- G. Religious Facilities
 - 1. Number of Churches and denominations
- H. Postal Services
 - 1. Type & frequency of service
- I. Medical Facilities
 - 1. Availability of doctors, dentists and hospital beds
 - 2. Laboratory services
 - 3. Cost of medical care
- J. Government
 - 1. Form
 - 2. Assessment policies and types and rates of taxes
 - 3. Zoning ordinances
 - 4. Codes and regulations
- K. Municipal Services
 - 1. Fire protection and insurance rating
 - 2. Police protection & crime rate trends
 - 3. Refuse removal
- L. Elementary/Secondary Education
 - 1. Number of schools & capacities
 - 2. Pupil-teacher ratios
 - 3. Accreditation
 - 4. Enrollment & annual graduates
- M. Higher Education
 - 1. Vocational schools/universities
 - a. Number & location
 - b. Training & curriculum
 - c. Industry support programs
- N. Utilities
 - 1. Electrical power — availability and rates
 - 2. Gas — availability and rates
 - 3. Telephone — type & rates
 - 4. Water — availability, source, usage and rates
 - 5. Sewer — adequacy, regulations & rates
- O. Transportation
 - 1. Types — freight & passenger
 - 2. Adequacy of facilities
 - 3. Record of performance
 - 4. Cost and rates
- 5. Regulations or tariffs
- 6. Transit privileges
- P. Financial Services
 - 1. Banking services
 - a. Loan policies
 - b. Asset structure
 - c. Degree of interest in financing new ventures
 - 2. Local investors
 - 3. State, federal or local sources of financing
- Q. Local Industries
 - 1. Cooperation of business leaders
 - 2. Supply and service firms
 - 3. Types of industries
 - 4. Testimonials from local industry
- R. Labor
 - 1. Labor profile (education, age, skills, etc.)
 - 2. Availability of labor (types, location, full-time, seasonal)
 - 3. Union activity
 - 4. Transportation & commuters
 - 5. Wage scales
 - 6. Turnover rate — absenteeism
 - 7. Unemployed
 - 8. Labor relations history
 - 9. Labor practices (benefits)
 - 10. Labor legislation
 - 11. State & local taxes applied to labor
- S. Available Industrial Property
 - 1. Industrial parks
 - 2. Industrially zoned land
 - 3. Available industrial buildings
 - 4. Acquisition and development costs and/or lease terms for the above

The time factor is probably the most restrictive factor in planning your presentation. Time restrictions will limit what you have to say and necessitate the establishment of priorities for script content.

This should not discourage members of the development corporation or its sales team because, after viewing the presentation, there will be opportunities to add a short, "live" presentation, perhaps with special information for a specific industry, and/or a chance for additional exchanges of information through the mail or during subsequent meetings.

Obviously, priorities should be assigned only to content matter which is of interest to the industrial searcher.

Next month the series will continue with the second part of PLANNING THE PRESENTATION.

Knock Knock — Who's there?

What do you do when the Occupational Safety & Health Administration (OSHA) inspector knocks?

To find out write the National Chamber of Commerce and ask for publication no. 5708, "What to Do About OSHA: Steps to Take Before, During and After Inspection." The address is Chamber of Commerce of the United States, 1615 H Street, N.W., Washington, DC 20062. Please enclose a stamped, self-addressed envelope.

18 COMPANIES CHOOSE TEXAS IN JUNE

COMPANY	CITY	PRODUCTS	EMPLOYMENT		ANNUAL NEW TAXES GENERATED			ANNUAL OUTPUT OF COMPANY	TOTAL ANNUAL ECONOMIC IMPACT ON TEXAS
			DIRECT	INDIRECT	FEDERAL	STATE	LOCAL		
American Jet Industries	Harlingen	Refurbish jet aircraft	300	417	\$2,154,387	\$146,184	\$107,774	\$10,876,658	\$ 26,756,579
American Laminating Co.	San Antonio	Laminated plaques	29	31	107,288	9,770	8,680	787,936	1,922,564
Auxiliary, Inc.	Marshall	Uniforms and flags	2	1	5,291	460	352	33,227	74,428
BBL Microbiology Systems	Irving	Culture media & petri dishes	80	145	880,777	47,436	42,266	2,915,983	8,135,593
Beatrice Foods Company	Fort Worth	Yogurt	50	223	494,231	48,817	78,915	3,070,310	10,746,085
D.S.A. Wood Products, Inc.	Sherman	Studs, pallets, skids	25	39	\$ 110,512	\$ 13,264	\$ 23,172	\$ 675,620	\$ 2,047,129
Delar Industries, Inc.	Laredo	Cabinets	50	54	184,979	16,844	14,966	1,358,511	3,314,767
E. R. Wagner Mfg. Co.	Denton	Heating elements	50	87	291,698	26,075	19,317	1,601,075	4,931,311
Independent Insulating Glass	Arlington	Insulating glass	25	36	122,728	13,646	10,278	667,752	1,989,901
Libbey-Owens-Ford Co.	Sherman	Safety glass	350	504	1,718,189	191,041	143,897	9,348,540	27,858,649
Precision Hydraulic SYSI	Kilgore	Hydraulic hose	6	7	\$ 27,282	\$ 2,431	\$ 2,253	\$ 166,343	\$ 449,126
Riviera Textiles, Inc.	Dallas	Cotton & polyester fabrics	25	37	137,281	9,288	10,741	626,943	1,818,135
Santa Fe Stone	Longview	Construction stone	10	14	49,135	5,679	3,725	360,815	883,997
Southern Rubber Specialties	Grand Prairie	Offshore drilling equipment	*	*	*	*	*	*	*
Trane Company	Farmers Branch	Air conditioning equipment	50	109	390,707	32,328	26,592	2,845,435	6,800,590
Tri-State Oil Company	Alice	Oil field equipment	40	62	\$ 237,402	\$ 20,365	\$ 14,309	\$ 1,440,299	\$ 3,715,971
Truhill Products, Inc.	Addison	Cellulose insulation	10	23	91,488	10,042	6,098	564,015	1,579,242
Union Carbide Corporation	Groves	Oxygen, nitrogen, argon	19	57	209,127	28,985	16,096	1,437,542	3,881,363
TOTALS: **			1,121	1,846	\$7,212,502	\$622,655	\$529,431	\$38,777,004	\$106,905,430

Companies — 18

* Information not available

** Totals reflect only those plants where information is available

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

NOTE: IMPACT CALCULATIONS PRODUCED BY THE TEXAS INDUSTRIAL COMMISSION USING ECONOMIC MULTIPLIERS DERIVED BY THE TEXAS DEPARTMENT OF WATER RESOURCES INPUT-OUTPUT BRANCH.

Commissioners Approve Ad Campaign

Members of the Texas Industrial Commission approved a \$134,000 advertising campaign promoting the state's favorable business climate during the July board meeting in Abilene.

The campaign, presented by The Pitluk Group of San Antonio, calls attention to Texas' favorable tax structure and pleasant lifestyle. It will be marketed in *Business Week*, *Eastern Review* and *The Wall Street Journal*.

"We're confident that this will be one of our most effective campaigns," said TIC Executive Director James Harwell. "Budget cuts in recent years along with our past experiences have forced us to fine-tune our program to attract an even larger percentage of top prospects."

In a concentrated effort to attract northern industries, the marketing program will also feature a month-long media barrage in the Cleveland, Ohio, area. Thirty-second commercials for Texas are scheduled to appear daily during selected newscasts on each network in February.

Following this media blitz, the Industrial Commission will organize a prospecting trip for allies to make personal calls in the area.

"Texas has always been the state with the most innovative industrial advertising program,"

Harwell said. "We were the first state to use television to attract industry."

In February of 1975, TIC ran a special television spot on WNBC in New York. At that time, New York was experiencing one of the worst blizzards of the winter. "We registered ten serious prospects as a result of that campaign, and we expect to do just as well in Cleveland," Harwell said.

The ad campaign was recommended by both the Texas Industrial Development Council and the TIC Ad Committee chaired by Commissioner A. B. Shelton.

PILOT PROJECT

(CONTINUED FROM PAGE 1)
manufacturing sector."

If the pilot program proves successful, similar programs may be initiated in other Texas cities, Harwell said.

Other groups involved in the preparation of the study include the Central Business District Association, Dallas Black Chamber of Commerce, Dallas Citizens Council, Dallas Mexican Chamber of Commerce, Southwest Apparel Manufacturers Association, Texas Employment Commission and the University of Texas' Bureau of Business Research.

MARKETING

(CONTINUED FROM PAGE 1)

Department of Commerce. Petro-avance-Mexico will be held in conjunction with Petroleos Mexicanas (PEMEX).

PEMEX is the world's only fully integrated national oil company and traditionally purchases more than 70% of its equipment, supplies and services from U. S. sources. Texas firms have the additional competitive advantage of geographic proximity.

The Venezuelan market for petroleum and natural gas exploration, production and distribution equipment totaled \$225 million in 1977 and substantial growth is projected for the period 1978-1982.

"Venezuela is rapidly expanding its light and medium oil reserves through deep land drilling and offshore exploration," Havey said. "Most of these developments will take place utilizing equipment imported from the U. S. and we want to make sure that all Texas companies have the chance to put their hat in the ring."

"A 1976 management study indicated a strong desire on the part of Texas businessmen for additional exposure in Central American markets so the TIC has been playing a more active role," Havey said.

TEXAS INDUSTRIAL COMMISSION

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