



COMMONWEALTH of VIRGINIA
Office of the Governor

Michael J. Schewel
Secretary of Commerce and Trade

October 21, 2004

The Honorable John H. Chichester
Chairman, Senate Finance Committee
Senate of Virginia
Post Office Box 904
Fredericksburg, Virginia 22404-0904

The Honorable Vincent F. Callahan, Jr.
Chairman, House Appropriations Committee
House of Delegates
Post Office Box 1173
McLean, Virginia 22101

The Honorable Harry J. Parrish
Chairman, House Finance Committee
House of Delegates
8898 Bond Court
Manassas, Virginia 20110-4327

Dear Messrs. Chairmen:

I am writing to report on the grants that have been awarded during the third quarter of the 2004 calendar year as required by § 2.2-5103(D) of the Code of Virginia.

For the third quarter ending September 30, 2004, a total of \$2,900,000 was committed from the Virginia Investment Partnership Fund to assist three Tier One manufacturers expanding in the state through a capital investment of at least \$25 million. In the Tier Two category (over \$100 million in capital investment and at least 1,000 new employees or corporate headquarters and other basic employers that make a capital investment of at least \$100 million and create at least 400 jobs paying at least twice the prevailing average wage for the area), one grant was awarded during this time period in the amount of \$8,000,000.

Tier One:

1. **Wyeth Pharmaceuticals**, a pharmaceutical manufacturer, is located in Henrico County. Awarded a \$2,000,000 grant, the company will be making a \$30.4 million investment and saving 900 jobs (retraining of 110 jobs) by the end of 2005.

2. **Adolph Coors Company**, a manufacturer of beverages, is located in Rockingham County. Awarded a \$500,000 grant, the company will be making a \$158.4 million investment and creating four jobs by the end of 2007.
3. **Morningstar Foods, LLC**, a manufacturer of dairy and non-dairy based products, is located in Rockingham County. Awarded a \$400,000 grant, the company will be making a \$49 million investment and creating 50 jobs by the end of 2005.

Tier Two:

1. **Booz Allen Hamilton**, a provider of consulting services, is located in Fairfax County. Awarded a \$8,000,000 grant, the company will be making a \$133 million investment and creating 3,700 jobs (a \$9,000,000 grant will be awarded if 4,600 jobs are created) by the end of 2007.

For the third quarter of the 2004 calendar year, there were no actual disbursements from the Fund, as the payments only begin in the sixth year (or in the fourth year for manufacturers in fiscally distressed areas) after the investment is actually made. Funds to meet the Tier Two award must be specifically appropriated for payment beginning in the sixth year after the investment is made.

Yours very truly,

Michael J. Schewel

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cc: Mr. Mark R. Kilduff
Executive Director
Virginia Economic Development Partnership