



WYTHE Economic Development News

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
OF WYTHE COUNTY, WYTHEVILLE, AND RURAL RETREAT**

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Summer 2005



Note from the Executive Director

No future in manufacturing. The words appear on television and radio, in the national media, and even in the local newspaper. But are they true?

Indisputably, the U.S. has lost 2 million manufacturing jobs to off-shore migration, notably in the textile and apparel and furniture sectors. But gains as well as losses attend the process.

One winner is the consumer. Many Americans have seen living standards boosted by the lower prices arising from relentless global competition.

Some manufacturers are gainers, too. Companies responding to intense competition with innovative technology, requiring significant capital investment and skilled employees, can not only survive, but thrive. Wythe County boasts excellent examples of leading-edge technologies: KPA has some of the highest-speed production lines in rigid plastic film manufacturing, PBG prototyped its high-speed regional bottling facility for carbonated soft drinks and bottled water in Wytheville, and Wytheville Technologies applies world-class plating and machining technology to specialized markets. And, yes, the new Gatorade plant will launch highly efficient technology for achieving cutting-edge hot-process bottling.

Communities offering key competitive advantages that allow manufacturers to compete in a world market can also be winners. Especially attractive to communities, particularly in rural areas, are the attributes of high capital investment and a focused, skilled workforce. While the U.S. and Virginia each lost 15% of their manufacturing employment since the peak of the last business cycle, Wythe County has increased manufacturing jobs by 15% since January 2001. The average wage for these jobs is well above the average Wythe County wage.

Locally, manufacturing offers an attractive career option. The Wythe County Board of Supervisors is convening a meeting of the school board, Wytheville Community College, and the Joint IDA, with input provided by the Wythe Manufacturing Council, to address providing an adequate flow of

qualified candidates to fill jobs in this growing sector. Success in this goal will go a long way toward sustaining our local economic growth. For more information, see *Wythe Workforce: Opportunities/Challenges* at www.WytheIDA.org/whitepaper.pdf.

Alan Hawthorne

KPA Expands Rural Retreat Operations

Governor Mark Warner announced on July 19, 2005, that Klöckner Pentaplast of America (KPA) will expand its Rural Retreat operations. The expansion involves the installation of a new production center for FDA-regulated vinyl films for the pharmaceutical industry and other FDA-regulated industries. The expansion will create 54 new jobs through a \$17 million investment. Headquartered in Gordonsville, Virginia, KPA is the nation's largest manufacturer of high-quality rigid plastic film and serves sectors such as pharmaceuticals, food and beverage, and financial services. Governor Mark Warner approved a \$125,000 grant from the Governor's Opportunity Fund, and the Virginia Tobacco Commission added an additional \$125,000 to assist the project. The Virginia Department of Business Assistance will provide training assistance through its Workforce Services program. KPA becomes Wythe County's largest manufacturing employer with this expansion. KPA has operated its Rural Retreat facility since 1993 and underwent expansions in 2002 and 2004. Virginia successfully competed against Ohio and West Virginia for the project. The complete press release is online at www.yesvirginia.org/About_Us/NewsArticle.aspx?newsid=725.

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www.WytheIDA.org

NASCAR Driver Breaks Ground for Gatorade

Over one hundred local residents joined PepsiCo executives and state officials on June 21 for the Gatorade ground-breaking ceremony in Progress Park. NASCAR driver Matt Kenseth, one of whose sponsors is Gatorade, drove the bulldozer and signed autographs for fans. Deputy Secretary of Commerce and Trade John Sternlicht presented PepsiCo officials with a Virginia flag that had flown over the state capitol, and Wythe County Board of Supervisors Chair Bucky Sharitz presented a copy of *Wythe County, Virginia: A Bicentennial History*. The ceremony concluded with Gatorade President Chuck Maniscalco leading a toast of Gatorade and Propel bottles. PepsiCo announced its plans to construct the 922,000 sq. ft. facility on Lot 12 in Progress Park earlier this summer. The plant will serve the company's growing market for sports drinks in the Mid-Atlantic region and will eventually create 250 jobs and represent a \$140 million capital investment for the local economy. Grading of the 134-acre site is underway, and infrastructure is being deployed to serve the site.



NASCAR driver Matt Kenseth autographed towels for fans.



Deputy Secretary of Commerce and Trade John Sternlicht joins Gatorade President Chuck Maniscalco and Matt Kenseth in a toast.

VEDP Board Selects New Executive Director as Mark Kilduff Retires

VEDP Executive Director Mark Kilduff is retiring after more than 30 years of service in economic development to the Commonwealth of Virginia. Mark is a long-time friend to Wythe County and will certainly be missed. We wish him the best in his well-earned retirement.



Mark Kilduff at PBG dedication.

Following an intensive search, the Virginia Economic Development Partnership board of directors has chosen Jeffery Anderson as the new executive director of VEDP. He is currently serving as executive vice president for global integration at BearingPoint. We look forward to working with Jeff and the entire VEDP team to bring continued economic development successes to Wythe County. For the full press release announcing the appointment, see http://www.yesvirginia.org/About_Us/NewsArticle.aspx?newsid=731.

Assistance Offered to Local Industries

The Virginia Department of Business Assistance offers training assistance through its Workforce Services Division. The program partially reimburses qualified companies for expenses incurred while hiring and training new employees. Some companies may qualify for the program by creating as few as five new jobs. A retraining program is also available. Wythe County has traditionally been one of the localities that takes greatest advantage of this program. If you expect to be expanding your operations in the near future, give the Joint IDA a call at (276) 223-3370 for more details.

Regional Unemployment Rates

Location	April-04	April-05	May-04	May-05	June-04	June-05
Wythe	4.0%	3.6%	4.5%	3.8%	4.7%	4.1%
Bland	4.2%	3.6%	4.7%	4.0%	5.1%	4.4%
Smyth	4.8%	4.3%	5.3%	4.5%	5.7%	4.8%
Carroll	4.3%	5.0%	4.3%	5.2%	4.8%	5.4%
Grayson	4.1%	4.1%	4.5%	4.4%	5.2%	4.7%
Pulaski	5.7%	4.2%	6.5%	4.4%	6.3%	4.6%
Galax	4.5%	4.7%	4.7%	4.4%	5.0%	4.8%
Virginia	3.4%	3.4%	3.7%	3.6%	4.0%	3.8%
US	5.4%	4.9%	5.3%	4.9%	5.8%	5.2%

Presentations Available

If your civic or other community group would like to have a presentation on Progress Park or on Wythe County economic development in general, please contact the Joint IDA office to schedule a presentation for your organization.

Wythe Economic Development News is published quarterly by the Joint Industrial Development Authority of Wythe County to inform interested parties of industrial development activities in the county and its incorporated towns. If you are not on the distribution list and would like to be added, please let us know at JointIDA@wytheville.org or call 276-223-3370.