



COMMONWEALTH of VIRGINIA

Office of the Governor

Patrick O. Gottschalk
Secretary of Commerce and Trade

July 9, 2008

The Honorable Charles J. Colgan
Chairman, Senate Finance Committee
Senate of Virginia
10677 Aviation Lane
Manassas, Virginia 20110

The Honorable Lacey E. Putney
Chairman, House Appropriations Committee
House of Delegates
Post Office Box 127
Bedford, Virginia 24523

The Honorable Harry R. Purkey
Chairman, House Finance Committee
House of Delegates
2352 Leeward Shore Drive
Virginia Beach, Virginia 23451

Dear Messrs. Chairmen:

I am writing to report on the grants that have been awarded during the second quarter of the 2008 calendar year as required by § 2.2-5103(D) of the Code of Virginia.

For the second quarter, ending June 30, 2008, there were two Virginia Investment Partnership (formerly Tier One) grants awarded. In the Major Eligible Employer (formerly 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 was one grant awarded.

Virginia Investment Partnership (formerly Tier One):

1. **Industrial Resource Technologies, Inc.**, located in Gloucester County, is a recycler of toner cartridges for Canon Virginia, Inc. Awarded a \$500,000 grant, the company will be making a \$29 million investment and creating 30 new jobs by the end of 2012.
2. **Goodyear Tire and Rubber Company**, located in the City of Danville, is a manufacturer of tires. Awarded a \$1,500,000 grant for the expansion of its aviation tire line and a \$1,500,000 grant for the expansion of its MRT operations, the company will be making a \$200 million investment by the end of 2012 and saving 2,250 jobs for Virginia.

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Major Eligible Employer (formerly Tier Two):

1. **Canon Virginia, Inc.**, located in the City of Newport News, will expand to include the first phase of its chemical manufacturing operations, its automated manufacturing research and development, and the North American Market Engineering Technical Center. Awarded a \$20 million grant, the company will be making a \$623.5 million investment and creating 1,035 new jobs by the end of 2012.

For the second quarter of the 2008 calendar year, there were no Virginia Investment Partnership grant disbursements from the Fund. Payouts of Major Eligible Employer grants will begin in the sixth year following approval of the grant application, except that in fiscally stressed areas, payouts can begin in the fourth year after the capital investment is completed and verified.

Sincerely,

Patrick O. Gottschalk

POG:kme

cc: Mr. Jeffrey M. Anderson
Executive Director
Virginia Economic Development Partnership