



COMMONWEALTH of VIRGINIA  
*Office of the Governor*

Michael J. Schewel  
Secretary of Commerce and Trade

July 14, 2005

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 second quarter of the 2005 calendar year as required by § 2.2-5103(D) of the Code of Virginia.

For the second quarter ending June 30, 2005, a total of \$1,500,000 was committed from the Virginia Investment Partnership Fund to assist one Tier One manufacturer 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), there were no grants awarded.

Tier One:

1. **PepsiCo, Inc.**, a manufacturer of beverages, is expanding in Wythe County. Awarded a \$1,500,000 grant, the company will be making a \$140 million investment and creating 250 jobs by the end of 2012.

Tier Two:

There were no Tier Two grants awarded this period.

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For the second quarter of the 2005 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

/vjn

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