



COMMONWEALTH of VIRGINIA

Office of the Governor

Mark R. Warner
Governor

January 18, 2005

The Honorable John H. Chichester
Chairman
Senate Finance Committee
Senate of Virginia
Post Office Box 396
Richmond, Virginia 23218

The Honorable Harry J. Parrish
Chairman
House Finance Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

The Honorable Vincent F. Callahan, Jr.
Chairman
House Appropriations Committee
Virginia House of Delegates
Post Office Box 406
Richmond, Virginia 23218

Dear Messrs. Chairmen:

I am writing to provide documentation of the transactions of the Governor's Opportunity Fund that have occurred during the first half of the 2005 fiscal year as required by § 2.2-115(F) of the Code of Virginia.

For the first half of the 2005 fiscal year, ended December 31, 2004, a total of \$4,150,000 was committed from the Opportunity Fund to assist 12 projects relocating to or expanding in the state. Summaries on these projects follow:

1. City of Norfolk: **Trader Electronic Media** will expand its facility in the City of Norfolk to include its division headquarters. This expansion will create 600 jobs and an investment of \$51 million (amount of grant: \$1,000,000; use of grant: site acquisition and build-out costs). This project has been announced.
2. Culpeper County: **Merillat Industries**, a manufacturer of kitchen cabinets, will expand its Culpeper County facility. Merillat will create 140 new jobs and invest \$13.4 million (amount of grant: \$150,000; use of grant: site preparation). This project has been announced.
3. Grayson County: **Universal Food & Beverage Company** processes, packages, and distributes bottled water. Universal will locate a new facility in Grayson County. Total investment is \$6.9 million, with 151 new jobs being created (amount of grant: \$150,000; use of grant: building improvements and upfits). This project has been announced.
4. Greensville County: **Food Tech International, Inc.** will locate a new facility in Greensville County. Food Tech is a manufacturer of vegetarian and soy food products. This location will create 80 jobs, and investment will total \$4.5 million (amount of grant: \$300,000; use of grant: building acquisition). This project has been announced.
5. Fairfax County: **IBM Corporation** will expand its existing facility in Fairfax County. IBM is a provider of consulting services and will create 1,250 new jobs. Investment will total \$10 million (amount of grant: \$600,000; use of grant: infrastructure improvements and training). This project has been announced.
6. Franklin County: **CTS&I Millwork, Inc.** will locate a new facility in Franklin County. CTS&I is a manufacturer of architectural trim and casework products and will create 100 jobs. Investment will total \$3.9 million (amount of grant: \$100,000; use of grant: building improvements). This project has been announced.

7. Arlington County: **Corporate Executive Board** will locate its headquarters facility in Arlington County. Corporate Executive Board provides best practices research and analysis to more than 1,900 of the world's largest and most prestigious corporations. Corporate Executive Board will create 1,610 new jobs and invest \$227.4 million (amount of grant: \$1,000,000; use of grant: site development and improvements). This project has been announced.
8. City of Bristol: **Snack Alliance, Inc.**, a manufacturer of potato chips, will locate a new facility in the City of Bristol. Total investment is \$9.8 million, with 95 new jobs being created and 85 jobs being saved (amount of grant: \$225,000; use of grant: building improvements). This project has been announced.
9. Botetourt County: **Arkay Packaging Corporation** will expand its existing facility in Botetourt County. Arkay is a manufacturer of packaging for the cosmetics and pharmaceuticals industry. This expansion will create 75 jobs, and investment will total \$11 million (amount of grant: \$50,000; use of grant: building improvements). This project has been announced.
10. Greensville County: **Toll Brothers, Inc.** will expand its existing facility in Greensville County. Toll Brothers is a manufacturer of wooden wall panels, trusses, and building lumber. This company will create 100 new jobs, and investment will total \$5 million (amount of grant: \$300,000; use of grant: building construction). This project has been announced.
11. Scott County: **Midpaco**, a manufacturer of paper products, will locate a new facility in Scott County. Midpaco will create 140 new jobs (in addition to saving 33 existing jobs by acquiring an existing company, Mid-Atlantic Paper). Investment will total \$3 million (amount of grant: \$175,000; use of grant: site and building improvements). This project has been announced.
12. Mecklenburg County: **RD Group LLC**, a linen and uniform rental service, will locate a new facility in Mecklenburg County. RD Group will create 55 new jobs and invest \$8 million (amount of grant: \$100,000; use of grant: site work and building improvements). This project has been announced.

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For the projects which have been announced, I am enclosing a profile, an analysis and recommendation by the Virginia Economic Development Partnership, and a scoring sheet.

For the first half of the 2005 fiscal year, actual disbursements from the Fund were made to the City of Norfolk for CMA CGM; the City of Newport News for Siemens VDO Automotive; the City of Galax for Consolidated Glass and Mirror; Isle of Wight County for Cost Plus; the City of Radford for Kollmorgen; Smyth County for Utility Trailer; Tazewell County for Blue Ridge Wood Products; and Botetourt County for Altec Industries. Actual disbursements totaled \$1,825,000.

Sincerely,

Mark R. Warner

MRW/vjn

Enclosures

c: The Honorable Michael J. Schewel
Secretary of Commerce and Trade

Mr. Mark R. Kilduff, Executive Director
Virginia Economic Development Partnership