

More Than Energy Providers:

Call Utilities First In Your Site Search

Growing a business takes time, effort and resources. Don't overlook a key partner who can simplify the entire process. When you're ready to expand, call a utility economic developer first.

Utilities are much more than energy providers. They are uniquely equipped to help companies make faster, smarter and cost-effective location decisions. As major businesses in their communities, utilities understand issues that impact the bottom line. They regularly track details on crucial location factors like infrastructure, work force, training, education, taxes, financing, operating costs and environmental issues. And utilities will share this information with growing businesses. Utilities cannot simply "pack up" their pipes and wires and move to a new location.

They have a vested interest in supporting the area's economic vitality.

Growing businesses can easily connect with local utilities through the Utility Economic Development Association (UEDA). More than 75 companies comprise this international pool of economic development experts who are prepared to help you simplify your site search.

Experts Meet Business Needs

Success often depends on "knowing the right people." Nancy Norr, Minnesota Power's manager, economic development and UEDA secretary, knows the right people — and she recruited them to help Metalrecovy Corp. locate and lease a manufacturing facility in Superior, Wis.

"Nancy introduced us to all the right

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economic and community development professionals in the area," said Len Frame, Chairman and CEO of Phoenix Solutions Co., parent company of Metalrecovy. "She quickly made contacts and pulled together a team of experts who focused on us — putting in the time and effort it took to work



Ground-breaking ceremony for a new McElroy Metal plant in Mauston, Wis.

out the details and make our project a reality."

Metalrecovy uses a unique process to recover copper and zinc from brass waste. Initially, only hot processing procedures were planned for the Superior facility. As the project progressed, the company realized they needed to add cold processing to the mix, according to Frame.

"Introducing a new process changed our business needs significantly, but Minnesota Power remained supportive, patient and helpful throughout the gestation period," Frame said. "We would not have been able to make this project happen without them."

Minnesota Power also played an instrumental role in helping Frame obtain financing for the project.

"Nancy connected us with several

local banks and identified other potential funding sources," Frame said. "In essence, she connected us with even more people who could streamline the process for us."

Several community development organizations, Douglas County, Northwest Wisconsin Business Development and Minnesota Power provided a term loan supplying one-third of the capital needed for Metalrecovy to reach profitable operation. This was an important

step that closed the loop and pulled the 18-month project together, Frame noted.

"A project like this doesn't happen overnight," Frame said. "Nancy beautifully orchestrated a complicated process."

Easy Access to Suitable Sites

Finding the right site could be as cumbersome as finding a needle in haystack.

Or it could be a slick, streamlined process — especially if you work with a utility, like ComEd, that offers a detailed buildings and sites database.

Bob Ady, site selector and president of Ady International, recently tapped into ComEd's database. It helped him and NDK, a synthetic crystal manufacturing company from Japan, select a site in Belvidere, Ill. NDK needed a 10-acre site, but there were more than 150 of those sites in their final search area, according to Ady.

"It would have taken a tremendous amount of time to thoroughly research 150 sites," Ady said.

"Instead, we accessed ComEd's detailed, current database of available sites, identified those that best met NDK's requirements and then followed up on sites that were most

appealing.”

“The database was easy to use and offered a wealth of information, including zoning designations, property owners and infrastructure specifications,” Ady said. “It was a huge time saver.”

With many of today’s expansions on the fast track, utility involvement can make a big difference in meeting tight deadlines.

“Utilities are a great source for quickly obtaining upfront information,” Ady said.

UEDA offers a Site Locator feature at www.utilityeda.com to help explore available sites and buildings anywhere in the United States. Site Locator provides a direct link to available buildings and sites tracked by member utilities across the nation. Click on a target state and link directly to UEDA members’ buildings and sites data. Photos and maps are available for some locations.

“UEDA’s Site Locator puts valuable information about facility size, cost, incentives and other amenities right at your fingertips,” said Norman Carter,

principal business process consultant at Pepco and UEDA president. “This is a sophisticated, convenient way for business owners to see what is available and evaluate their options.”

Direct Route to Details

Knowledge is powerful. This is particularly true when planning a business expansion. The more details you have, the better you can compare attributes and make a good location decision. And utilities have a track record of providing high-quality information.

When John Turley, CFO of McElroy Metal, was assigned to find a Midwestern location for the company’s new manufacturing plant, he knew he needed to identify someone knowledgeable about a large geographic area. Turley connected with Steve Peterson, Alliant Energy’s economic development director and UEDA member.

“I knew I was in good hands early on,” Turley said. “Steve essentially served as our site selector, guiding us and providing all the details we needed.”

Alliant’s service territory covers portions of Illinois, Minnesota, Iowa and Wisconsin — the same areas Turley was considering for the new plant. With extensive experience in these states, Peterson was able to quickly get the facts Turley needed to select a location.

“Steve served as a one-stop shop for vital information in four states that we needed during our site search,” Turley said. “He really listened to our needs, then went ‘above and beyond’ to gather information on taxes; labor availability and quality; wage rates; community incentives; and transportation. From day one, he was determined to find us a location that offered the best mix of the things we needed and valued.”

Peterson also teamed up with local economic development professionals and coordinated 12 site visits across the search area.

“Steve works with many communities that are home to different types of industries, so he was able to connect us with the communities that were best

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positioned to meet our needs,” Turley said. “The search would have taken three or four times as long without Steve’s help.”

The new McElroy Metal plant in Mauston, Wis., is expected to start operating in February 2003.

“Steve led us through a very thorough selection process,” Turley said. “We’re quite comfortable with our location decision.”

Overcoming Environmental Barriers

What’s in the water? It’s important to find out when you’re considering a site or building.

Jim Spencer, CEO of Bridgestone Custom Homes, LLC (BCH), overcame environmental challenges with the help of Georgia Power’s economic development department.

Georgia Power and Georgia’s Industry Trade and Tourism Department helped Spencer identify a facility in Columbus, Ga., that was a good fit for his manufacturing company. But a site assessment indicated the groundwater was contaminated. It could have required the site be listed as hazardous with Georgia’s Environmental Protection Division, according to Charles Stallworth, Georgia Power’s economic development project manager and UEDA member.

“This could have been a major stopper,” Spencer said. “Georgia Power’s environmental affairs department, the Georgia Resource Center, City of Columbus and Columbus Chamber of Commerce really stepped up to the plate, recommended more detailed testing to ensure the site was safe and helped us cut through the red tape that ensued. They drew on their past experience to resolve this issue and keep our project moving forward.”

Utilities are excellent sources for working with companies to determine if sites are environmentally sound. They can help ensure soil types and other physical characteristics of a site are suitable for manufacturing or other types of activities.

“We were fortunate to have Georgia Power and the rest of the team help us through the twists and turns we encountered with this project,” Spencer said. “Utilities are a great

resource to have when you’re relocating — I wish I would have known about this valuable partner years ago.”

Improving Energy Efficiency

Operating a business is costly. Tapping into utilities’ resources and expertise can help companies gain efficiency and save money.

Richard DuPont, vice president and general manager of Mirror Polishing and Plating Co., Inc. (MPP), is a strong advocate for partnering with utilities to improve processes and energy efficiency.

“We’ve been in Waterbury, Conn., for nearly 50 years — and a main reason we stay is the beneficial partnership we have with Connecticut Light and Power,” DuPont said. “They have definitely taken action to help us grow and remain competitive.”



Connecticut Light and Power Co., a subsidiary of Northeast Utilities, provided about \$150,000 through its Energy Action Program to help MPP install energy-efficient equipment that will cut costs, according to DuPont.

“We’re a large user of electricity, so these improvements will make a big difference to our bottom line,” DuPont said. “Connecticut Light and Power is always ready to support us and share new programs or strategies that could save us money.”

MPP worked with Connecticut Light and Power to complete a detailed engineering study that identified measures MPP can take to further reduce electricity costs. The utility also helped fund flow studies to determine ways

MPP could make manufacturing processes more efficient.

“Connecticut Light and Power’s support, commitment and investment in our growth has been tremendous,” DuPont said. “We’ve been courted by several other states to relocate. Even though a Southern or Midwestern site would give us a more central location to our customers, we’re not willing to give up our partnership with Connecticut Light and Power.”

Quick Answers

When you need quick answers to your site search questions, remember to contact your local utility. UEDA members are a one-stop source for vital information on:

- Labor (skill levels, wages, work ethic, turnover rates, worker training incentives, etc.).
- Infrastructure (transportation, utility service and costs, etc.).
- Taxes (rates, policies, trends, etc.).
- Workers’ compensation, unemployment insurance and other operating costs.
- Financing (loan options, state programs, etc.).
- Housing costs and availability.
- Environmental issues (regulations, permits, etc.).
- Educational opportunities (K-12, technical colleges, universities, etc.).
- Quality of life (services, recreation, activities, etc.).

For More Information

Formed in 1997, UEDA is an international organization governed by a 20-member board of directors.

UEDA equips utility economic developers with knowledge and tools they need to work with state and local economic developers to: 1) help existing business grow and thrive, 2) facilitate new investment to increase the tax base and create new jobs and 3) increase awareness of utility economic development and how it contributes to the economy.

To learn more about how UEDA members can help your business grow, visit: www.utilityeda.com or contact Executive Director Cindy Marzofka by phone: 608-246-0333 or e-mail: execdir@utilityeda.com.