

NEWSLETTER

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Subcommittee Recommends Increase In Rural Loan Fund

A House Subcommittee on the Texas Rural Industrial Development Act, has unanimously adopted recommendations, which if passed, will increase the funding and utilization of the Rural Development Loan Program.

The Subcommittee, chaired by State Representative Charles Finnell of Holiday, made its formal recommendations to the full House Business and Industry Committee in October. The measures were approved as written and will now go before the 66th Legislature in January.

Recommendations include changing the program's name to the Permanent Community Industrial Development Act and injecting an additional \$5 million into the revolving loan fund.

The Rural Loan Program is administered by the Texas Industrial Commission from funds totalling \$600,000 appropriated by the 62nd Legislature. The state has loaned this entire amount to communities for specific industries and receives about \$5,000 a month in repayments which are then made available to other communities.

The loan program does not compete with existing financial institutions. It is designed to supplement existing sources of financing that cannot meet the total loan requirements.

Thus far, seven loans creating 1,037 jobs have been made under the program.

According to Representative Finnell, the injection of an additional \$5 million into the fund will

(See LOAN FUND Page 4)



COMMISSIONER DON ADAMS

Briscoe Appoints Adams to Board

Governor Dolph Briscoe has appointed Don Adams of Jasper to the Texas Industrial Commission. His term expires February 15, 1983.

Adams is a former State Senator with law practices in Austin and Jasper. He was first elected to the Senate in 1972 after serving two full terms in the House of Representatives. Adams resigned from the Senate in 1978 to become Chief Legal Counsel to the Governor. He has also served as Governor Briscoe's Appointments Secretary.

Adams replaces James Bond of College Station whose term expired. Bond joined the TIC board in 1973 as a result of H.B. 873 which expanded Commission membership from nine to 12 members, three representing rural areas. He is currently Vice Chancellor for Legal Affairs and General Counsel for the Texas A&M University System.

TEXAS STATE LIBRARY

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TEXAS DOCUMENTS

Texas could lose out Federal legislation might not help

Texas stands to lose more to other states as a result of the recent industrial tax break legislation passed by the 95th Congress, according to C. Truett Smith, Chairman of the Texas Industrial Commission.

Referring specifically to the portion of the legislation that ups the tax exempt limitation on industrial development bonds from \$5 million to \$10 million, Smith noted that Texas can't very well take advantage of a tax break that does not exist in Texas.

Forty-six states use tax free revenue bonds to finance industrial facilities. Texas does not, but will have the opportunity to do so if the constitutional amendment is passed November 7.

"Now, it is even more critical that Texas voters approve Amendment Two, allowing cities and counties to issue revenue bonds to create employment opportunities," Smith said.

"Even though we have the best industrial climate in the nation, we are still losing business and job opportunities to neighboring states which have the right to issue revenue bonds," he said.

Smith pointed out that he is not criticizing the federal legislation, but only wished that Texas could also benefit from it.

The revenue bond limitation increase was supported by development groups including the American Industrial Development Council and the National Association of State Development Agencies.



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- NEWS BRIEFS -

Preliminary figures indicate that Amarillo's fourth Job Matching Fair is one of the most successful with 264 people hired on the spot and an additional 355 told to report for work in 30 days. More than 1,200 job seekers attended the fair and 255 mailed in resumes to apply for the 1,285 jobs posted. Future job fairs are scheduled for Snyder on November 18, Corpus Christi on November 30 and Austin on December 2.

The next quarterly meeting of the Metric System Advisory Council is scheduled for December 4 at the World Trade Center in Dallas. Featured topic will be how conversion to the metric system will affect non-tariff trade barriers.

Orders are now being accepted for the 1978-79 Directory of Texas Manufacturers. Cost is \$50.00 per set (for Texas delivery add \$2.50 sales tax). The annual directory is published by the Bureau of Business Research at the University of Texas at Austin, Box 7459, University Station, Austin 78712.

The Texas Industrial Commission will hold its quarterly meeting October 27 at the Fort Brown Hotel in Brownsville. The meeting will be hosted by the Brownsville Navigation District.

GTE Lenkurt, a subsidiary company of General Telephone and Electronics Corporation, has announced plans to locate a telecommunications plant in El Paso. Within the next 18 months the company will employ 850 people, nearly all of them to be hired locally.

Ralph DeAnda, formerly with TIC's Community Services Department, has transferred to the Minority Business Enterprise Division. DeAnda will be focusing on industrial development training as an economic development analyst.

The latest area and industry wage

surveys are now available for Beaumont-Port Arthur-Orange, El Paso-Alamogordo-Las Cruces, and Laredo according to the Bureau of Labor Statistics (BLS). For a single copy of any BLS survey, send a stamped self-addressed envelope to the Texas Association of Business' Houston I/R Department, 6900 Fannin, Suite 240, Houston 77030.

TIC's Energy Utilization Department has conservation seminars and workshops scheduled throughout November. Workshop schedule is as follows: November 2, Peak Load Control and Life Cycle Costing, Harlingen; November 9, Heat Recovery, Corpus Christi; November 14, Boilers, El Paso; November 21, Drying, Houston; November 29, On-Site Generation, Dallas; November 29, Insulation, Houston. Seminars will be held on November 8 in Houston for the paper industry and on November 15 in Dallas for the primary metals industry.

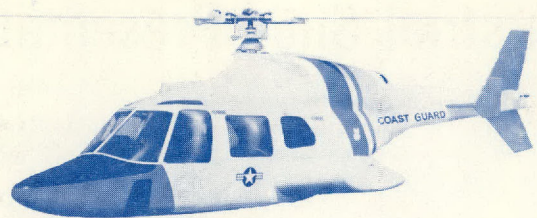
The Environmental Protection Agency (EPA) has proposed a \$10 million plan that would require new power plants to remove impurities from smokestack emissions through the use of air scrubbers. An estimated 200 new power plants are expected to be built by 1980. This plan would raise the average household electric bill an estimated \$.30 to \$1.10 a month.

TIC's Minority Business Enterprise Division has begun compilation of a directory of minority exporting firms. The directory is part of a new effort to acquaint minority business owners with opportunities in exporting and the wide range of services and assistance available.

Atco Rubber Products recently moved its corporate headquarters from Grand Haven, Michigan, to Fort Worth's Mark IV Business Park. The company employs 170 people nationwide, including 35 in Fort Worth.



AEROSPATIALE'S SA366



BELL'S 222C

Texas Companies Vie for Coast Guard Contract

Two Texas companies are in final contention for a multi-million dollar contract to provide new helicopters to the U.S. Coast Guard.

They are Aerospatiale Helicopter Corporation (AHC) of Grand Prairie, and Bell Helicopter Textron of Hurst. The Sikorsky Division of United Technologies of Stratford, Connecticut, is also competing for the contract.

The contract calls for production over a five-year period of 90 new-generation short range recovery (SRR) helicopters for Coast Guard missions.

The Coast Guard will use the new twin-turbine helicopters to replace outdated helicopters in its fleet. SRR program requirements are that the new aircraft be equipped with a rescue hoist, cargo

sling, and a variety of avionics systems, and that it be capable of operating off flight-deck-equipped cutters. The SRR aircraft will operate primarily on missions such as observation, search and rescue, and light cargo transport.

AHC, a U.S. corporation, markets and services helicopters manufactured by Aerospatiale of France. The Grand Prairie plant currently employs 215 and expects to increase personnel to 425 should the contract be awarded them.

AHC's market area includes the U.S., Canada, and Mexico. The SRR program marks the young Texas firm's first attempt to compete for a major government contract.

AHC's SRR entry will be the SA 366, a twin-turbine helicopter that seats up to 14 in its com-

mercial configuration. The use of U.S.-produced engines, avionics, automatic flight control systems, and other equipment modified to meet Coast Guard requirements will make AHC's end product more than 70 percent American content.

Bell's entry will be Model 222C, a derivative of mid-size twin helicopter parent model 222. This model offers unique mission features including crash resistant fuel cells, breakaway fittings and crash attenuating seats as standard equipment.

Bell has been in business in Texas more than 25 years and employs approximately 8,500 in the metroplex facility. Should the contract be awarded, there will be only a slight increase in employees since the contract is drawn out over a five-year period.

The Coast Guard, with technical assistance from a team of Navy test pilots and flight test engineers, recently completed an extensive flight evaluation of the three entries. A contract award to the winning entry is scheduled to be announced in early 1979.

BBR reports drop in industrial activity

The combined total of 341 new and expanding manufacturing firms decreased nine percent from the third quarter total of 373 recorded in 1977, according to the Bureau of Business Research at the University of Texas at Austin.

During the first three quarters of 1978, 155 new and 186 expanding manufacturing firms were reported. These figures represent a 12 percent decrease in reports of new manufacturing plants from the same period in 1977 and a five percent decrease in expansions announced.

Brown to Head R&PD Department



Gerald Brown recently joined the Industrial Commission staff of the Operations Division's Research and Program Development Department.

Brown succeeds Phyllis Procter who recently resigned. His duties include program development planning, budget and grant preparation,

and data collection and dissemination.

Brown, who recently resigned his position as regional representative of the U.S. Department of Labor in Dallas, served on the Industrial Commission board from 1967-1977.

Ed Latta, director of Operations, stressed the importance of Brown's working knowledge of Commission activities. "His past involvement with planning the agency's goals and activities, as well as his broad experience in developing and managing program objectives, make Brown a natural for the position," he said.

While on the TIC board Brown served as chairman of the Personnel and Legislative Committees and was also a member of the Public Affairs Committee and the Committee to Establish Staff Objectives.

Industrial Slide Presentations — a new community sales tool

EDITOR'S NOTE: The following is the fifth 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.

PRODUCING THE PRESENTATION

The production process consists of preparing copywork; taking and developing slides; editing slides, narration and captions; recording the narration; and making duplicate copies of the presentation. Prior to beginning the production process, one must first consider budgetary restrictions and the utilization of technical expertise.

Budgetary considerations, undoubtedly constitute the greatest limitation in producing the slide presentation. The equipment and professional services demanded by the production process could easily cost several thousand dollars. The only feasible alternative, is to marshal community resources — human and institutional — to economically secure the necessary equipment and expertise.

Skills in three areas are essential: knowledge of the subject, knowledge of audio-visual materials and how to interpret the subject visually, and photography and graphic arts skills. The industrial development sales team satisfies the role of subject specialist, but it must obtain professional assistance to fulfill the technical staff requirement which is concerned with virtually the entire production process.

Top quality technical assistance can usually be obtained free from audio-visual departments of various institutions in or near nearly every community. For example high schools, public libraries, colleges, etc. Although the development organization will have technical assistance in producing the slide presentation, it is essential that the organization has a basic knowledge of the production process so it can contribute more to a better finished product.

Preparing Copywork: Using the script as a "map," the technical staff should prepare for photography materials such as pictures, printed matter, art work or a combination of these. Keep in mind that material to be copied should be of the same proportion as the projected area and the slide; the content of each slide should represent only one idea; written words and figures should be legible.

Slide Taking & Developing: Using the picture-taking schedule described earlier and the completed copywork, the technical staff is now prepared for actual photography. Desirable equipment and supplies for slide taking consists of a 35mm camera and exposure meter, lights, tripods, a darkroom, a copying stand, a studio or workshop and supplies such as chemicals and film. As a matter of convenience and for relatively little cost, it is recommended that film be sent to a commercial film processing lab. Commercial processing offers the added benefits of eliminating the darkroom and processing equipment and supplies.

Slide & Narration Editing: Since narration accompanies and complements slides, editing of both must be conducted simultaneously. The slide editing process is completed by putting all pictures in the proper order. Choices must be made from among multiple takes of a scene. Examine work critically and eliminate those pictures which fail to make suitable contribution to your specific purposes.

Editing of narration is necessary because although words have an important part to play, they should be secondary to the pictures. Remember:

- Narration should supplement the picture by making direct reference to picture content
- Identify the picture subject as quickly as possible with cue words or phrases
- Keep sentences short, use proper grammar, use conservation English
- Write enough to carry the picture, then stop writing
- Have some pauses in narration
- Remember that one bit of narration may cover a number of pictures and may carry over from one scene to the next

Test the edited narration by showing the edited slides and reading the narration to other audio-visual specialists and local industry officials.

Recording the Narration: In considering the recorded versus the "live" delivery of the narration, keep in mind the time element, content matter and appeal potential. It is highly recommended that the narration be recorded using the automatic slide-projector and tape-recorder combination unit.

The first step in the recording process is to record the original voice on a standard recorder. This step requires the selection and services of a good narrator (professional candidates are found in area radio and tv stations). The next step is to feed the original voice tape, plus your musical selection, either tape or disc, into the electronic mixer. In this manner voice and music are transferred onto a second tape. Inaudible impulses, for automatic slide changes, are added during the recording process.

Duplicating the Presentation: Protect the time, money and work spent on the presentation against loss by preparing at least one duplicate set of materials and file the originals in a safe place for future needs. Duplicates should be made by a commercial processing lab.

Next month the series will continue with SHOWING THE PRESENTATION.

Loan Fund

(CONTINUED FROM PAGE 1)

better fulfill the financial need of many of the eligible communities across the state. "The need for increased funding has been established. We have a substantial waiting list of eligible communities ready to take advantage of this program," Finnell said.

Other members of the Subcommittee are Representatives L. P. Patterson, Brookston; Irma Rangel, Kingsville; Ernestine Glossbrenner, Alice; and A. C. Garcia, Pharr.

18 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		
AAA Manufacturing Co.	Longview	Alum. windows, doors, screens	10	19	\$ 68,942	\$ 7,171	\$ 5,003	\$ 371,719	\$ 1,115,157
Amer. Thermo Prod., Inc.	Big Spring	Styrofoam cartons	30	53	211,916	18,483	13,883	1,226,793	3,447,288
Cabinet Products	Longview	Millwork	10	11	36,996	3,369	2,993	271,702	662,953
Computer Automation, Inc.	Richardson	Mini-computers	*	*	*	*	*	*	*
Chemetron Corporation	Borger	Liquid carbon dioxide	15	45	165,100	22,883	12,708	1,134,902	3,064,235
Dana Corporation	Tyler	Power take-offs	50	81	\$ 383,670	\$ 33,853	\$ 20,551	\$ 4,583,791	\$ 7,563,255
Druon Industries, Inc.	Fort Worth	Aluminum die casting	40	50	175,040	16,890	11,320	1,243,046	3,095,185
El Paso Products Co.	Corpus Christi	Butadiene	60	581	2,224,621	456,085	156,358	13,516,557	37,846,360
Hoerner Waldorf	Terrell	Grocery bags & sacks	30	24	88,291	7,615	6,436	626,108	1,546,487
Hydrex, Inc.	Kilgore	Machine shop	20	21	85,437	7,461	5,303	526,690	1,306,191
Ohio Medical Products	Corpus Christi	Inhalation anesthetic agents	30	54	\$ 330,291	\$ 17,788	\$ 15,850	\$ 1,093,493	\$ 3,050,845
Penndixon Company	Houston	Plastic coatings	*	*	*	*	*	*	*
Petco Roller Company	Fort Worth	Urethane covered rollers	6	7	27,282	2,431	2,253	166,343	449,126
Sutton Steele, Inc.	Dallas	Processing machinery	*	*	*	*	*	*	*
Southern Electric	El Paso	Coils	40	44	179,930	14,816	11,311	1,388,406	3,110,029
Victor Equipment Co.	Abilene	Cutting & welding apparatus	60	59	\$ 201,012	\$ 19,523	\$ 42,287	\$ 932,821	\$ 3,199,576
Winzen Research, Inc.	Sulphur Springs	Packaging film	*	*	*	*	*	*	*
Zurn Industries, Inc.	Sherman	Roof ventilators	100	169	628,593	49,522	36,063	3,879,878	10,010,085
TOTALS:**			501	1,218	\$4,807,121	\$677,890	\$342,319	\$30,962,249	\$79,466,772

* Information not available

** Totals reflect only those plants where information is available.

SOURCE: OCTOBER 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.

TIC Study Documents "No-growth" Impact

According to an Industrial Commission study, the Texas economy would have lost nearly 45,000 construction jobs and more than 6,200 permanent jobs last year if the federal Environmental Protection Agency (EPA) had implemented a "no-growth" policy in the state.

A "no-growth" policy is one of the measures the EPA is considering to make states meet federal air standards outlined by the 1977 amendments to the Clean Air Act. EPA is also considering an "offset" emissions policy whereby new industries must offset existing pollution by reducing more pollution from existing plants than the new plant would produce.

The objective of the study, prepared at the request of the Texas House Select Committee on Offset Emissions Standards, was to evaluate the economic impact on Texas had EPA concluded that certain areas of Texas been "non-attainment areas" and directed that no permits be granted to construct potential major hydrocarbon pollution sources in these areas.

In addition to the lost jobs, the study estimated that Texas would have lost nearly \$7 billion in sales and about \$191 million in

taxes. These figures were based on the capital generated as a result of 107 permits issued in 1977 by the Texas Air Control Board.

"A harder to document, but far more reaching problem for Texas industry, is the uncertainty which the potential regulation of growth holds for them," says Michael McAndrew, an economist with TIC's Research and Program Development Department. "The possibility of future growth restrictions may be causing some industries to look twice before investing in non-attainment areas within the state."

Big Spring Hosts Conference

The City of Big Spring is hosting the Third Annual National Conference of Owners & Operators of Former Military Installations October 25-27 at the Holiday Inn.

Colonel Harry Spannaus, manager of the Big Spring Industrial Park and this year's conference chairman, has addressed the program to cover such subjects as: techniques in leasing land and buildings, transforming a former federal installation into a campus industrial park, techniques to minimize O&M costs and finding resources to support expansions.

Companies Invited To Participate In Energy Exhibition

Companies and organizations offering products and services for industrial energy conservation are invited to participate in the "1979 Conference on Industrial Energy Conservation Technology and Exhibition" April 22-25 at the Hyatt Regency Hotel in Houston.

The conference is designed to bring energy conservation experts, industrialists, governmental officials and academic representatives together in an atmosphere of constructive interaction.

A wide range of subjects will be covered during the three-day conference with topics ranging from separation processes to available alternative energy sources.

The program will feature nationally recognized speakers and more than 150 qualified technical papers, complimented by a showcase of energy-related exhibits.

The conference is sponsored by the Texas Industrial Commission through the Governor's Office of Energy Resources and the Department of Energy as part of the state's industrial energy conservation program.

To register or for more information contact the Industrial Commission's Energy Utilization Department.

TEXAS INDUSTRIAL COMMISSION
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