

NEWSLETTER

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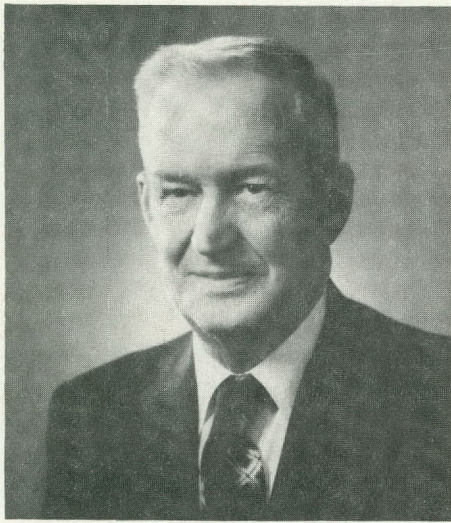
NOVEMBER, 1978

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TEXAS DOCUMENTS

Governor Appoints Zack Burkett To Commission



COMMISSIONER BURKETT

Governor Dolph Briscoe has appointed Zack Burkett of Graham to the Texas Industrial Commission. His term expires February 15, 1983.

Burkett, president of the Zack Burkett Company, has been in the contracting business 32 years. He is currently serving as an elected director of the Associated General Contractors of America, Inc. and is also chairman of their Membership Administrative Committee. A past president of the AGC, he was selected chapter president of the year in 1976.

Burkett replaces Chester Wine of Laredo whose term expired. Wine was first appointed to the Industrial Commission board in 1958 and has served under four Governors. He was chairman of the TIC board from 1969 to 1975.

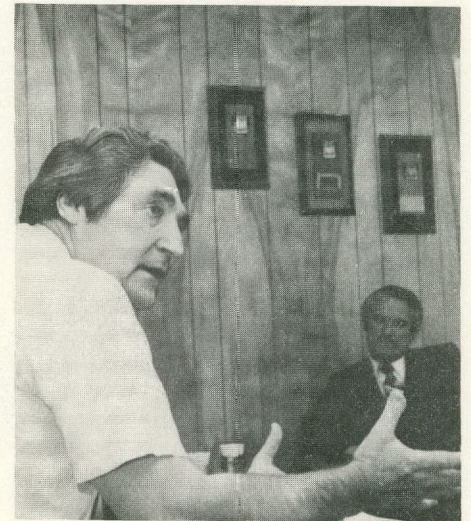
Gerald Brown Selected as New TIC Executive Director

The Texas Industrial Commission board has selected Gerald Brown to serve as Executive Director of the agency.

The unanimous vote came following the announcement by James Harwell, Executive Director since 1968, that he was leaving the agency effective December 31, to become managing director of an international agri-business firm.

The Commission was at the Fort Brown Hotel in Brownsville for its quarterly board meeting when Harwell announced his resignation. Board Chairman C. Truett Smith of Wylie then called the board into an executive session where the selection of Brown was made.

Brown is currently head of the Industrial Commission's Program Development and Research Department. He also served on the Com-
(See EXECUTIVE DIRECTOR, Page 3)



Newly named TIC Executive Director Gerald Brown recently met with industrial allies in Austin to discuss ongoing Industrial Commission programs and policies. *Pictured from left to right:* Brown and Maxie Davie, director of area development for Community Public Service Co.

TIC Approves Loan For Trenton Industrial Effort

The Texas Industrial Commission recently approved an \$85,000 loan to the Trenton Development Corporation to help finance an expanding industry in the community.

The loan, authorized by the

Texas Rural Development Act, will partially finance the expansion of Frontier Manufacturing Company, manufacturers of metal shelving, pallet racks and miscellaneous shop equipment in Trenton. The expansion will add 40 new jobs to the existing 28 with an annual payroll of \$640,000.

The First State Bank of Trenton will supply an additional loan of \$349,200 and the Trenton Development Corporation will provide the remaining \$38,800.

(See TRENTON, Page 6)



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

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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

TIC's Industrial Locations Department reports that Texas is already beginning to feel the impact of the failure of Constitutional Amendment Two. Three prospects have definitely ruled Texas out for a plant location and two other firms said the lack of revenue bond financing will definitely impact their location decision.

Jack Shultz recently joined TIC's Energy Utilization Department as energy program coordinator. Shultz has been associated with Booz, Allen Applied Research Center in Washington, DC, where he served as program manager.

Lawrence Durland, refinery manager of Amoco Texas Refining Company in Texas City, has been elected 1979 Chairman of the Texas Association of Business. Other officers include Paul Kerr, chairman of the Executive Committee; W. Lamar Lovvorn, state vice chairman; Guy Floyd, treasurer; Steve McKenney, secretary.

Oil States Rubber Company, manufacturers of custom molded rubber products, has announced plans to open a new plant in Lampasas in 1979. The 32-year-old company has six plants in operation in Texas. The Lampasas firm will eventually employ approximately 60 persons.

"TEXAS...The State of Legendary Treasures," a 48-page special section in the October 25 issue of *Chemical Week*, is now on the newstand. The section states... "there are only two kinds of people, those who are born Texans and those who wish they were."

Jerry Heare, director of TIC's Community Development Division, was elected secretary-treasurer of the Southern Industrial Development Council (SIDC) at the annual conference in San Antonio. According to tradition, Heare will be elevated to a higher office each year, eventually serving as president in

1982. Thomas Finney and Harry Clark, past presidents of SIDC, were elected to honorary life membership. Clark is a former executive director of TIC.

The Industrial Commission will host a group of Japanese investment bankers interested in establishing strong business ties with Texas. The group will visit with government, community and business leaders in late November.

Jim Heath, manager of TIC's Special Projects Department, and Frank Alagna, manager of Industrial Services, recently returned from Canada where they met with representatives from approximately 30 apparel and support industries. As a follow-up to the Dallas inner-city project, the Montreal trip was intended to line up contacts for a future site inspection trip to Texas.

The Industrial Commission's 1977-78 Annual Report is being distributed to chambers of commerce, legislators, members of the Texas Industrial Development Council and other industrial allies. Limited copies are available upon request at no charge.

Southwest Chemical Services Company recently broke ground for a new \$13.5 million Crockett plant. Production is expected to begin by late 1979. When fully operational the plant will employ approximately 100 persons in the production of plastics concentrate.

TIC received three merit awards in 1978 SIDC Literature and Promotion Competition. The "Cut-Out for Texas" advertising campaign, *The Advocate* Newsletter, and the 1976-77 Annual Report were all selected for the honor.

Custom Bodies, Inc., a relatively new Sherman industry, recently celebrated the production of its first all-aluminum truck body. The

(NEWS BRIEFS Continue on Page 6)

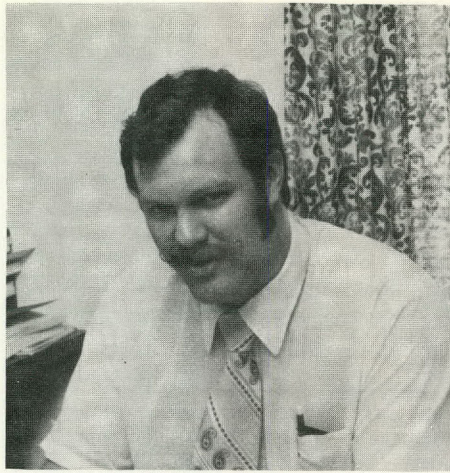
Tim Schaffner New Manager of TIC's Accounting Dept.

Tim Schaffner has been named manager of TIC's Finance and Accounting Department according to Director of Operations Ed Latta.

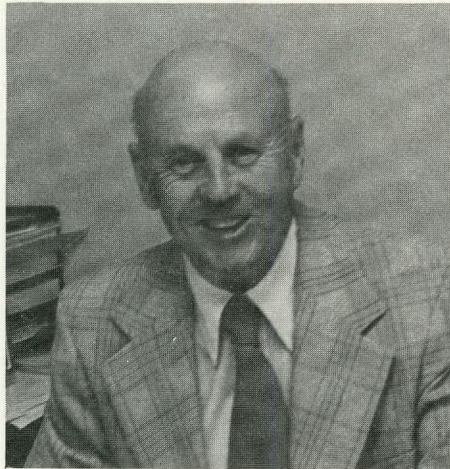
Prior to joining the TIC staff, Schaffner worked for the State Auditor's Office as an assistant state auditor. A graduate of Texas Tech University with a Bachelor of Business Administration degree, Schaffner also taught accounting at Commercial College in Lubbock.

He replaces Louis Campbell who resigned as manager of the department October 31. Campbell had been with the Industrial Commission since 1971. He and his wife have retired to Las Cruces, New Mexico.

"I'm sure the rest of the staff joins me in wishing Lou the best," Latta said. "We are most fortunate to have someone as qualified as Schaffner to fill his place. His experience in the audit of state institutions will be an invaluable asset to our agency."



TIM SCHAFFNER



LOUIS CAMPBELL

Final Rules Set For SBA's Economic Dislocation Loans

The U.S. Small Business Administration has adopted final rules and regulations for the Agency's Economic Dislocation Program. Economic Dislocation Loans are granted by SBA to assist small businesses that are having capital shortage problems because of an unusual and temporary natural or economic situation.

The loans are made to help otherwise financially sound concerns remain in business or return quickly to the levels of operation they had prior to the economic dislocation.

Economic Dislocation Loans are limited to the amount of the actual economic injury suffered by a business and may not exceed \$100,000, including both SBA's share and any money provided by a private lender.

Gerald Brown Will Be Commission's Executive Director

(Continued from Page 1)

mission board from 1967-77. Prior to joining TIC staff, he served as regional representative of the U.S. Department of Labor in Dallas.

In a congratulatory letter Senator Lloyd Bentsen said, "It gives me tremendous pleasure to know that the Commission has chosen such a capable leader to guide the TIC in coming years."

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Brown will assume his new duties January 1, 1979.



The 1977 Governor's Industrial Expansion Award Winners from left to right are: Don Kaspar, President of Kaspar Wire Works, Inc., Shiner; Enrique Saldivar, Plant Manager of Levi Strauss and Company's Youth Wear Division, San Benito; Janey Briscoe; Governor Dolph Briscoe; Richard Gentry, President of Bruton Manufacturing Company, Lamesa; and Gordon Davenport, Plant Manager of Monsanto Chemical Intermediates Company, Alvin. Governor Briscoe honored the winners with an awards luncheon in October.

NEC America, Inc. Hosts Plant Opening Ceremonies in Irving

NEC America, Inc. celebrated the dedication of its first manufacturing facility during ceremonies in Irving last month.

The opening of the 60,000 square foot plant, which manufactures electronic telecommunications equipment, is the culmination of a cooperative effort between company representatives, local officials, industrial allies and the Texas Industrial Commission.

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"At one point the choice narrowed to the Dallas area and a

city in North Carolina," said Stephanie Coleman, industrial development specialist with TIC's Industrial Locations Department. "I think the climate, the proximity to the Dallas/Fort Worth Airport and the quality of life in the area were all factors contributing to the final decision."

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One hundred-ninety persons are currently employed at the facility which is expected to serve as a model for other Japanese companies considering U.S. locations.

Industrial Slide Programs Help Sell Communities

EDITOR'S NOTE: The following is the final 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.

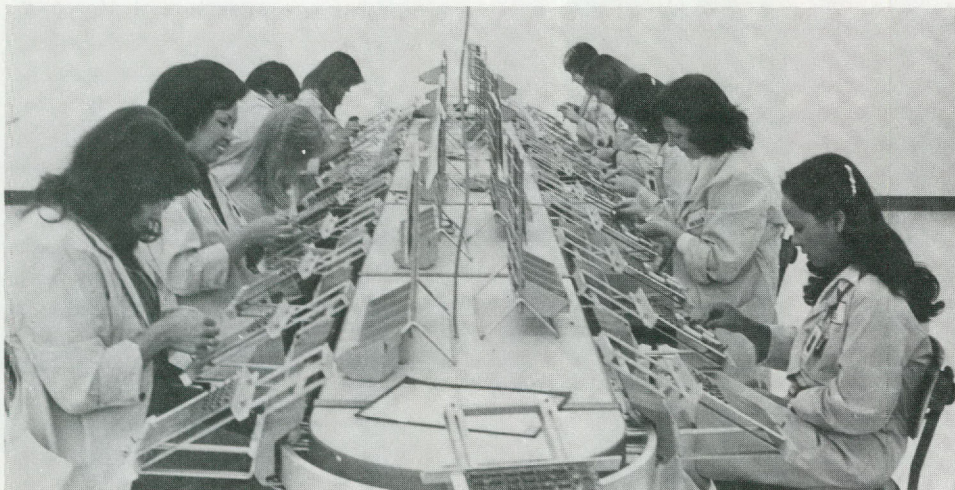
SHOWING THE PRESENTATION

The industrial slide presentation, no matter how well done, cannot stand alone. In order to insure its maximum effectiveness and impact, the sales team must make certain that the presentation is shown in adequate physical surroundings and that the sales team, itself, is rehearsed in the presentation format. The following checklist should be utilized prior to showing the presentation:

- * Be familiar with the room in which the materials will be used — check for electrical outlets, screen placement, seating arrangements, viewing distances, and appropriate placement for the projector and lighting.
- * Arrange for necessary equipment — projector, tape recorder, stands, screen, extension cord, adapter plugs, and extra projector lamp.
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As stated earlier, the industrial slide presentation is the nucleus of the sales team's overall presentation. In meeting with an industrial prospect the sales team will make the necessary introduction of individuals involved and attempt to establish a cordial atmosphere. The presentation will then come into play

(See SLIDE PROGRAMS, Page 6)



Scenes from NEC's opening: *Clockwise, upper left;* City of Irving Mayor Marvin Randle welcomes dignitaries; *upper right;* tour members watch technician install PC board assemblies; *bottom;* workers assemble subassemblies at the firm's modern facilities.

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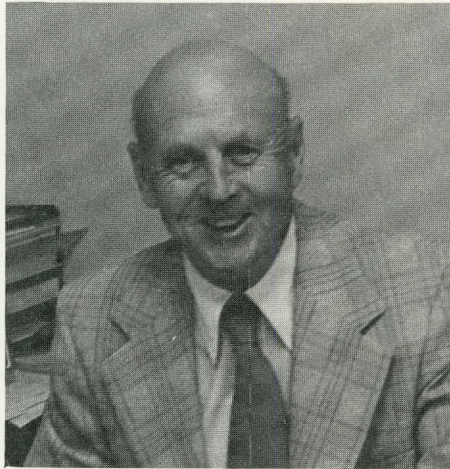
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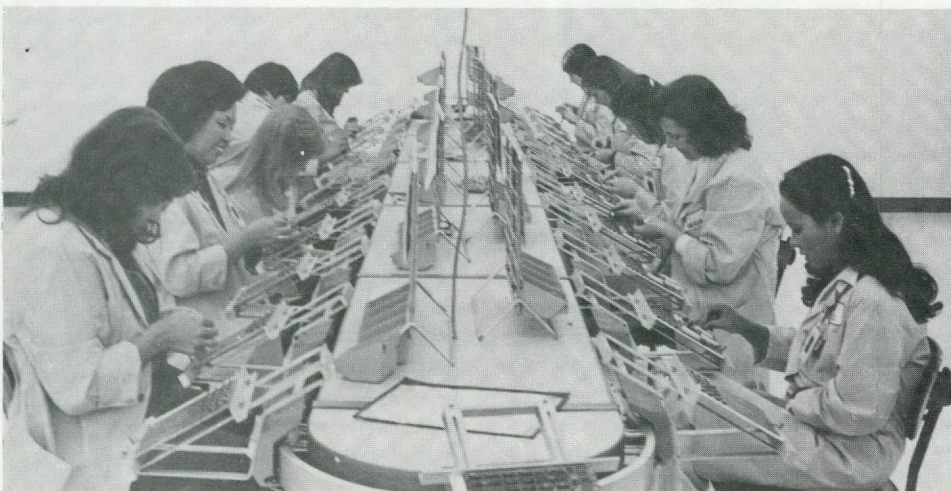
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16 Companies Chose Texas in September...

COMPANY	CITY	PRODUCTS	EMPLOYMENT		ANNUAL NEW TAXES GENERATED			ANNUAL OUTPUT OF COMPANY	TOTAL ANNUAL ECONOMIC IMPACT ON TEXAS
			DIRECT	INDIRECT	FEDERAL	STATE	LOCAL		
Age Box Company	Cibolo	Corrugated containers	50	87	\$ 236,986	\$ 24,635	\$ 29,183	\$ 1,778,283	\$ 5,068,107
Allen-Bradley Company	El Paso	Electronic components	800	880	3,598,603	296,324	226,227	27,768,136	62,200,625
Anzon America	Laredo	Antimony trioxide & metal	100	166	508,440	55,177	44,694	3,661,930	9,557,637
Bramlett Telecom, Inc.	Arlington	Telecommunications equipment	8	8	31,634	2,858	2,280	214,759	539,045
Broehl Deck Machinery, Inc.	Longview	Heavy marine equipment	30	26	\$ 99,654	\$ 9,026	\$ 6,685	\$ 461,431	\$ 1,471,965
Conveyor Corp. of America, Inc.	Crowley	Conveyor equipment	250	213	830,454	75,219	55,705	3,845,266	12,266,399
Duck Master Marine Products	San Antonio	Fabric marine accessories	*	*	*	*	*	*	*
Genesee Stamping, Inc.	Arlington	Metal stamping	6	7	27,306	3,436	1,954	169,486	437,274
GTE Lenkurt	Laredo	Electronic components	850	901	\$ 3,361,159	\$303,678	\$242,289	\$22,818,179	\$ 57,273,629
Harris Pine Mills	Jefferson	Outdoor redwood furniture	*	*	*	*	*	*	*
JBI, Inc. of Texas	Kennedale	Spray-paint booths	10	15	54,841	5,201	3,642	326,615	898,191
Kirkpatrick Leather Company	Laredo	Leather goods	10	6	31,311	2,421	1,687	176,003	420,647
Midas-International Corp.	Big Spring	Recreational vehicles	150	311	\$ 987,936	\$106,395	\$ 63,766	\$ 5,871,530	\$ 17,086,152
Nipak, Inc.	Corsicana	Foam insulation	8	18	73,191	8,034	4,878	451,212	1,263,394
Stafford-Lowdon, Inc.	Harlingen	Check printing	40	38	148,923	14,684	9,537	707,864	2,180,221
Trussway Central, Inc.	Georgetown	Prefab sections for housing	25	27	92,490	8,422	7,483	679,255	1,657,382
TOTALS:**			2,337	2,703	\$10,082,928	\$915,510	\$700,010	\$68,929,949	\$172,320,668

Companies - 16

* Information not available.

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

SOURCE: NOVEMBER 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 Approves Loan For Trenton

(Continued from Page 1)

"We feel that this is a wise investment of state funds," said TIC Executive Director James Harwell. "Our computer impact analysis shows that the company will generate 77 spin-off jobs in addition to the 68 direct employment positions. The City of Trenton has only 700 people so the employment impact is large."

The firm's total annual economic impact is in excess of \$4½ million.

The Rural Loan Fund is administered by the Texas Industrial Commission from funds totalling \$600,000 appropriated by the 62nd Legislature. The state has loaned this entire amount. As loan repayments are made, the funds become available to other communities.

The House Subcommittee on the Texas Rural Industrial Development Act recently adopted recommendations which, if passed by the next Legislature, will increase the funding of the loan program by \$5 million.

"Of course, we would like to see the increased funding," Harwell said. "Although we have made eight loans creating 1,077 jobs under this program, we could do much more with additional funding."

6

Industrial Slide Presentations

(Continued from Page 4)

as a means of introducing the community — its amenities and capabilities — to the industrial prospect.

The sales team will probably follow-up with a "live" presentation which features specific information for a specific industrial prospect. The sales team's overall presentation might conclude with a tour of industrial sites, available industrial buildings and other select points of interest to the prospect.

It is absolutely necessary that the sales team rehearse its presentation. Elimination of errors and a professional appearance are obvious benefits of rehearsal. Most state

development agencies, by playing the role of the industrial prospect, will assist local sales teams with their rehearsal chores. The sales team might also consider practice sessions with a local industry official.

The industrial slide presentation is an important tool in the industrial profession. The presentation's greatest value is in the form of a marketing tool which assists industrial prospects in making rational decisions and capitalizes on the substantial degree of new plant locations which are based on non-rational decisions.

NEWS BRIEFS

(Continued from Page 2)

firm employs 20 skilled fabricators and assembly-line workers in the production of the trucks for use in oilfield exploration and development.

A final report on TIC's socioeconomic information system has been submitted to the Governor's Office of Budget and Planning in fulfillment of requirements for an Economic Development Administration planning grant. Efforts are underway to make the data system wide-

ly available through computer time-sharing.

TIC's Energy Utilization Department's workshop and seminar schedule for December is as follows: Heat Recovery Workshop, December 6, Dallas; Construction Machinery Seminar, December 7, Midland/Odessa; Paper Seminar, December 12, Dallas/Fort Worth; Construction Machinery Seminar, December 13, Houston; and Load Control and Life Cycle Costing Workshop, December 14, El Paso.

TEXAS INDUSTRIAL COMMISSION
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