



# VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP

**ANNUAL REPORT  
FISCAL YEAR 2013**



**VIRGINIA ECONOMIC  
DEVELOPMENT PARTNERSHIP**

**[YESVIRGINIA.ORG](http://YESVIRGINIA.ORG)**

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Audited Basic Financial Statements of the Virginia Economic Development Partnership  
for the Year Ended June 30, 2013

## Partnership Profile

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As Chairman, I am very pleased to present to you the Annual Report of the Virginia Economic Development Partnership (VEDP) for the fiscal year ending June 30, 2013. This report is required by the *Code of Virginia*, and by Chapter 806 of the 2013 Acts of Assembly, and it is well worthy of your reading, reference, and continued support.

All of us associated with VEDP are extremely proud of our accomplishments over the past year. The interest, participation, and support from Governor McDonnell and his Administration, the important work of the General Assembly, and the many efforts by local and regional economic development organizations were all critical to our success. As well, it is important to highlight the vital work of the VEDP staff that provides the primary thrust to achieve the mission and vision; their unflinching dedication and considerable hard work consistently make all the difference.

Despite the challenges of this present day, all of us look toward the future with great optimism of engaging the global economy more than ever before, by cultivating new business investment and certainly by encouraging and supporting the expansion of existing business. We are fully committed to continuing that work and the work of creating new jobs and meaningful investment in the Commonwealth, especially in needful rural areas and urban cores. As well, we are focused on increasing our volume of sales of Virginia's goods and services abroad. The collective efforts of all associated with the VEDP, complemented by the Board's increased involvement with urban growth and rural development strategies, will enhance the Commonwealth's profile and continue to assure its distinction as the Best State for Business.

Our 2013 Financial Statements Report for the year ended June 30, 2013, includes an unqualified audit opinion from the Auditor of Public Accounts. The Auditor also issued a separate report on the Partnership's internal controls and compliance dated October 8, 2013, with no findings identified in this report.

Thank you for your continued support to our efforts. Our mission is to enhance the quality of life and raise the standard of living for all Virginians. We strongly believe that "the best is yet to come".

Sincerely,



**John F. Malbon**  
Chairman

# Partnership Profile

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## The Virginia Economic Development Partnership

In 1995, the General Assembly created the Virginia Economic Development Partnership (VEDP) to foster increased expansion of the Commonwealth's economy. As a state authority, the Partnership is governed by a 25-member Board comprised of businesspersons from around Virginia: 19 appointed by the Governor, four by the Speaker of the House, and two by the Senate Rules Committee. The six citizens appointed by the General Assembly must reside in regions of the Commonwealth that have a higher unemployment rate than the statewide average. The President and Chief Executive Officer is employed by the Board to oversee the fulfillment of VEDP's mission.

### Mission

To enhance the quality of life and raise the standard of living for all Virginians, in collaboration with Virginia communities, through aggressive business recruitment, expansion assistance, and trade development, thereby building the tax base and creating higher income employment opportunities.

### Functions

As a business development and marketing organization, VEDP encompasses the following aspects of economic development: business recruitment and expansion, international trade, research, and promotion.

## Partnership Profile

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### **Central Office**

#### **Richmond Office – Headquarters**

P.O. Box 798  
Richmond, Virginia 23218  
Telephone: (804) 545-5600  
Fax: (804) 545-5611

### **Virginia Offices**

#### **Eastern Region**

101 West Main Street, Suite 600  
Norfolk, Virginia 23510  
Telephone: (757) 314-2129  
Fax: (757) 683-8500

#### **Northern Region**

8300 Boone Boulevard, Suite 450  
Tyson's Corner, Virginia 22182  
Telephone: (703) 506-1030  
Fax: (703) 506-1033

#### **Northwest Region**

30 Ladd Road  
Fishersville, Virginia 22939  
Telephone: (540) 213-0267  
Fax: (540) 213-0268

#### **South Central Region**

4502 Starkey Road, SW, Suite 100  
Roanoke, Virginia 24018  
Telephone: (540) 772-3905  
Fax: (540) 772-3906

#### **Southwest Region**

16325 Taylor Place, Suite 300  
Abingdon, Virginia 24211  
Telephone: (276) 623-1536  
Fax: (276) 623-1542

### **International Offices**

#### **China and Southeast Asia**

Room 2209, 22/F  
3 Lockhart Road  
Wan Chai, Hong Kong

Telephone: 852-2862-8078

Fax: 852-2862-8034

#### **Europe**

Franzoesische Strasse 14  
D-10117 Berlin  
Germany

Telephone: 49-30-25565009

Fax: 49-176-78638217

#### **India**

Crystal Plaza, 607, B-Wing  
opposite Infinity Mall, Link Road  
Andheri West, Mumbai  
400053 Maharashtra, India  
Telephone: 91-773-873-0009

#### **Japan**

14th Floor, Kamiyacho Building  
4-3-20, Toranomom  
Minato, Tokyo 105-0001  
Japan  
Telephone: 81-3-5404-3424  
Fax: 81-3-5404-3401

#### **Mexico City**

German Centre  
Ave. Santa Fe #170, Suite 645  
Col. Lomas de Santa Fe  
01210 Mexico City, Mexico  
Telephone: 52-555-020-5033  
Fax: 52-555-020-5034

#### **United Kingdom**

Albany House, 3<sup>rd</sup> Floor  
207 Regent Street  
London, W1B 3HH  
Telephone: 44-20-7692-4847

## Board of Directors

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John F. Malbon, Chair  
Virginia Beach, Virginia  
Term Expires 12/31/13

Stephen R. Adkins  
Charles City, Virginia  
Term Expires 6/30/17

Robert G. Beck  
Williamsburg, Virginia  
Term Expires 12/31/17

Michael E. Bennett  
Alexandria, Virginia  
Term Expires 12/31/17

Edie M. Bowles  
Tappahannock, Virginia  
Term Expires 6/30/17

Russell B. Clark  
Charlotte, Virginia  
Term Expires 6/30/16

Mark D. Heath  
Martinsville, Virginia  
Term Expires 6/30/15

David Hudgins  
Glen Allen, Virginia  
Term Expires 12/31/17

Hugh D. Keogh, Vice Chair  
Midlothian, Virginia  
Term Expires 12/31/13

Chris A. Lumsden  
South Boston, Virginia  
Term Expires 6/30/16

Stuart S. Malawer  
Arlington, Virginia  
Term Expires 12/31/13

David Oliver  
Covington, Virginia  
Term Expires 6/30/15

Julien G. Patterson  
Chantilly, Virginia  
Term Expires 12/31/13

Dan M. Pleasant  
Danville, Virginia  
Term Expires 12/31/15

A. Carole Pratt, DDS  
Pulaski, Virginia  
Term Expires 12/31/15

Samuel A. Schreiber  
McLean, Virginia  
Term Expires 12/31/17

Donald W. Seale  
Norfolk, Virginia  
Term Expires 12/31/15

James E. Ukrop  
Richmond, Virginia  
Term Expires 12/31/15

Neil D. Wilkin, Jr.  
Roanoke, Virginia  
Term Expires 12/31/13

Ex-Officio:

The Honorable William T. Bolling  
Lieutenant Governor

The Honorable Richard D. Brown  
Secretary of Finance

The Honorable James S. Cheng  
Secretary of Commerce and Trade

Glenn DuBois  
Chancellor  
Virginia Community College System

The Honorable Todd Haymore  
Secretary of Agriculture and Forestry

The Honorable James Duffey  
Secretary of Technology

## Executive Summary

This annual report of the Virginia Economic Development Partnership (VEDP) is submitted pursuant to the requirements of § 2.2-2242 and § 2.2-2239 of the *Code of Virginia* and Chapter 806, Item 123 D.1 of the 2013 Acts of Assembly. The *Code* requires VEDP to report on the status of the Commonwealth's comprehensive economic development strategy, and specifically on the number of business prospect site visits per region of the Commonwealth. In addition, § 2.2-2238 B requires VEDP to prepare and report on the plan to market to high unemployment areas of the state, and Chapter 806, Item 123 D.2 of the 2013 Acts of Assembly requires target industries be identified for southwest and southside Virginia. This report responds to all of those requirements. In addition, the Authority's financial statements audited by the Auditor of Public Accounts for the fiscal year ended June 30, 2013 (FY 2013) are attached to this report.

This Annual Report documents the efforts of VEDP in fulfilling its mission during FY 2013. The body of the report is organized by the major components of the Partnership's mission statement. For each element of the mission statement, a summary of VEDP activities and division responsibilities is included, as well as a listing of FY 2013 accomplishments.

**“Pockets of the U.S. are primed for growth...Leading the way is Virginia which tops Forbes’ eighth annual list of the Best States for Business.”**  
--Forbes.com

The logo for Forbes magazine, featuring the word "Forbes" in a bold, serif font with a registered trademark symbol.

VEDP's report and plan to market to high unemployment regions of the state are included in Appendix 1 which meets the requirement articulated in § 2.2-2238 B of the *Code of Virginia* for VEDP to prepare and report on the plan to market to high unemployment areas of Virginia.

The next two appendices address Item 123 D.2 of the 2013 Acts of Assembly. The data on business prospect site visits per planning district is contained in the tables and maps of Appendix 2. Appendix 3 shows the number of sites and buildings recommended to prospects and provides the number of companies assisted with site and building recommendations.

VEDP monitors economic development activity in Virginia through its economic development announcements database. The database tracks direct investments and new jobs created in Virginia as a result of the announced plans of new and expanding companies. This information has been maintained, with modifications, since 1960. The data used throughout this report and summarized in Appendix 4 cover announcements made between July 1, 2012, and June 30, 2013. VEDP recorded the announcement of new and expanding facilities during the year. Appendix 5 sets out the number of announcements by Planning District Commission (PDC), both in terms of new facilities and expansions. This appendix also sets out the number of new jobs and amount of new investment by PDC. It is anticipated that from those announcements, a total of 17,123 new jobs will be created. In addition, these facilities will result in investments totaling \$3.4 billion. Thirty-four percent of the announcements were of employers locating in economically distressed areas. These announcements are expected to create 6,200 new jobs and make capital investments exceeding \$1.6 billion.

## Executive Summary

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This report is based on announcements of *planned* manufacturing and non-manufacturing capital expenditures and associated employment; many of the new facilities announced are not yet in operation. While the information indicates the kind of new economic activity occurring in the state, it does not measure total employment growth. Information for this report is obtained from the Virginia Economic Development Partnership's public and private sector contacts at state, regional and local levels, as well as from published sources and Partnership staff.

As noted above, VEDP is required by statute to report on the status of the Governor's comprehensive economic development plan. Upon taking office, each governor must develop a comprehensive economic development strategy. Governor McDonnell's first Executive Order in 2010 established the Governor's Commission on Economic Development and Job Creation. The Commission met throughout the course of 2010 and published its findings in October of that year. The Final Report of the Commission serves as the roadmap for the Commonwealth's comprehensive economic development strategy going forward. Work proceeds on all areas noted in the report. The full Commission report is accessible at [http://www.ltgov.virginia.gov/initiatives/jcc/JCC\\_final\\_report.pdf](http://www.ltgov.virginia.gov/initiatives/jcc/JCC_final_report.pdf).



## Business Expansion

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VEDP's primary role is to position Virginia's regions aggressively in the global market, to reinforce Virginia's support for businesses with a footprint in the Commonwealth, and to deliver the Virginia message effectively into business sectors that align with the Commonwealth's diverse array of assets. Results are measured by basic sector companies locating or expanding operations in Virginia, with the jobs and capital investment that brings; results are also measured by increasing the pipeline of leads. VEDP also measures results from activity that leverages Virginia's higher education assets, and results from its collaboration with other economic development allies at the local, regional and state level. VEDP markets Virginia to companies with an existing presence in the Commonwealth through its Gold Account and Referred Account strategies; and across the U.S. and world through its regional marketing approach, focusing on active geographic markets, internationally and domestically. Within these geographies VEDP focuses on sectors in which the Commonwealth's assets match sector needs, including Advanced Manufacturing Food & Beverage, Information Technology, Aerospace, Federal, Logistics, Energy and Life Sciences. Special audiences include site selection consultants in the target sectors, and "Gold Accounts" which are key long-term corporate accounts.

Consistent with its mission statement, and focused on lead generation, VEDP approaches its markets collaboratively, aligning its outreach efforts with regional and local partner strategies, to maximize the use of available marketing resources and create a stronger Virginia message in the marketplace. VEDP also partners with universities, institutes, business associations and other state agencies to leverage their connectivity in the target markets. VEDP reaches its clients through a variety of tactics, including a lead-generation campaign, geographic marketing missions, industry conferences, business associations and related events, existing business roundtables, and special events. Successfully implementing VEDP's marketing efforts involves the coordination of electronic and social media strategies, CEO target campaigns, trade journal advertising, in-state business publication advertising, media tours, customer call center support, and customized presentation materials including site studies and proposals. In FY 2013, VEDP continued to leverage the Office of the Governor, Lieutenant Governor and Cabinet Secretaries to reach out to corporate prospects and to key Virginia-based companies.

In addition to positioning Virginia with target clients and sectors, VEDP plays a key role in managing projects to successful site location decisions for Virginia. VEDP serves as the primary portal to state, regional and local resources by using its team members as a concierge service to engage strategic partners, coordinate site visits for clients to evaluate Virginia's product and assets and prepare customized responses for these project opportunities. In addition, VEDP works directly with companies in structuring financing transactions to meet corporate capital goals. VirginiaScan (VEDP's customized sites and buildings inventory and workforce tool) and resources developed by VEDP's sophisticated Geographic Information System (GIS) team are the technology platforms used to facilitate location decisions.

Any economic development marketing effort must fully understand and adequately present its product. VEDP thus maintains a comprehensive site and building inventory and detailed labor force data and customizes information for prospects to evaluate a location decision for Virginia. VEDP economists track trade data, capital investment, employment and competitive information on other states. VEDP also provides data used for producing various marketing materials and annual economic development publications. To support partners at the local level, VEDP offers two software tools: one is an ROI tool for localities to use in evaluating the economic impact of projects

## Business Expansion

in their communities; the second is ExecutivePulse, a contact management system that supports local and regional business retention and expansion programs.

### FY 2013 Accomplishments

Foreign direct investment announcements continued to be important in the growth of Virginia's advanced manufacturing sector. Significant announcements came from manufacturers with a presence in Virginia and were geographically distributed: Notable corporate announcements included Lipton Tea in Suffolk, which announced a \$96 million expansion and upgrade to its processing facility, sustaining 300 well-paying jobs. In central Virginia, hummus-maker Sabra Dipping Company announced the creation of 140 net jobs and an additional capital investment of \$86 million in Chesterfield County. Phoenix Packaging continued its stable upward trajectory by announcing a \$20 million expansion in Pulaski, creating another 100 new jobs.

#### Selected FY 2013 Project Announcements

Company	New Jobs	\$ Capital Investment (in millions)
Whitewave	36	\$69.80
HP Hood	75	84.00
Iluka Resources*	86	67.00
Raytheon IIS Headquarters	90	5.50
Celanese*	22	145.00
JTI*	10	7.50
Lipton*	0	96.00
Microsoft Data Center*	30	348.00
Amazon Web Services	500	9.50
Navy Federal Credit Union	400	20.00
Phoenix Packaging*	100	20.00
Genetworx	200	3.00

\*high unemployment community locations

Existing industry retention and growth: Expansions of existing companies in Virginia represented a significant pipeline in Virginia's active projects and decisions for Virginia this year, representing over 73% of announced capital investment and over 70% of announced new jobs. In addition to the internationally-headquartered companies shown in the previous paragraph, companies such as Raytheon, Celanese, and Microsoft all continued to reinvest. Raytheon announced the location of the headquarters for its Intelligence, Information and Services Business in Loudoun County. Microsoft announced the expansion of its

Mecklenburg County data center with an additional \$348 million and 30 new jobs. Giles County-based Celanese announced a new investment of \$145 million and 22 new jobs. Retaining and growing strong companies like these will continue to be a focus of VEDP and its allies as the economy continues its challenge to rebound. VEDP's Business Expansion Department focuses solely on Virginia's existing businesses through a unique outreach program designed to proactively communicate with these businesses.

Research-based opportunities grow: HDL (Health Diagnostic Laboratory), born and bred in the City of Richmond, continues to be an outstanding example of the growth of gazelles in Virginia. HDL announced an additional 45 new jobs as it continues to provide clinical laboratory, diagnostics, and clinical trial services throughout the world. RedHat continues to be an outstanding growth company,

## Business Expansion

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adding another 100 jobs. Combined, the companies TroopSwap, Brainware, and Simventions added over 260 new jobs.

*Aggressive Implementation of Distressed Area Strategy Yields Results:* VEDP places special emphasis on technical support for positioning the Commonwealth's emerging communities and regions for market visibility. The Business Expansion Department traveled to and presented market information to more than 65 rural localities during the fiscal year, including the Eastern Shore, Northern Neck, Middle Peninsula, the Shenandoah Valley and southern and southwestern Virginia. In addition, the Business Expansion Department created a regional outreach program that affiliates individual Business Expansion managers with a region of the Commonwealth, to serve as that region's liaison to services and products within VEDP, and to be an advocate for the region within VEDP and other state agencies. Three of the Business Expansion managers are field-based in rural areas of southern and southwestern Virginia.

To further reiterate VEDP's distressed area strategy, more than 69% of company prospect visits to localities in FY 2013 have been to high unemployment communities. The select announcement list on the previous page also denotes distressed region locations with an asterisk (\*).

*Virginia Incentives Produce Results:* Virginia awarded 24 Governor's Opportunity Fund (GOF) grants for a total of \$7.4 million. The 24 recipient companies are expected to make \$1.09 billion in capital investments and create 3,035 new jobs. Forty-two percent of these grant funds were awarded to economically-distressed localities.

During FY 2013, eleven Virginia Investment Partnership (VIP) grants were awarded totaling \$14.4 million. The projects are expected to create 960 new jobs, and bring \$1.05 billion in new capital investments. Forty-five percent of these grant funds were awarded to economically-distressed localities.

## Trade Development

VEDP's International Trade programs and services are designed to increase the international sales of Virginia manufactured products and services.

VEDP offers numerous programs including VALET, Global Network and trade missions to Virginia companies to increase their sales in the international marketplace.

### FY 2013 Accomplishments

#### Program Participation

##### Virginia Leaders in Export Trade (VALET) Program:

The VALET program selects 25 Virginia companies annually into a two-year intensive international sales training program. State resources are leveraged with private-sector contributions to take Virginia companies from being export-ready to actively selling internationally. This program offers a powerful

combination of capital resources from the state and professional services from private-sector partners to enhance the international efforts of Virginia companies. The VALET program has now entered its 11<sup>th</sup> year in operation, graduating 25 companies in FY 2013.

One-on-One Export Counseling: VEDP's seven International Trade Managers, located in five offices across Virginia, provide extensive international marketing assistance to Virginia businesses.

Group Trade Missions: VEDP - International Trade arranges trips for several companies to travel together to meet face-to-face with prospects. These potential buyers or distributors are pre-qualified, based on information provided by the Virginia business to meet their individual export market objectives. Language assistance, meeting facilitation, in-country transportation and networking receptions are other benefits. In FY 2013, VEDP conducted 11 trade missions internationally to promote Virginia products and services, with 71 companies participating.

Global Network: The Global Network is a group of in-country consultants contracted by VEDP in a number of foreign markets to conduct market research for Virginia companies, including searches for partners or customers and due diligence on potential foreign partners. In FY 2013, VEDP completed 321 market research projects for Virginia companies through the Global Network program. Approximately half of all Global Network projects resulted in a sale or a signed partner or distributor.

Internal Research: VEDP's Trade Research team completed 97 projects to help Virginia companies choose and enter a market, find a local partner and manage shipping, legal and payment issues.

#### **INTERNATIONAL TRADE HIGHLIGHTS**

- ◆ 25 Companies graduated from VALET.
- ◆ VEDP – International Trade's Research Team completed 97 internal research projects.
- ◆ VEDP completed 321 market research projects for Virginia companies through the Global Network.
- ◆ VEDP – International Trade led 11 Trade Missions with 71 companies participating.

## Trade Development

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*Virginia Conference on World Trade:* Each fall, VEDP – International Trade hosts the Virginia Conference on World Trade. In FY 2013, the conference theme was *Cultivating International Partnerships: The Key to Growing Your Business Internationally* and highlighted business opportunities for Virginia companies abroad. With The Washington Diplomat as a Minister level sponsor, last year’s conference attracted more than 225 attendees from around the world.

“Speaking with other VALET participants about their experiences, who they use for international resources, and partaking of relevant training has added tremendous value to our experience. I have described VALET as a program that is able to open doors in other companies and in other countries that would otherwise not be an option. Our participation in the VALET Program has made doing business internationally a proactive part of our marketing strategy. We now seek out opportunities to interact, rather than waiting for those opportunities to come to us.”

**Cynthia Rancourt,  
Director of Business Operations, Polymer Solutions, Inc.  
Blacksburg, Virginia**

# Business Attraction

## FY 2013 Accomplishments

### Governor's International Missions

Governor McDonnell, in supporting his jobs initiative, travelled with the VEDP international marketing team to Asia to proactively encourage business investment and job creation projects in Virginia.

In April, Governor McDonnell led an economic development marketing mission to California and Asia along with members of his cabinet, VEDP, Virginia Tourism Corporation, Virginia Port Authority and Virginia International Terminals, and the Virginia Department of Agriculture and Consumer Services.

The 16-day mission included meetings with companies in California looking to expand on the East Coast, as well as meetings with companies in China and Japan to discuss potential investment in the Commonwealth and trade opportunities with Virginia companies. The trip yielded positive announcements for two Virginia companies: Hamilton Beach Brands, Inc. and JTI Leaf Services. Hamilton Beach is expanding sales of its household electric appliances in China.

Governor McDonnell attended the signing of a contract between Chinese distributor Yingli and Yihaodian, the fastest-growing integrated ecommerce company, to sell Hamilton Beach products in China. Hamilton Beach is a current participant in VEDP's award-winning Virginia Leaders in Export Trade (VALET) program. The program helps established Virginia companies increase international sales.

JTI Leaf Services announced a \$7.5 million investment to upgrade equipment at its facility in Danville. Governor McDonnell met with officials from parent company Japan Tobacco while in Tokyo. Southern Virginia was selected for its rich history in tobacco production which includes an experienced workforce to support the industry.

Governor-led marketing missions provide a unique opportunity to promote Virginia's pro-business story on the international stage, and the Governor's presence can open doors at the highest levels to build relationships that win business for the Commonwealth.

The following announcements represent several important successes for the Business Attraction team during FY 2013:

**Liebherr Mining Equipment Newport News Company**, one of the world's leading manufacturers of construction and mining equipment and an acknowledged supplier of technically innovative products and services in other fields, will invest \$45.4 million to expand its operation in the City of Newport News and the City of Hampton. The project will create 174 new jobs over a 48-month period. Liebherr Mining Equipment Newport News Co. is an operating division of Liebherr-Mining Equipment SAS, a member company of the Liebherr Group. The location now serves as the North American headquarters for four operating companies.

### INTERNATIONAL HIGHLIGHTS

#### Year End Numbers

- ◆ 2,755 Jobs announced by International companies
- ◆ \$747.3 million in capital investment
- ◆ 30 Companies
- ◆ 17 different countries

## Business Attraction

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**Red Sun Farms**, a producer of high-quality hydroponic vegetables, will invest a total of \$30 million to establish its first U.S. high-technology greenhouse production operation in Pulaski County. The company will erect climate controlled greenhouses on 45 acres of land in the New River Valley Commerce Park to grow quality greenhouse grown vegetables, creating 205 new jobs within five years. Headquartered in Michoacán, Mexico, Red Sun Farms (Agricola El Rosal) was founded in 2001 as part of a family owned agro-industrial group.

**Greencore Group plc**, an Ireland-based, leading international manufacturer of convenience foods, will invest \$5.75 million to expand its first Virginia food processing facility in Stafford County following the April 2012 acquisition of the former Marketfare Foods, LLC. In addition to servicing Marketfare Foods' principal customer of 20 years, 7-Eleven, Greencore will also service a significant new contract from the Stafford County operation, creating 350 new jobs.

**Sabra Dipping Company**, the country's leading hummus manufacturer, will invest \$86 million to further expand its manufacturing capacity in Chesterfield County and add 140 new jobs over the next several years. This significant investment is in addition to recent facility enhancements announced last year as well as the establishment of a Center of Excellence for research and development on Sabra's campus. The latest expansion brings the total jobs announced for the Chesterfield operation to nearly 500.

## Promoting Virginia

VEDP plans, executes and manages various marketing outreach initiatives. VEDP implemented a major brand building advertising program, targeting domestic and international corporate decision-makers. VEDP employed a public relations plan to ensure placement of favorable articles in major business and trade publications, as well as coordinated all economic development press announcements. VEDP staff maintained an electronic marketing presence at YesVirginia.org and through the YesVA mobile application. Staff executed a comprehensive web-based marketing program to increase prospect traffic on YesVirginia.org and ensure priority rankings in major Internet search engines. In addition, VEDP utilized social media, to target individuals seeking information specifically related to economic development topics, thereby increasing dialogue with prospects and delivering value-driven communications. VEDP produces requisite marketing brochures and collateral materials, develops and executes strategic marketing campaigns that support the Partnership's strategic marketing initiatives, as well as manages special marketing events and industry trade show participation. VEDP performed telemarketing outreach to support lead generation efforts through appointment setting services. VEDP executed Governor-led marketing missions as a strategic component to Virginia's aggressive and pro-active approach to economic development.

### FY 2013 Accomplishments

Advertising Campaign: VEDP developed and executed an integrated advertising strategy, targeting a national and international audience. The media strategy included Forbes, Bloomberg/BusinessWeek, the Wall Street Journal (WSJ), Financial Times, Handelsblatt, Wirtshcaftwoch, Area Development, Site Selection Magazine and Google Adwords. The campaign delivered more than 27 million impressions and greatly outperformed the industry standard click-through-rate by more than six times. VEDP implemented a California media blitz in reaction to the state's passing of Proposition 30, which increased personal income and sales tax. The California campaign delivered nearly three million impressions and more than 4,500 visits to the YesVirginia.org website. It also included an iPod direct mail campaign to nearly 100 prospects. VEDP supported the China and Germany markets with targeted media purchases. The Partnership developed an interactive in-application advertisement that ran on the WSJ and Bloomberg/BusinessWeek's iPad news applications, engaging users to compare Virginia against the other 49 states on a variety of key business metrics. The in-app advertisements appeared more than 700,000 times and more than 19,000 comparisons were made. VEDP won awards at the 2012 Richmond Show, an award show produced by the Richmond Ad Club to celebrate the region's creative community by honoring exceptional work that has been produced over the previous year, for two of its creative executions in the interactive category for the YesVA app and the WSJ in-app advertising. During the advertising campaign, VEDP experienced tremendous growth in activity on the YesVirginia.org website, with monthly traffic nearly doubling and sometimes tripling from the previous year.

YesVA Mobile Application: VEDP continued to utilize and promote its YesVA mobile application. App downloads have reached nearly 1,000. The YesVA app provides users with the resources needed to make the most informed location decision for their business. The app provides detailed

<b>www.YesVirginia.org</b>	
<b>FY 2013 Usage Statistics</b>	
<b>Page Views</b>	<b>6,292,904</b>
<b>Avg. per Day</b>	<b>17,250</b>
<b>Visits</b>	<b>1,066,625</b>
<b>Avg. per Day</b>	<b>2,930</b>



## Promoting Virginia

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property information, photos, location data and community information on the client's iPhone, iPad or Android mobile devices.

*Governor-led Marketing Missions:* VEDP coordinated four trade and economic development marketing missions, including trips to United Kingdom, California, Asia and France. VEDP arranged 90 prospect meetings and/or special events during the missions.

*Trade Show Highlights:* VEDP exhibited at and/or sponsored ten industry trade shows or conferences this past fiscal year, including CoreNet Fall Summit; AWEA Offshore Wind Expo; Mid-Atlantic Bio; Power-Gen International; Automotive News World Congress; RILA Logistics, Plastics News Executive Forum; BIO International Convention; Paris Air Show; and MD&M East.

*Event Marketing Highlights:* VEDP hosted prospects and consultants throughout the year at events, including the Fall NASCAR race in Richmond, in partnership with the Henrico County Economic Development Authority; I/ITSEC Trade show, in partnership with the Secretary of Technology's office; Industrial Asset Management Council (IAMC); North American Open Squash Tournament, in partnership with the Greater Richmond Partnership; and Fancy Foods West, in partnership with Virginia's Gateway Region.

VEDP, in collaboration with the Japan-Virginia Society, also coordinated the logistics for the 23rd Annual Virginia Nippon Classic (VNC) business conference and golf tournament in June, which serves as a venue for welcoming Japanese corporate citizens to Virginia and expressing our appreciation of Japanese investment in the Commonwealth.

*Marketing Materials:* VEDP produced a variety of collateral pieces, including VEDP's Profile of Services, Map Out Your Success, and a special editorial section in a Chinese publication—Lens Magazine. VEDP produced four issues of its Commerce Quarterly newsletter and YesVirginia Insider e-newsletter.

*Social Media Highlights:* VEDP continued an aggressive social media marketing strategy that included a redesign of its blog, Facebook, and LinkedIn. VEDP saw a significant increase in membership of 36%, 52% and 191% on Facebook, LinkedIn and Twitter, respectively.

*Media Tour:* VEDP conducted a media tour highlighting Virginia's Composites industry. Journalists from *Plastics News*, *Aerospace Engineering*, *High Performance Composites* and *Composites Technology* magazines toured Virginia's assets.

*Telemarketing Outreach Campaigns:* VEDP implemented more than 20 telemarketing outreach campaigns, including four capture team programs, four call trips, five trade show and events, three geographic lead generation campaigns, direct mail initiatives, and ongoing database follow. VEDP's call center placed more than 63,000 calls resulting in 23 active opportunities, 150 appointments, 17 direct inquiries, and more than 150 event acceptances.

## Policy and Legislative Initiatives

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VEDP looks to find creative ways to improve Virginia's business climate and remain competitive in the global market through targeted policy, legislative and budgetary initiatives. VEDP has successfully advanced Virginia's economic development legislative agenda through the following items, some of which are critical components to encourage existing and new companies to do business in the Commonwealth.

### FY 2013 Accomplishments

VEDP worked with legislators and the Administration during the 2013 Virginia General Assembly session to enhance existing programs, fulfill commitments to existing companies, and bolster the climate for major economic development opportunities. VEDP also worked with the legislature to secure critical funding for economic development priorities under Governor McDonnell's 2013 Job Creation and Workforce Development Agenda. A few major accomplishments are highlighted below.

#### Provided Critical Support for Important Economic Development Initiatives

- VEDP advocated legislation to move the Virginia Jobs Investment Program (VJIP) from the Department of Business Assistance (DBA) to VEDP to streamline state incentive offerings, bolster our workforce development efforts, and decrease government inefficiencies. This effort was unsuccessful in the 2013 General Assembly session. However, budget language directs the Secretary of Commerce and Trade to review the uses of the sub-funds of VJIP with VEDP and DBA and report to the General Assembly by October 30 on any need or challenges to shift all or some of the VJIP program to VEDP. That study is underway and VEDP plans to seek similar legislation in the 2014 General Assembly session to continue to achieve this desired outcome.
- VEDP continued to support efforts to find new and better collaborations with other state entities. As a result, separate pieces of legislation passed that appointed the VEDP CEO to the State Council of Higher Education for Virginia, the Virginia Port Authority Board of Commissioners, and the newly-created Virginia Nuclear Energy Consortium. All of these assignments will lead to better connectivity for VEDP with ongoing workforce development efforts, marketing efforts at the Port of Virginia, and the marketing of Virginia's existing and growing energy assets.
- VEDP supported successful legislation that allows localities the option to set a lower personal property tax rate on computer equipment and peripherals used in a data center. This new option for localities is important to the data center industry in Virginia, which continues to thrive.
- VEDP supported Virginia's landmark transportation compromise bill which, among other provisions, eliminates the 17.5-cent state gas tax and replaces the gas tax with a percentage-based tax of 3.5% for gasoline and 6% for diesel fuel. The bill also increases the state sales tax and dedicates that new money to transportation. This legislation was essential for dedicating new revenues to transportation maintenance and future projects in Virginia, further advancing our infrastructure assets and therefore making the Commonwealth more attractive for new business investments or existing business expansions.

## Policy and Legislative Initiatives

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### **Secured Budget Items and Language for New and Continued Economic Development Efforts**

- Additional funding of nearly \$500,000 is provided in FY 2014 for a defense trade initiative for VEDP, which will allow the VEDP International Trade Department to provide targeted export assistance to defense contractors and subcontractors in Virginia. This program will provide much needed assistance to defense contractors as they face the uncertainty of federal defense spending cuts, and therefore a loss of their existing customer base, over the next few years.
- New budget language now allows VEDP to make Major Employment and Investment (MEI) Site Planning Grants to smaller development projects outside of the Tobacco Commission footprint. When funded, these grants will provide critical dollars for the development of mega sites to market to economic development prospects.
- Budget language directs VEDP, DBA, the Virginia Tourism Corporation, and the Innovative and Entrepreneurship Investment Authority (IEIA) to cooperatively develop a marketing campaign to attract and recognize entrepreneurs, small businesses, and emerging industry businesses and report to the Governor and the General Assembly by November 1 of this year on the particulars of such a campaign, including funding needs. This effort is one that will allow Virginia's marketing message to be more streamlined and therefore more cohesive to businesses looking to expand or relocate in Virginia.

# Performance Management

VEDP is committed to increasing the prosperity of all Virginians by providing new and better job opportunities and expanding the tax base through new investment. Mindful that public resources are used to help fulfill its mission, VEDP seeks to ensure this money is spent wisely and that the public receives a reasonable return on its investment. The following performance measures are an indication of VEDP's stewardship.

FY 2013 Key Performance Measures			
Performance Measure	FY 2013 Goal	FY 2013 Results	% of Measure
Investment by new or existing companies	\$3.5 billion	\$3.41 billion	97%
New jobs created by new or existing companies	18,800	17,123	91%
Companies actively counseled or participating in trade events	250	251	100%

## Return on Investment from VEDP Activities

Each year, VEDP calculates the public sector's return on investment in the Partnership's programs and activities. VEDP prepares a return on investment (ROI) analysis quarterly and reports this to the board of directors.

The ROI compares money spent on economic development (including VEDP operating costs and incentives such as GOF and the Virginia Jobs Investment Program) with the projected revenue stream generated by the new jobs announced in Virginia, using an appropriate multiplier.

## Return per Dollar of Money Spent on Economic Development (Present Value)

	10 Years	20 Years
<b>Total*</b>	\$17	\$35
<b>Direct</b>	\$10	\$20
<b>Indirect</b>	\$7	\$15

\*Totals are rounded to the nearest dollar.

## Appendix 1: High Unemployment Areas Report and Strategy

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During FY 2013, despite the economic crisis that impacted virtually every sector of the businesses which VEDP targets, the organization continued to build on its efforts to improve the opportunities for economic growth for Virginia's economically distressed areas – Virginia's "emerging communities" - through technical assistance, new investment, job creation and improved regional cooperation. While some areas continue to see declines in traditional natural resource-based and manufacturing industries, significant progress has been made in preparing these areas for the increasingly services-based and advanced manufacturing economy. VEDP has continued actively recruiting economic development prospects with plans tailored to existing workforce skills, infrastructure, and sites and buildings.

In response to a legislative mandate that requires target industries be identified for Southwestern and Southern Virginia, VEDP continued several program activities as outlined below. VEDP continues to maintain field-based representatives in Southern Virginia and Southwestern Virginia.

### FY 2013 Accomplishments

Assistance offered to communities from VEDP resources or in combination with other public and private organizations includes the following:

VEDP continues to maintain full-time professional staff in Southern and Southwestern Virginia. Two Business Expansion managers were field-based in southern Virginia (one full-time and one part-time), and one full-time field-based manager was located in southwestern Virginia. These managers focused on business expansion strategies, ally communication strategies, and higher education partnership strategies. In addition to these professionals, VEDP international trade staff is also field-based.

Decisions for Virginia/High Unemployment Regions: A major success in FY 2013 was the announcement that Celanese would invest significantly in its Giles County facility, creating an additional 22 jobs and an investment of over \$145 million. Mecklenburg County is again the recipient of continued investment by its major technology project, Microsoft. The company continues to expand its footprint in the County, adding another 30 jobs and investing over \$300 million.

In FY 2013, rural localities also saw growth in smaller, and existing, businesses. Highland County's Alleghany Highlands Agriculture invested over \$1.4 million and added 7 new jobs; Tazewell saw 15 new jobs added by Thistle Foundry; Prince Edward County's Triboro Shelving announced a \$4.5 million investment with 25 jobs; Mullican Flooring added 28 jobs in a \$1.2 million expansion; Campbell County was the recipient of an announcement of 50 new jobs and \$2.45 million investment by Banker Steet; Danville's JTI expanded by \$7.5 million and 10 new jobs; and Commonwealth Laminating in Henry County added 60 new jobs and \$5.45 million in capital investment. These continued investments and job creation bode well for Virginia's rural localities, which have the workforce capacity to continue to supply quality talent to sustain these companies' growth.

VEDP played various roles in these decisions, from generating some of the leads to providing support to the communities with development of the financial incentive packages, often including partnerships with the Virginia Tobacco Commission. These companies represent a broad variety of the business sectors, and also represent the opportunities presented by strong existing business

## Appendix 1: High Unemployment Areas Report and Strategy

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retention and growth strategies. The common element in all these decisions for Virginia is prepared communities which leveraged their assets – workforce, prepared sites and buildings, and excellent transportation – to successfully create a business case that made sense to the companies involved.

Distressed Communities Visits: While the total number of prospect visits made by companies to all Virginia localities decreased (approximately 8%) from FY 2012 to FY 2013, the number of companies visiting increased (nearly 9%) and the number of localities visited remained the same (71 localities were visited).

### FY 2013 Initiatives

**Organizational Optimization:** VEDP makes a concerted effort to focus available recruitment and outreach resources towards growth markets that are expected to produce, over time, strong results in terms of employment gains with higher value wages and new capital investment for Virginia and its collective regions. VEDP now has two primary market-facing departments, the Business Attraction Department and the Business Expansion Department. In addition, VEDP's International Trade Department, overviewed in other sections of this Annual Report, provides high-quality technical services for existing businesses to expand markets internationally.

**Business Attraction:** The Business Attraction Department implements its outreach strategies geographically, both domestically and internationally, concentrating on selected markets against which Virginia has an advantageous business climate. The domestic regions include Mid-Atlantic, Northeast, Southeast, Midwest and West regions; international regions include Europe, China, India, Japan and Canada. Managers are fully deployed on a routine basis to these markets, focusing on tailoring Virginia's message to value propositions that demonstrate the benefits of appropriate existing assets.

**Business Expansion:** The Business Expansion Department is responsible for implementing strategies that generate new pipeline leads and decisions for Virginia from companies that have an existing presence in the Commonwealth. The Business Expansion team has three primary audiences it is expected to leverage to accomplish this outcome: companies with a presence in Virginia, Virginia's local and regional economic development allies, and Virginia's higher education partners. To accomplish this lead-generation objective, Business Expansion staff professionals each have a portfolio of significant companies (called Gold Accounts) and a portfolio of a Virginia region (a Regional Marketing Organization) for which they are responsible to communicate and partner with throughout the year, building proactive messaging with the Gold Accounts and leveraging local partners' capabilities. By aligning staff with the regions, VEDP's market-facing team members have immediate access to the assets and strengths of each region, and can more effectively position these regions in the geographic marketing strategies that are implemented by the newly-created Business Attraction Department.

**Technical Support for High Unemployment Areas:** The Business Expansion Department supported several rural activities in FY 2013, including Virginia's Gateway Region annual investors meeting, at which VEDP's sponsored table was filled with higher education partners who could be introduced to existing businesses in the region, thus effectively linking their capabilities with the target audience. Business Expansion facilitated marketing strategy conversations with emerging localities including Washington County, the Blue Ridge Crossroads Economic Development Authority, the Northern Neck region, the Commonwealth Regional Council region, and the Eastern

## Appendix 1: High Unemployment Areas Report and Strategy

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Shore. Each of these, and other, strategy conversations was intended to help the regions better position themselves for private-sector investment and jobs.

The Business Expansion Department added a new communication tactic this year, as part of the new “Virginia Learning CoLABorative” that was launched as a partnership of the Virginia Economic Developers Association, Virginia Tech, and VEDP. VEDP’s contribution to this Collaborative is production of monthly Third Wednesday Webinars, which are designed to provide applied learning and knowledge-sharing to local and regional economic development allies. For rural and distressed communities in particular, this no-fee, no travel tactic is a way to improve their knowledge about best practices and tools in economic development, thus giving them more effective ways to support their own recruitment and retention strategies.

Business Expansion leadership in southern Virginia coordinated a visit for regional and local economic developers to the Port of Virginia, to give them insight into the capabilities of the Port as well as help them understand the value of that asset to their own region.

For Virginia’s high unemployment communities, this system of direct connectivity with VEDP business expansion managers establishes a more consistent partnership that should result in stronger results from business retention/expansion strategies, and should ultimately create a larger pipeline from business recruitment strategies.

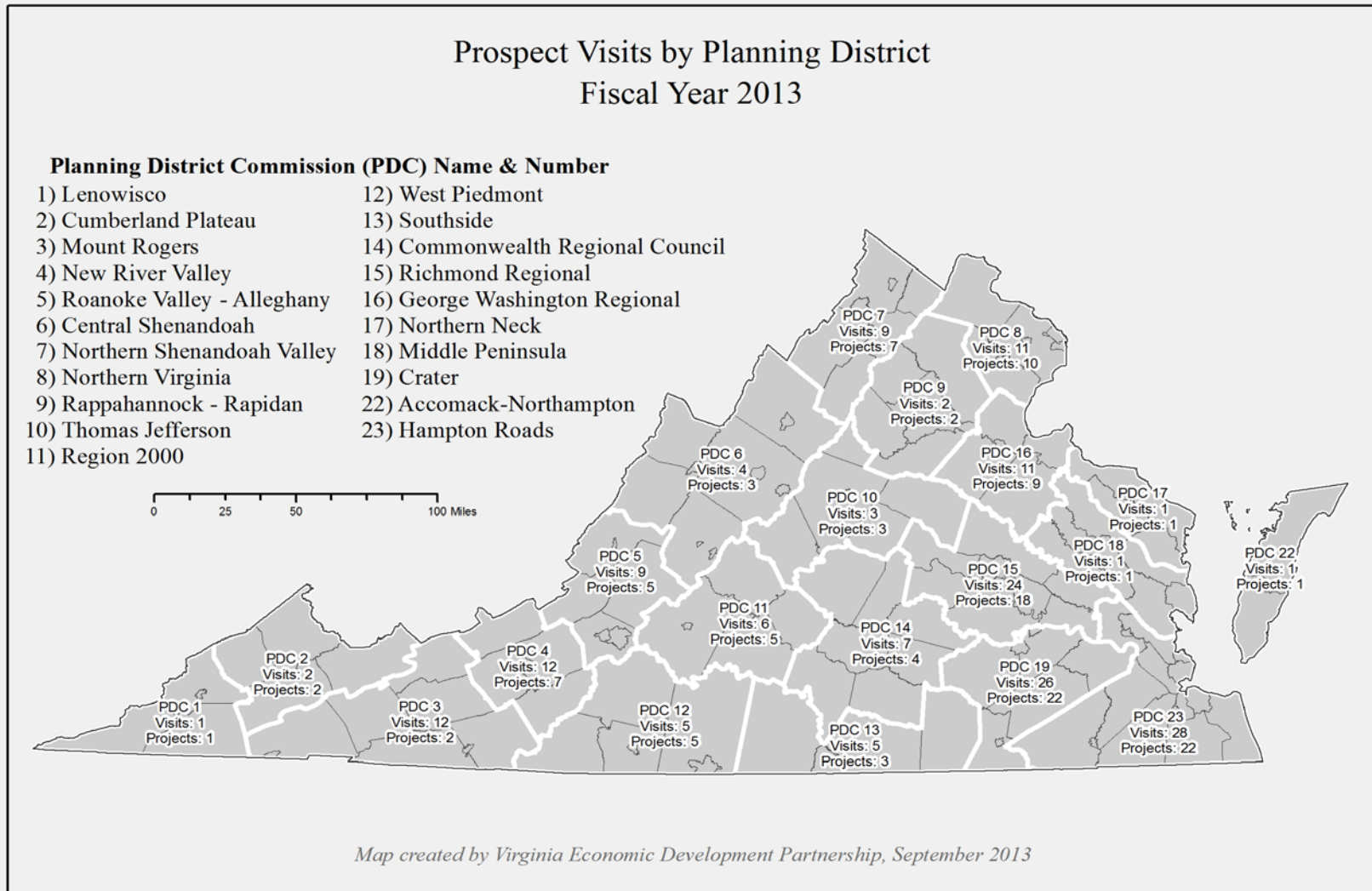
## Appendix 2: Prospect Visit Data for FY 2013

PDC #	Planning District Commission	Visits	Projects
1	Lenowisco	1	1
2	Cumberland Plateau	2	2
3	Mount Rogers	12	2
4	New River Valley	12	7
5	Roanoke Valley-Alleghany Regional Commission	9	5
6	Central Shenandoah	4	3
7	Northern Shenandoah Valley Regional Commission	9	7
8	Northern Virginia Regional Commission	11	10
9	Rappahannock-Rapidan Regional Commission	2	2
10	Thomas Jefferson	3	3
11	Region 2000 Regional Commission	6	5
12	West Piedmont	5	5
13	Southside	5	3
14	Commonwealth Regional Council	7	4
15	Richmond Regional	24	18
16	George Washington Regional Commission	11	9
17	Northern Neck	1	1
18	Middle Peninsula	1	1
19	Crater	26	22
22	Accomack-Northampton	1	1
23	Hampton Roads	28	22
	<b>Total</b>	<b>155</b>	<b>92</b>
	<b># of Localities visited</b>	<b>71</b>	

*\*Companies often visit sites in localities that fall into two planning district commission areas. The number of visits can lead to double-counting, and therefore these column totals are representative of individual site visits and projects, whereas each planning district commission total is reflective of all visits to that area.*



## Appendix 2: Prospect Visit Data for FY 2013



## Appendix 3: Site and Building Data for FY 2013

### *Community Location Studies, Sites and Buildings Meeting Prospect Requirements by Planning District*

Planning District	Location	Sites	Buildings	Sites & Buildings	Companies
<b>1- Lenowisco</b>	Lee Co.	4	0	4	4
	1 Norton	0	0	0	0
	1 Scott Co.	1	1	2	2
	1 Wise Co.	0	0	0	0
	<b>PDC 1 Total</b>		<b>5</b>	<b>1</b>	<b>6</b>
<b>2 -Cumberland Plateau</b>	Buchanan Co.	0	0	0	0
	2 Dickenson Co.	0	0	0	0
	2 Russell Co.	0	1	1	1
	2 Tazewell Co.	1	0	1	1
	<b>PDC 2 Total</b>		<b>1</b>	<b>1</b>	<b>2</b>
<b>3-Mount Rogers</b>	Bland Co.	0	0	0	0
	3 Bristol	0	0	0	0
	3 Carroll Co.	2	1	3	3
	3 Galax	1	0	1	1
	3 Grayson Co.	0	0	0	0
	3 Smyth Co.	0	3	3	2
	3 Washington Co.	3	0	3	3
	3 Wythe Co.	4	0	4	4
	<b>PDC 3 Total</b>		<b>10</b>	<b>4</b>	<b>14</b>
<b>4 - New River Valley</b>	Floyd Co.	0	0	0	0
	4 Giles Co.	0	0	0	0
	4 Montgomery Co.	1	0	1	1
	4 Pulaski Co.	4	2	6	5
	4 Radford	0	0	0	0
	<b>PDC 4 Total</b>		<b>5</b>	<b>2</b>	<b>7</b>
<b>5 -Roanoke Valley-Alleghany</b>	Alleghany Co.	1	0	1	1
	5 Botetourt Co.	2	8	10	6
	5 Covington	0	1	1	1
	5 Craig Co.	0	0	0	0
	5 Franklin Co.	0	0	0	0
	5 Roanoke Co.	6	3	9	6
	5 Roanoke	3	3	6	6
	5 Salem	0	0	0	0

## Appendix 3: Site and Building Data for FY 2013

PDC 5 Total		12	15	27	12
<b>6 - Central Shenandoah</b>	Augusta Co.	4	0	4	4
	6 Bath Co.	0	0	0	0
	6 Buena Vista	0	0	0	0
	6 Harrisonburg	2	1	3	3
	6 Highland Co.	1	0	1	1
	6 Lexington	0	0	0	0
	6 Rockbridge Co.	0	2	2	2
	6 Rockingham Co.	3	2	5	5
	6 Staunton	1	0	1	1
	6 Waynesboro	0	0	0	0
<b>PDC 6 Total</b>		<b>11</b>	<b>5</b>	<b>16</b>	<b>11</b>
<b>7 - Northern Shenandoah Valley</b>	Clarke Co.	0	0	0	0
	7 Frederick Co.	6	6	12	6
	7 Page Co.	1	2	3	3
	7 Shenandoah Co.	4	2	6	5
	7 Warren Co.	2	1	3	3
	7 Winchester	0	1	1	1
<b>PDC 7 Total</b>		<b>13</b>	<b>12</b>	<b>25</b>	<b>12</b>
<b>8 - Northern Virginia</b>	Alexandria	0	0	0	0
	8 Arlington Co.	0	0	0	0
	8 Fairfax Co.	0	1	1	1
	8 Fairfax	0	0	0	0
	8 Falls Church	0	0	0	0
	8 Loudoun Co.	5	2	7	3
	8 Manassas	0	0	0	0
	8 Manassas Park	0	0	0	0
	8 Prince William Co.	10	5	15	5
<b>PDC 8 Total</b>		<b>15</b>	<b>8</b>	<b>23</b>	<b>6</b>
<b>9 - Rappahannock-Rapidan</b>	Culpeper Co.	0	4	4	3
	9 Fauquier Co.	3	0	3	1
	9 Madison Co.	0	0	0	0
	9 Orange Co.	1	0	1	1
	9 Rappahannock Co.	0	0	0	0
<b>PDC 9 Total</b>		<b>4</b>	<b>4</b>	<b>8</b>	<b>5</b>
<b>10 - Thomas Jefferson</b>	Albemarle Co.	5	0	5	1

## Appendix 3: Site and Building Data for FY 2013

10	Fluvanna Co.	0	0	0	0
10	Greene Co.	2	0	2	1
10	Louisa Co.	0	1	1	1
10	Nelson Co.	0	0	0	0
10	Charlottesville	0	0	0	0
<b>PDC 10 Total</b>		<b>7</b>	<b>1</b>	<b>8</b>	<b>2</b>
<b>11 - Region 2000</b>					
	Amherst Co.	2	0	2	1
11	Appomattox Co.	0	0	0	0
11	Bedford Co.	0	0	0	0
11	Bedford	0	0	0	0
11	Campbell Co.	0	0	0	0
11	Lynchburg	1	1	2	2
<b>PDC 11 Total</b>		<b>3</b>	<b>1</b>	<b>4</b>	<b>3</b>
<b>12 - West Piedmont</b>					
	Danville	0	4	4	2
12	Franklin Co.	0	0	0	0
12	Henry Co.	5	5	10	7
12	Martinsville	0	2	2	2
12	Patrick Co.	0	0	0	0
12	Pittsylvania Co.	3	1	4	2
<b>PDC 12 Total</b>		<b>8</b>	<b>12</b>	<b>20</b>	<b>11</b>
<b>13 - Southside</b>					
	Brunswick Co.	3	0	3	2
13	Halifax Co.	0	3	3	2
13	Mecklenburg Co.	5	1	6	4
<b>PDC 13 Total</b>		<b>8</b>	<b>4</b>	<b>12</b>	<b>6</b>
<b>14 - Commonwealth Regional</b>					
	Amelia Co.	0	0	0	0
14	Buckingham Co.	0	0	0	0
14	Charlotte Co.	0	1	1	1
14	Cumberland Co.	0	0	0	0
14	Lunenburg Co.	0	0	0	0
14	Nottoway Co.	1	0	1	1
14	Prince Edward Co.	0	0	0	0
<b>PDC 14 Total</b>		<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>
<b>15 - Richmond Regional</b>					
	Charles City Co.	1	0	1	1
15	Chesterfield Co.	15	14	29	14
15	Goochland Co.	1	0	1	1
15	Hanover Co.	5	10	15	10

## Appendix 3: Site and Building Data for FY 2013

15	Henrico Co.	15	24	39	15
15	New Kent Co.	7	1	8	5
15	Powhatan Co.	0	0	0	0
15	Richmond	2	10	12	7
<b>PDC 15 Total</b>		<b>46</b>	<b>59</b>	<b>105</b>	<b>20</b>
<b>16 - George Washington</b>					
	Caroline Co.	10	0	10	5
16	Fredericksburg	0	0	0	0
16	King George Co.	2	1	3	3
16	Spotsylvania Co.	2	5	7	5
16	Stafford Co.	3	7	10	5
<b>PDC 16 Total</b>		<b>17</b>	<b>13</b>	<b>30</b>	<b>12</b>
<b>17 - Northern Neck</b>					
	Lancaster Co.	0	0	0	0
17	Northumberland Co.	0	0	0	0
17	Richmond Co.	0	0	0	0
17	Westmoreland Co.	0	0	0	0
<b>PDC 17 Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>18 - Middle Peninsula</b>					
	Essex Co.	0	0	0	0
18	Gloucester Co.	0	0	0	0
18	King and Queen Co.	0	0	0	0
18	King William Co.	2	0	2	1
18	Mathews Co.	0	0	0	0
18	Middlesex Co.	0	0	0	0
<b>PDC 18 Total</b>		<b>2</b>	<b>0</b>	<b>2</b>	<b>1</b>
<b>19 - Crater1</b>					
	Charles City Co.	1	0	1	1
19	Chesterfield Co.	15	14	29	14
19	Colonial Heights	1	1	2	2
19	Dinwiddie Co.	4	3	7	5
19	Emporia	1	0	1	1
19	Greensville Co.	6	6	12	8
19	Hopewell	0	0	0	0
19	Petersburg	1	0	1	1
19	Prince George Co.	3	0	3	3
19	Surry Co.	3	0	3	3
19	Sussex Co.	4	0	4	4
<b>PDC 19 Total</b>		<b>39</b>	<b>24</b>	<b>63</b>	<b>23</b>
<b>22 - Accomack-Northampton</b>					
	Accomack Co.	0	0	0	0

## Appendix 3: Site and Building Data for FY 2013

22	Northampton Co.	0	0	0	0
<b>PDC 22 Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>23 - Hampton Roads</b>					
	Chesapeake	3	12	15	11
23	Franklin	2	3	5	5
18	Gloucester Co.	0	0	0	0
23	Hampton	3	10	13	8
23	Isle of Wight Co.	5	0	5	5
23	James City Co.	3	1	4	4
23	Newport News	0	8	8	7
23	Norfolk	0	2	2	2
23	Poquoson	0	0	0	0
23	Portsmouth	0	4	4	4
23	Southampton	3	4	7	7
23	Suffolk	9	14	23	15
19	Surry Co.	3	0	3	3
23	Virginia Beach	5	15	20	15
23	Williamsburg	0	0	0	0
23	York Co.	3	4	7	6
<b>PDC 23 Total</b>		<b>39</b>	<b>77</b>	<b>116</b>	<b>27</b>
<b>State Total<sup>1</sup></b>		<b>227</b>	<b>230</b>	<b>457</b>	<b>56</b>

<sup>1</sup> State totals do not include duplicate entries for Charles City, Chesterfield, Franklin, Gloucester, and Surry Counties, each located in two PDCs.

Franklin Co-Roanoke & West Piedmont

Chesterfield Co - Richmond Regional & Crater

Charles City-Richmond Regional & Crater

Surry - Crater & Hampton Roads

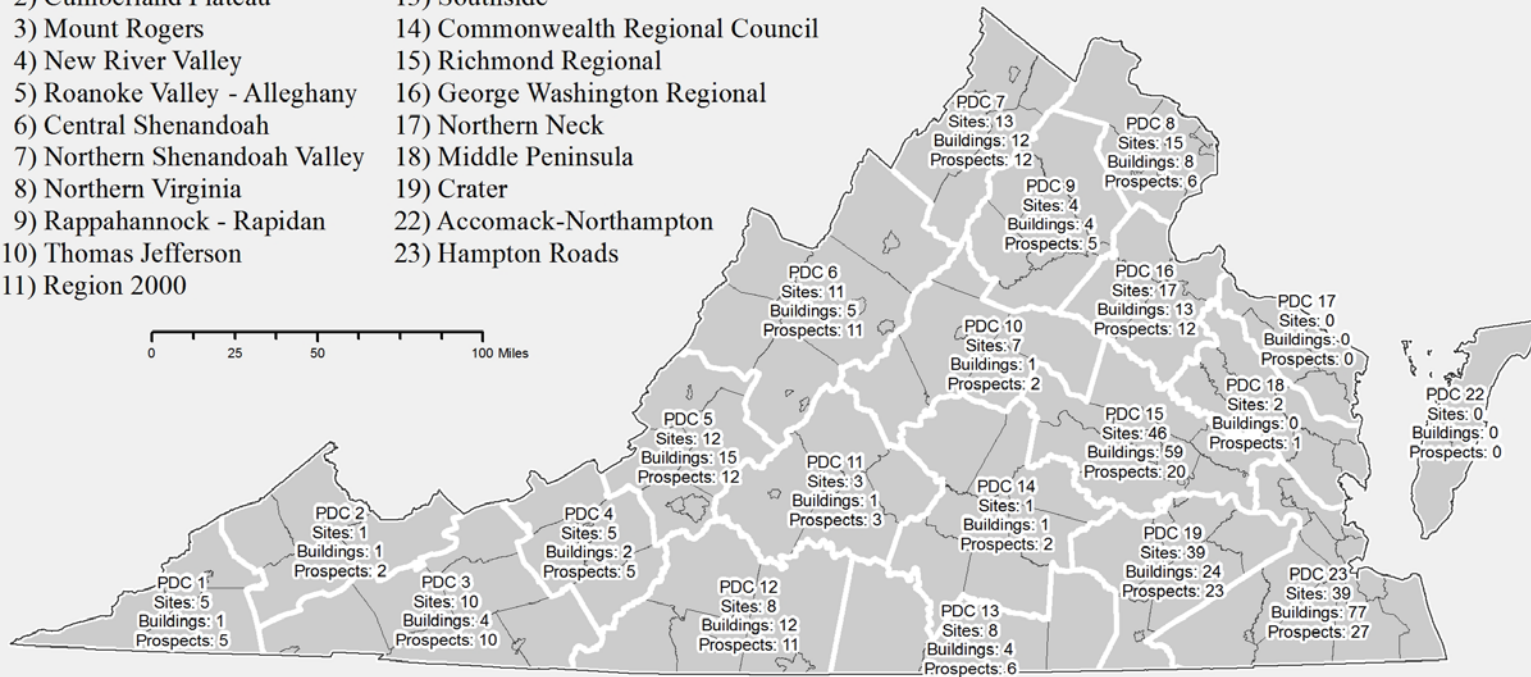
Gloucester-Middle Peninsula & Hampton Roads

## Appendix 3: Site and Building Data for FY 2013

### Community Location Studies, Sites and Buildings Meeting Prospect Requirements by Planning District Fiscal Year 2013

**Planning District Commission (PDC) Name & Number**

- |                               |                                   |
|-------------------------------|-----------------------------------|
| 1) Lenowisco                  | 12) West Piedmont                 |
| 2) Cumberland Plateau         | 13) Southside                     |
| 3) Mount Rogers               | 14) Commonwealth Regional Council |
| 4) New River Valley           | 15) Richmond Regional             |
| 5) Roanoke Valley - Alleghany | 16) George Washington Regional    |
| 6) Central Shenandoah         | 17) Northern Neck                 |
| 7) Northern Shenandoah Valley | 18) Middle Peninsula              |
| 8) Northern Virginia          | 19) Crater                        |
| 9) Rappahannock - Rapidan     | 22) Accomack-Northampton          |
| 10) Thomas Jefferson          | 23) Hampton Roads                 |
| 11) Region 2000               |                                   |



\* Location Studies data do not include multiple proposals or RFIs for the same project and properties; existing industry proposals; or other project-related assistance not including site or building recommendations.

\*\* PDC 8 totals do not reflect additional recommendations of office/flex space not included in VEDP's sites & buildings database.

\*\*\* State total does not include duplicate entries for Franklin, Chesterfield, Surry, and Gloucester Counties, each located in two PDCs.

Map created by Virginia Economic Development Partnership, September 2013

## Appendix 4: Announcement Data for FY 2013

Company Name	PDC	Location	MFG	Type	Business	Employment	Investment (millions)
Elite Apparel USA	1	Lee Co.	M	N	Apparel (shirts)	25	\$0.50
		<i>New Total</i>			<i>1 announcement</i>	25	\$0.50
Mullican Flooring	1	Wise Co.	M	E	Manufactures wood flooring	28	\$1.20
		<i>Expansion Total</i>			<i>1 announcement</i>	28	\$1.20
		<b><i>PDC 1 Total</i></b>			<b><i>2 announcements</i></b>	<b>53</b>	<b>\$1.70</b>
Thistle Foundry & Machine Co.	2	Tazewell Co.	M	N	Steel castings	15	\$0.00
		<i>New Total</i>			<i>1 announcement</i>	15	\$0.00
		<b><i>PDC 2 Total</i></b>			<b><i>1 announcement</i></b>	<b>15</b>	<b>\$0.00</b>
Big R Bridge	3	Washington Co.	M	N	Manufactures prefabricated bridge parts	32	\$1.93
		<i>New Total</i>			<i>1 announcement</i>	32	\$1.93
Blue Ridge Beverage	3	Washington Co.	N	E	Wine distribution	8	\$4.88
		<i>Expansion Total</i>			<i>1 announcement</i>	8	\$4.88
		<b><i>PDC 3 Total</i></b>			<b><i>2 announcements</i></b>	<b>40</b>	<b>\$6.81</b>
Atomic Axis	4	Montgomery Co.	N	N	iOS development, mobile solutions and apps	30	\$0.15
BAE Systems Ordnance Systems*	4	Montgomery Co.	M	N	Explosive, propellants for the U.S. Army	0	\$240.00
Red Sun Farms*	4	Pulaski Co.	N	N	Greenhouse tomato production; hydroponic vegetables	205	\$30.00
		<i>New Total</i>			<i>3 announcements</i>	235	\$270.15
1901 Group	4	Montgomery Co.	N	E	Managed IT services provider	45	\$0.13
Aeroprobe Corporation	4	Montgomery Co.	M	E	HQ; Air and fluid flow instrumentation	40	\$3.00
Blue Bird Resins/ Blue Bird Recycling	4	Pulaski Co.	M	E	Converts waste-to-scrap commodity	10	\$0.50
Celanese Corporation	4	Giles Co.	M	E	Cellulose acetate tow	22	\$150.00
DISH Network Corporation	4	Montgomery Co.	N	E	Customer service center	200	\$0.00
Heyo	4	Montgomery Co.	N	E	Social media company; applications and website development	50	\$0.10
INTER Materials, LLC	4	Pulaski Co.	M	E	Ballistic helmets; anti-reflective, abrasion resistant coatings	10	\$0.50
Phoenix Packaging Operations, LLC*	4	Pulaski Co.	M	E	North American HQ; Thermoformed rigid plastic packaging	100	\$20.00
		<i>Expansion Total</i>			<i>8 announcements</i>	477	\$174.23
		<b><i>PDC 4 Total</i></b>			<b><i>11 announcements</i></b>	<b>712</b>	<b>\$444.38</b>



## Appendix 4: Announcement Data for FY 2013

Flying Mouse Brewery, LLC	5	Botetourt Co.	M	N	Brewery	15	\$0.94
			<i>New Total</i>		<i>1 announcement</i>	15	\$0.94
Altec Industries, Inc.	5	Botetourt Co.	M	E	Manufactures truck-mounted mobile equipment	96	\$2.24
Atlas, an Americold subsidiary	5	Roanoke Co.	N	E	Warehouse/distribution; refrigerated foods	100	\$4.30
CAE Online	5	Roanoke City	N	E	Semiconductor parts supplier	15	\$0.00
Coca-Cola Bottling Co. Consolidated	5	Roanoke Co.	N	E	Warehouse and logistics center	0	\$7.00
FedEx Ground	5	Roanoke City	N	E	Distribution center	0	\$12.65
Optical Cable Corp.	5	Roanoke Co.	M	E	Fiber optic cable	25	\$1.00
Precision Steel MFG Corp.	5	Roanoke City	M	E	Custom fabricated and machined components for OEMs	30	\$0.10
QualiChem, Inc.	5	Salem	M	E	Water treatment, metalworking and specialty chemical products	30	\$1.82
Tecton Products LLC	5	Roanoke Co.	M	E	Manufactures custom fiberglass pultrusions for windows	47	\$0.80
Virginia Transformer Corp.	5	Roanoke City	M	E	Power transformers	100	\$6.00
			<i>Expansion Total</i>		<i>10 announcements</i>	443	\$35.91
			<b><i>PDC 5 Total</i></b>		<b><i>11 announcements</i></b>	<b>458</b>	<b>\$36.85</b>
Shamrock Farms	6	Augusta Co.	M	N	Milk processing	60	\$50.00
Three Brothers Brewing Co.	6	Harrisonburg	M	N	Brewery	5	\$0.50
			<i>New Total</i>		<i>2 announcements</i>	65	\$50.50
Ariake USA*	6	Harrisonburg	M	E	Manufactures stocks, bouillons, and natural meat flavorings	4	\$6.20
Carded Graphics, LLC	6	Staunton	M	E	HQ; Manufactures printed packaging products	34	\$7.05
Clean Planet Mfg. & Labs, Inc. (CPMI)	6	Augusta Co.	M	E	Automotive/heavy equipment fluid management products/valves	15	\$0.35
Daikin McQuay*	6	Augusta Co.	M	E	Manufactures chillers for heating and AC units; testing/R&D lab	50	\$9.20
Devils Backbone Brewing (Mountain View Brewery)	6	Rockbridge Co.	M	E	Brewery	0	\$0.20
Hollister Incorporated	6	Augusta Co.	M	E	Develops, manufactures and markets medical devices	0	\$29.60
Innovative Refrigeration Systems, Inc.	6	Augusta Co.	M	E	Customized turnkey industrial refrigeration systems	102	\$0.75
INVISTA	6	Waynesboro	M	E	Manufactures Lycra fiber; global R&D for Lycra	0	\$10.00
Jacobs Mechanical Contractors Inc.	6	Augusta Co.	N	E	Mechanical contracting and engineering services	35	\$0.10
McKee Foods Corporation	6	Augusta Co.	M	E	Snack cakes	78	\$19.00

## Appendix 4: Announcement Data for FY 2013

PPI/Time Zero, Inc.	6	Waynesboro	M	E	Electronic manufacturing services for defense, aerospace, etc.	35	\$0.00
WhiteWave Foods Company	6	Rockingham Co.	M	E	Plant-based foods and beverages and premium dairy products	32	\$8.00
WhiteWave Foods Company	6	Rockingham Co.	M	E	Plant-based foods and beverages and premium dairy products	36	\$69.80
		<i>Expansion Total</i>			<i>13 announcements</i>	<i>421</i>	<i>\$160.25</i>
		<b><i>PDC 6 Total</i></b>			<b><i>15 announcements</i></b>	<b><i>486</i></b>	<b><i>\$210.75</i></b>
Evolve Stone, LLC	7	Winchester	M	N	Manufacture poly-based resins	46	\$0.15
McKesson Corporation	7	Frederick Co.	N	N	Distributes medical and surgical supplies	205	\$36.90
		<i>New Total</i>			<i>2 announcements</i>	<i>251</i>	<i>\$37.05</i>
Axalta Coating Systems	7	Warren Co.	M	E	Manufactures high-technology paint for automotive aftermarket	0	\$4.50
Fabritek/Winchester Tool	7	Frederick Co.	M	E	Metal fabrication	29	\$0.10
Green Bay Packaging Inc.	7	Frederick Co.	M	E	Manufactures corrugated shipping containers	10	\$2.00
H.P. Hood Inc.	7	Frederick Co.	M	E	Dairy products; ultra-high temperature processing	75	\$84.60
Holtzman Propane	7	Shenandoah Co.	N	E	Bulk propane plant operation and distribution	35	\$1.50
Invenio Marketing Solutions	7	Frederick Co.	N	E	Provides full-service marketing solutions	50	\$0.00
Kraft Foods Group, Inc.	7	Frederick Co.	M	E	Manufactures fruit drinks (Capri Sun)	25	\$25.00
M & H Plastics*	7	Frederick Co.	M	E	Plastic bottles and containers	20	\$6.20
Miller Milling Company	7	Frederick Co.	M	E	Grain mill and storage	0	\$30.00
Navy Federal Credit Union	7	Frederick Co.	N	E	Member service operation, call center	400	\$20.00
New World Pasta*	7	Frederick Co.	M	E	Pasta	0	\$1.50
		<i>Expansion Total</i>			<i>11 announcements</i>	<i>644</i>	<i>\$175.40</i>
		<b><i>PDC 7 Total</i></b>			<b><i>13 announcements</i></b>	<b><i>895</i></b>	<b><i>\$212.45</i></b>
Abbyson Living	8	Loudoun Co.	N	N	Warehouse and distribution; furniture	50	\$0.00
Alliant Techsystems Inc. (ATK)	8	Arlington Co.	N	N	HQ; aerospace, defense, and commercial products company	50	\$5.00
Codero Hosting	8	Loudoun Co.	N	N	Web hosting provider	20	\$0.00
Commtouch*	8	Fairfax Co.	N	N	U.S. HQ; Internet security technology and cloud-based services	10	\$0.00
Dispersive Solutions, Inc.	8	Fairfax Co.	N	N	Network security application software	11	\$0.00
Eco-Energy, Inc.	8	Prince William Co.	N	N	Ethanol unit train, distribution and storage facility	15	\$8.00
IBM Center for Community Security and Resilience	8	Arlington Co.	N	N	Provides research services to the Department of Homeland Security	16	\$0.10

## Appendix 4: Announcement Data for FY 2013

iGATE	8	Loudoun Co.	N	N	Integrated technology and operations, provides business outcomes-based solutions	250	\$1.02
Intellinote Inc.	8	Fairfax Co.	N	N	Multi-platform software application specializing in notes taking and notes management	10	\$0.00
Intelsat*	8	Fairfax Co.	N	N	U.S. HQ; provides satellite services	430	\$24.80
L-3 Unmanned Systems	8	Loudoun Co.	M	N	Manufactures unmanned systems	40	\$1.00
Momentum Aviation Group (MAG)	8	Prince William Co.	N	N	Provides specialty aviation, aerial surveillance, and ISR support	55	\$2.38
Premium Rx National (PRN Pharmaceuticals)	8	Loudoun Co.	N	N	Wholesale distribution of pharmaceutical and biological products	5	\$0.30
Red River	8	Fairfax Co.	N	N	Public sector HQ; federal information technology (IT) services	30	\$0.00
Samsung Techwin*	8	Fairfax Co.	N	N	Product information center; security solutions, optics, digital imaging	25	\$1.00
Sentient Vision Systems*	8	Arlington Co.	N	N	Computer vision and artificial intelligence software solutions	3	\$0.10
ServicePower Technologies Plc*	8	Fairfax Co.	N	N	Customized global field management and service lifecycle platforms	35	\$0.00
SNC-Lavalin*	8	Arlington Co.	N	N	Engineering services	10	\$0.50
VBrick Systems, Inc.	8	Fairfax Co.	N	N	HQ; Provides solutions for the management and distribution of streaming media	25	\$0.00
Virginia Marble Manufacturers, Inc.	8	Loudoun Co.	M	N	Manufactures cultured marble, granite and onyx products	15	\$3.10
Wikipedia	8	Loudoun Co.	N	N	Data center	5	\$0.30
			<i>New Total</i>		<i>21 announcements</i>	<i>1,110</i>	<i>\$47.60</i>
3 Phoenix, Inc.	8	Fairfax Co.	N	E	Technology and engineering solutions for the Department of Defense	15	\$0.00
Accelerated Development and Support	8	Arlington Co.	N	E	Management consulting services; government contractor	15	\$0.00
AdJuggler	8	Fairfax Co.	N	E	SaaS-based digital ad management systems	31	\$0.10
Amazon Web Services	8	Fairfax Co.	N	E	Cloud computing services, web/application hosting, storage/backup	500	\$9.50
AMEC*	8	Fairfax Co.	N	E	Engineering, project management and consultancy	40	\$0.00
American Psychiatric Association	8	Arlington Co.	N	E	Psychiatric organization	60	\$0.00
American Technology Services, Inc. (ATS)	8	Fairfax Co.	N	E	Information technology service and consulting	20	\$0.00
American Type Culture Collection	8	Prince William Co.	N	E	Biotechnology research	45	\$0.25
Ampcus Inc.	8	Fairfax Co.	N	E	Provides technology consulting and related IT services	96	\$0.00
Association for Unmanned Vehicle Systems International	8	Arlington Co.	N	E	Member association for government organizations, industry and academia	40	\$0.00
Berkley Net Underwriters, LLC	8	Prince William Co.	N	E	Provides automated specialty insurance solutions	14	\$3.50
Bloomberg BNA	8	Arlington Co.	N	E	Subsidiary HQ; Publisher of print and electronic news	100	\$0.00
BlueAlly, LLC	8	Fairfax Co.	N	E	Information technology services	35	\$0.00

## Appendix 4: Announcement Data for FY 2013

Boeing	8	Arlington Co.	N	E	Regional headquarters; aerospace, aircraft, and related products	0	\$250.00
Bulletin News, LLC	8	Fairfax Co.	N	E	Provides customized news and open-source intelligence	11	\$0.00
Carahsoft Technology Corp.	8	Fairfax Co.	N	E	Government IT solutions provider	109	\$0.00
Catoctin Creek Distilling Company	8	Loudoun Co.	M	E	Distillery, organic spirits and liqueurs	23	\$0.39
Centurion Research Solutions	8	Fairfax Co.	N	E	Business intelligence and analytics; assists contractors with government business	10	\$0.00
Charles Stark Draper Laboratory, Inc.	8	Fairfax Co.	N	E	R&D in security, space exploration, healthcare, and energy	25	\$0.50
Commtouch*	8	Fairfax Co.	N	E	HQ; provides Internet security technology and cloud-based services	10	\$0.00
Corporate Office Properties Trust (COPT)	8	Loudoun Co.	N	E	Data center	45	\$300.00
Cuisine Solutions	8	Loudoun Co.	M	E	Manufactures fully cooked, frozen entrees and sauces	30	\$29.52
DECISIVE ANALYTICS Corporation	8	Arlington Co.	N	E	Provides systems analysis and solutions; software development	12	\$0.00
Digital Realty Trust, Inc.	8	Loudoun Co.	N	E	Data center	15	\$20.00
Digital Signal Corporation (DSC)	8	Fairfax Co.	N	E	Three dimensional (3D) long-range facial recognition solutions	225	\$0.38
Dimension Data*	8	Fairfax Co.	N	E	Provides specialist IT services and solutions	85	\$0.00
Distil, Inc.	8	Arlington Co.	N	E	Content protection network that identifies malicious web threats	46	\$0.22
DNC Corp.	8	Fairfax Co.	N	E	Cyber security software, engineering, and forensics services	10	\$0.00
DRT-3	8	Loudoun Co.	N	E	Data center	10	\$0.20
EADS North America*	8	Fairfax Co.	N	E	HQ; aviation and telecommunications products and services	54	\$16.50
Easterns Automotive Group	8	Loudoun Co.	N	E	Corporate HQ; mid-Atlantic region automobile dealership	40	\$0.00
Electronic Consulting Services	8	Fairfax Co.	N	E	System engineering and information technology services	13	\$0.00
Endgame, Inc.	8	Arlington Co.	N	E	Cyber security solutions	34	\$0.00
ePlus Inc.	8	Loudoun Co.	N	E	Technology solutions integration	45	\$0.04
Equinix	8	Loudoun Co.	N	E	Data center	35	\$0.30
Evolent Health	8	Arlington Co.	N	E	Provider population and health plan management software platforms	100	\$0.00
Excivity, Inc.	8	Fairfax Co.	N	E	Cyber-focused software and hardware, forensic and cyber analysis	10	\$0.00
FrontPoint Security	8	Fairfax Co.	N	E	Nationwide provider of interactive wireless home security systems	179	\$0.00
FullCircle, a GeoSocial "Discovery" Network	8	Fairfax Co.	N	E	Application integrating location awareness with social networking	15	\$0.00
G2SF, Inc.	8	Fairfax Co.	N	E	IT service management professional services and consulting	16	\$0.00
Gauge Works, LLC	8	Loudoun Co.	M	E	Plastic thermoforming/machining operations; sheet metal fabrication	10	\$0.40
Headstrong Corporation*	8	Fairfax Co.	N	E	Provides IT consulting to financial markets	12	\$0.00

## Appendix 4: Announcement Data for FY 2013

Hilltop Advisors, LLC	8	Fairfax Co.	N	E	Accounting advisory and consulting services	20	\$0.00
Incentive Technology Group (ITG)	8	Arlington Co.	N	E	Information technology consulting, engineering and integration	50	\$0.00
Internet Society	8	Fairfax Co.	N	E	Member association that promotes the development, evolution, and use of the Internet	12	\$0.00
JM Metal & Mechanical	8	Fairfax Co.	M	E	Fabricates metal ductwork	86	\$0.20
Learning Tree International	8	Fairfax Co.	N	E	HQ; provides hands-on training to IT professionals	20	\$0.00
Lemur IMS/Lemur Technologies, Inc.	8	Arlington Co.	N	E	Inventory management system software	15	\$0.00
LinQuest Corporation	8	Fairfax Co.	N	E	Engineering development, integration, deployment, and operation critical systems	20	\$0.00
M.C. Dean, Inc.	8	Loudoun Co.	N	E	HQ; electrical design-build and systems integration	0	\$1.50
Mandiant Corporation	8	Fairfax Co.	N	E	IT threat detection and response solutions; security incident response management	80	\$0.00
Marble Systems Inc.*	8	Loudoun Co.	N	E	Warehouse and distribution of natural stone products	15	\$2.56
Matt Martin Real Estate Management	8	Fairfax Co.	N	E	Provides real estate and financial services, asset management and default services	10	\$0.00
MBO Partners	8	Fairfax Co.	N	E	Provides independent consultant engagement and compliance solutions	110	\$15.00
MCL Systems Limited	8	Prince William Co.	N	E	Software solutions for telecommunication firms and business process management	10	\$0.16
McLane Foodservice	8	Prince William Co.	N	E	Distribution center; food products	15	\$0.00
MicroPact Inc.	8	Fairfax Co.	N	E	Develops case management and business process management software	70	\$0.00
MIL Corporation	8	Arlington Co.	N	E	Financial management, system engineering, and technical services provider	10	\$0.00
Millennium Enterprise Corp. (M.E.C.)	8	Fairfax Co.	N	E	Custom software development	38	\$0.15
Mirixa Corporation	8	Fairfax Co.	N	E	Medication therapy management (MTM) and targeted, pharmacist-delivered services	10	\$0.00
Modern Technology Solutions, Inc.	8	Fairfax Co.	N	E	HQ; aerospace engineering, Department of Defense contractor	75	\$1.00
Modus Create, Inc.	8	Fairfax Co.	N	E	Provides application development and consulting services	13	\$0.00
Monogram Systems - TIA Division*	8	Loudoun Co.	N	E	Galley insert equipment and parts, fusing systems/components for use on aircraft	10	\$1.00
Navigant Consulting, Inc.	8	Fairfax Co.	N	E	Management consulting services	50	\$0.00
Navy Federal Credit Union	8	Fairfax Co.	N	E	HQ; credit union, financial services	138	\$0.00
Near Infinity Corporation	8	Fairfax Co.	N	E	Mobile and big data technology solutions	18	\$0.00
NeoSystems Corp.	8	Fairfax Co.	N	E	Provides tailored IT and software solutions and back office services	20	\$0.00
nexGrēn, Inc.	8	Fairfax Co.	N	E	"Green" technology solutions provider	5	\$0.50
Nexius Solutions, Inc.	8	Fairfax Co.	N	E	Provides end-to-end wireless services and software solutions	25	\$0.00
NJVC	8	Fairfax Co.	N	E	HQ; Information technology solutions provider	27	\$0.00
Nomad Solutions	8	Prince William Co.	N	E	Web design services	10	\$2.20

## Appendix 4: Announcement Data for FY 2013

OBXtek Inc.	8	Fairfax Co.	N	E	IT engineering and support, program management, software development	65	\$0.00
Onyx Government Services, Inc.	8	Fairfax Co.	N	E	Information technology, database and COTS integration, custom software	25	\$0.00
Optimos, Inc.	8	Fairfax Co.	N	E	Provides strategy and enterprise information technology services	13	\$0.00
PDX Logistic LLC	8	Loudoun Co.	N	E	Freight shipment handling and logistics services provider	0	\$0.20
Perceptive Software (Lexmark International)	8	Loudoun Co.	N	E	Data capture and enterprise search solutions	30	\$0.50
Perceptive Software (Lexmark International)	8	Loudoun Co.	N	E	Data capture and enterprise search solutions	100	\$0.50
PIXIA Corp.	8	Fairfax Co.	N	E	Commercial software and solutions provider; digital imagery	16	\$0.00
PublicRelay	8	Fairfax Co.	N	E	Media monitoring and analytics solutions and software	93	\$0.25
RagingWire Enterprise Solutions, Inc.	8	Loudoun Co.	N	E	Data center; managed IT services provider	45	\$5.00
Raytheon Company	8	Arlington Co.	N	E	Software and systems engineering	40	\$0.00
Raytheon Intelligence, Information and Services (IIS)	8	Loudoun Co.	N	E	Warehouse; aerospace information systems, defense contractor	1	\$0.50
RCG, Inc.	8	Fairfax Co.	N	E	IT engineering, integration, security and network design	15	\$0.00
Red Hat	8	Fairfax Co.	N	E	Provides open source software and solutions	110	\$1.70
Reingold & Associates	8	Alexandria	N	E	Strategic communications and marketing consulting services	90	\$4.00
Rincon Technology	8	Fairfax Co.	N	E	Network optimization, system migration	11	\$0.00
RJB Telecom Consultants	8	Fairfax Co.	N	E	Provides telecom consulting services to commercial and government entities	63	\$0.20
RxAlly, LLC	8	Loudoun Co.	N	E	Nationwide alliance and network of pharmacies	150	\$1.00
Spear, Inc.	8	Fairfax Co.	N	E	Provides information technology solutions, management consulting	13	\$0.00
Strategic Operational Solutions, Inc.	8	Fairfax Co.	N	E	IT strategy and management consulting	70	\$0.00
Strategy and Management Services, Inc.	8	Fairfax Co.	N	E	Strategy, management, information technology-related services	35	\$0.00
Surefire Social	8	Fairfax Co.	N	E	Personalized digital marketing; Internet marketing services	10	\$0.00
TekMasters, LLC	8	Fairfax Co.	N	E	Application development, network infrastructure and database management	12	\$0.00
The Logis Group	8	Prince William Co.	N	E	IT services	20	\$0.00
Thermopylae Sciences and Technology	8	Arlington Co.	N	E	Web-based geospatial capabilities, mobile software framework and applications	20	\$0.00
TroopSwap.com	8	Fairfax Co.	N	E	Advertising services/website offering daily deals	102	\$2.50
Trusted Concepts	8	Fairfax Co.	N	E	Information technology services	12	\$0.00
Universal Consulting Services, Inc.	8	Fairfax Co.	N	E	Acquisition management, enterprise IT solutions, program support	60	\$0.30
Universal Dynamics, Inc.*	8	Prince William Co.	M	E	N.A. HQ; designs/manufactures/installs auxiliary products for plastics processing	0	\$6.00

## Appendix 4: Announcement Data for FY 2013

URS Corporation	8	Fairfax Co.	N	E	Provides engineering, construction and technical services	12	\$0.00	
VoodooLunchbox, Inc.	8	Loudoun Co.	N	E	Multi-tenant cloud analytic platform; digital insights and analytics	27	\$1.25	
WashingtonFirst Bank	8	Fairfax Co.	N	E	HQ; banking and mortgage services	28	\$0.00	
Wyle Aerospace Group	8	Arlington Co.	N	E	Program management and engineering services	15	\$0.00	
Zeiders Enterprises, Inc.	8	Prince William Co.	N	E	HQ; social services management provider	25	\$0.00	
		<i>Expansion Total</i>				<i>104 announcements</i>	<i>4,550</i>	<i>\$679.96</i>
		<b><i>PDC 8 Total</i></b>				<b><i>125 announcements</i></b>	<b><i>5,660</i></b>	<b><i>\$727.56</i></b>
Applied Research in Acoustics (ARIA)	9	Culpeper Co.	N	N	Research and development in acoustics	10	\$0.00	
Toll Integrated Systems	9	Culpeper Co.	M	N	Roof trusses, wood panels, other building materials	30	\$5.00	
		<i>New Total</i>				<i>2 announcements</i>	<i>40</i>	<i>\$5.00</i>
Smith-Midland Corp.	9	Fauquier Co.	M	E	Precast concrete; barriers, walls, structural components	30	\$1.00	
Universal Stones	9	Fauquier Co.	M	E	Distributes, fabricates and installs natural stone kitchen countertops	80	\$5.00	
Verizon Wireless	9	Culpeper Co.	N	E	Data center; data hosting services	50	\$150.00	
		<i>Expansion Total</i>				<i>3 announcements</i>	<i>160</i>	<i>\$156.00</i>
		<b><i>PDC 9 Total</i></b>				<b><i>5 announcements</i></b>	<b><i>200</i></b>	<b><i>\$161.00</i></b>
Devils Backbone Brewing (Mountain View Brewery)	10	Nelson Co.	M	N	Brewery	0	\$3.05	
		<i>New Total</i>				<i>1 announcement</i>	<i>0</i>	<i>\$3.05</i>
Falconer Construction Company	10	Louisa Co.	N	E	HQ; site and heavy civil contractor	0	\$3.20	
Insurance Institute For Highway Safety	10	Greene Co.	N	E	Vehicle research center; testing facility	10	\$30.00	
Northland Forest Products	10	Fluvanna Co.	N	E	Kiln-dried hardwoods and cabinet grade plywood supplier	5	\$0.65	
Patriot Aluminum Products LLC	10	Louisa Co.	M	E	Manufactures aluminum conduit	0	\$1.50	
Starr Hill Brewery	10	Albemarle Co.	M	E	Brewery	15	\$1.50	
Teachstone Training, LLC	10	Charlottesville	N	E	Software and observation tools for educators	28	\$0.20	
		<i>Expansion Total</i>				<i>6 announcements</i>	<i>58</i>	<i>\$37.05</i>
		<b><i>PDC 10 Total</i></b>				<b><i>7 announcements</i></b>	<b><i>58</i></b>	<b><i>\$40.10</i></b>
CakeBoxx Technologies	11	Amherst Co.	M	N	Doorless intermodal cargo shipping containers	33	\$0.90	
Central Virginia Manufacturers	11	Bedford Co.	M	N	Sheet metal fabrication	15	\$0.00	
Porter's Group, LLC	11	Lynchburg	M	N	Produce fabricated metal products; safes and related products and parts	120	\$1.80	

# Appendix 4: Announcement Data for FY 2013

		<i>New Total</i>			<i>3 announcements</i>	<i>168</i>	<i>\$2.70</i>
AREVA NP Inc.*	11	Campbell Co.	N	E	Technology and testing center; seismic testing	15	\$7.20
Babcock & Wilcox mPower, Inc.	11	Lynchburg	M	E	mPower™ Fuel Technology Center (FTC), nuclear fuel production	12	\$5.00
Babcock & Wilcox Nuclear Energy, Inc.	11	Bedford Co.	N	E	Commercial nuclear energy services and engineering solutions	30	\$16.00
Banker Steel Company, LLC	11	Campbell Co.	M	E	Fabricates structural steel	50	\$2.45
Commercial Steel Erection (CSE)	11	Amherst Co.	N	E	Services the industrial market; provides crane, rigging, and erection services	51	\$1.25
Graham Packaging Co.	11	Campbell Co.	M	E	Manufactures custom blow-molded plastic containers	6	\$4.90
		<i>Expansion Total</i>			<i>6 announcements</i>	<i>164</i>	<i>\$36.80</i>
		<b><i>PDC 11 Total</i></b>			<b><i>9 announcements</i></b>	<b><i>332</i></b>	<b><i>\$39.50</i></b>
AllergEase LLC	12	Danville	M	N	All-natural herbal lozenges; warehouse/distribution	150	\$7.50
American Phoenix	12	Danville	N	N	Rubber mixing	50	\$3.50
GOK International*	12	Danville	M	N	U.S. HQ; furniture assembly	300	\$12.50
Macerata Wheels LLC	12	Danville	M	N	Custom wheels for automobiles and motorcycles	100	\$0.00
Norhurst	12	Danville	N	N	Information technology and related services	108	\$2.30
Sunken City Brewing Company	12	Franklin Co.	M	N	Microbrewery	25	\$2.30
Taxing Authority Consulting Services	12	Martinsville	N	N	Provides call center services for legal collections	17	\$0.00
		<i>New Total</i>			<i>7 announcements</i>	<i>750</i>	<i>\$28.10</i>
CBN Secure Technologies, Inc.*	12	Danville	M	E	High-tech printing, produces secure Virginia driver's licenses and ID cards	25	\$8.20
Commonwealth Laminating & Coating, Inc.	12	Henry Co.	M	E	HQ; Solar-control window films and high-performance coatings	60	\$5.45
Faneuil, Inc.	12	Martinsville	N	E	Customer service center	100	\$1.00
HanesBrands Inc.	12	Patrick Co.	M	E	Fabric production plant; everyday basic apparel	50	\$1.60
Homestead Creamery	12	Franklin Co.	M	E	Manufactures and processes dairy and milk products	20	\$1.10
JTI Leaf Services*	12	Danville	M	E	Tobacco processing	10	\$7.50
Kimball Hospitality	12	Henry Co.	M	E	Hospitality furniture production; administrative offices	45	\$1.00
Monogram Snacks	12	Henry Co.	M	E	Meat snacks	100	\$0.00
Ply Gem Windows	12	Franklin Co.	M	E	Windows and doors	200	\$9.00
The Tile Shop	12	Henry Co.	M	E	Manufactures mortar, grout, and sealers	0	\$4.00
Virginia Candle Company	12	Pittsylvania Co.	N	E	Warehouse, distribution, manufacturing; candles	15	\$0.00
		<i>Expansion Total</i>			<i>11 announcements</i>	<i>625</i>	<i>\$38.85</i>



## Appendix 4: Announcement Data for FY 2013

	<b>PDC 12 Total</b>					<b>18 announcements</b>	<b>1,375</b>	<b>\$66.95</b>
Microsoft Corp.	13	Mecklenburg Co.	N	E	Data center	30	\$348.00	
National Tire Research Center	13	Halifax Co.	N	E	Tire research and testing	63	\$16.20	
		<i>Expansion Total</i>				<i>2 announcements</i>	93	\$364.20
	<b>PDC 13 Total</b>					<b>2 announcements</b>	<b>93</b>	<b>\$364.20</b>
AAI Corporation	14	Nottoway Co.	M	N	Provides training, remanufacturing, and logistics services for unmanned air systems	75	\$1.00	
		<i>New Total</i>				<i>1 announcement</i>	75	\$1.00
J.R. Tharpe Trucking Co., Inc.	14	Prince Edward Co.	N	E	Contract hauling, front end loader service, excavator service	25	\$2.63	
Tri-Boro Shelving & Partition Corp.	14	Prince Edward Co.	M	E	Metal shelving, stock carts, work benches, and other storage products	25	\$4.50	
		<i>Expansion Total</i>				<i>2 announcements</i>	50	\$7.13
	<b>PDC 14 Total</b>					<b>3 announcements</b>	<b>125</b>	<b>\$8.13</b>
Aditya Birla Minacs*	15	Henrico Co.	N	N	Business process outsourcing, IT outsourcing	700	\$2.00	
Andersen Internet Marketing LLC	15	Richmond City	N	N	East Coast HQ; website development and online marketing services	20	\$0.00	
Blue Bell Creameries	15	Henrico Co.	N	N	Warehouse and distribution of ice cream products	20	\$0.50	
Cedar Creek	15	Chesterfield Co.	N	N	Lumber and building supply distribution	20	\$3.85	
Englewood Enterprises	15	Richmond City	N	N	Rail transloading facility for biofuels/ethanol from railcar to pipeline	6	\$3.50	
Houff's Feed & Fertilizer Co, Inc.	15	Hanover Co.	N	N	Transloading facility; fertilizers, seed	2	\$0.85	
Hy-Tech USA*	15	Chesterfield Co.	M	N	Manufactures hydraulic fittings	5	\$0.20	
Morooka America*	15	Hanover Co.	M	N	Track carrier machines manufacturing and product assembly operations	50	\$15.00	
Sonicmed Technologies*	15	Richmond City	M	N	Ultrasonic medical instruments, workstations, and surgical systems	50	\$5.00	
Strangeways Brewing	15	Henrico Co.	M	N	Craft beer brewery	10	\$0.25	
The Vitamin Shoppe, Inc.	15	Hanover Co.	N	N	Distribution center; nutritional products, vitamins	174	\$39.40	
Triad Isotopes	15	Henrico Co.	M	N	Made-to-order pharmaceuticals	8	\$0.50	
		<i>New Total</i>				<i>12 announcements</i>	1,065	\$71.05
Alliance Machine and Engraving, LLC	15	Hanover Co.	M	E	Embossers, embossing machines, extrusion machinery, engraved rolls	10	\$0.18	
Best Bully's	15	Henrico Co.	M	E	Manufactures and distributes pet treats	40	\$1.00	
BrownGreer PLC	15	Henrico Co.	N	E	HQ; legal counsel, litigation management and support	0	\$3.00	
Central Virginia Health Network	15	Henrico Co.	N	E	Laboratory	7	\$2.00	
Design Ready Controls	15	Henrico Co.	M	E	Original design manufacturer (ODM) providing control panel and harness solutions	42	\$0.00	

## Appendix 4: Announcement Data for FY 2013

Dominion Transmission Inc.	15	Richmond City	N	E	Provides gas processing, transportation and storage services	100	\$0.00	
East Penn Manufacturing Co., Inc.	15	Hanover Co.	M	E	Lead-acid batteries and accessories for automotive, solar, telecom, etc. markets	10	\$0.00	
EMSCO	15	Hanover Co.	M	E	Manufactures parts for floor-scrubbing robots; circuit boards	0	\$0.68	
FedEx Corporation	15	Hanover Co.	N	E	Distribution center, parcel shipping	0	\$4.00	
GENETWORx, LLC	15	Henrico Co.	M	E	Pharmacogenomic testing devices and kits	200	\$3.00	
H&A Architects & Engineers	15	Henrico Co.	N	E	HQ; Architecture, engineering, and graphics services	2	\$0.40	
Hanover Foils, LLC	15	Hanover Co.	M	E	Converts foils for the confectionery industry	18	\$0.50	
Health Diagnostic Laboratory (HDL)	15	Henrico Co.	N	E	Lab services, testing, research for cardiovascular health management/improvement	45	\$1.50	
HOVA Flight Services	15	Hanover Co.	N	E	Aircraft management, maintenance, fixed base operator	6	\$0.10	
Kimley-Horn and Associates, Inc.	15	Henrico Co.	N	E	Engineering services	0	\$0.40	
Kosmo Machine, Inc.	15	Henrico Co.	M	E	Manufactures precision machine parts	0	\$2.00	
Marten Transport Ltd.	15	Chesterfield Co.	N	E	Regional/over the road trucking services	127	\$11.70	
Pelon's Baja Salsa	15	Henrico Co.	N	E	Salsa and guacamole	10	\$0.75	
PIEtech Inc.	15	Powhatan Co.	N	E	Financial planning software	10	\$0.80	
Quantum Silicones, LLC*	15	Chesterfield Co.	M	E	Specialty silicones for the aerospace, automotive, and healthcare markets	15	\$4.00	
Remedi SeniorCare	15	Hanover Co.	N	E	Distribution of pharmaceuticals; automated medication system development	38	\$7.00	
Sabra Dipping Company, LLC*	15	Chesterfield Co.	M	E	Manufactures hummus and vegetable dips	140	\$86.00	
Schneider Laboratories Global, Inc.	15	Richmond City	N	E	Testing laboratory; certified test kits	12	\$0.10	
Target Marketing	15	Hanover Co.	N	E	Promotional solutions, incentive and reward campaigns, promotional products	15	\$2.00	
The Peggs Company	15	Hanover Co.	N	E	Reconditioned shopping cart distribution	99	\$2.90	
The Travelers Cos. Inc.	15	Henrico Co.	N	E	Regional HQ, customer service, underwriting, claims and information technology	0	\$8.00	
Tyson Foods Inc.	15	Hanover Co.	M	E	Poultry processing	120	\$14.00	
Virginia Crane (Foley Material Handling)	15	Hanover Co.	M	E	Manufactures industrial cranes	20	\$1.50	
WEIGHTPACK, Inc.	15	Powhatan Co.	M	E	Corporate HQ: Packaging machinery	35	\$2.60	
Wellborn + Wright	15	Henrico Co.	M	E	Wood flooring, wall paneling, cabinets, doors, chairs	0	\$0.60	
		<i>Expansion Total</i>				<i>30 announcements</i>	<i>1,121</i>	<i>\$160.70</i>
		<b>PDC 15 Total</b>				<b>42 announcements</b>	<b>2,186</b>	<b>\$231.75</b>
Faddis Concrete Products	16	King George Co.	M	N	Precast concrete	53	\$3.06	
Regency Polymer Materials	16	Spotsylvania Co.	M	N	Grinds recycled vinyl and aluminum scrap into powder	25	\$0.00	

## Appendix 4: Announcement Data for FY 2013

Truland Systems Corp.	16	Caroline Co.	N	N	Prefabrication, materials management and assembly, training	50	\$4.70
		<i>New Total</i>			<i>3 announcements</i>	<i>128</i>	<i>\$7.76</i>
Fresh Tulips USA, LLC	16	King George Co.	N	E	Grow and distribute hydroponic tulips	100	\$3.00
Greencore Group plc*	16	Stafford Co.	M	E	Manufactures convenience foods, packaged sandwiches and other food products	350	\$5.75
Hawkins Glass Wholesalers, LLC	16	Stafford Co.	M	E	Glass fabrication and wholesale distribution	26	\$0.10
M.C. Dean, Inc.	16	Caroline Co.	N	E	Acoustic technology test range	15	\$1.00
MetroStar Systems	16	Stafford Co.	N	E	Systems and software integration	57	\$0.40
Professional Solutions Delivered (ProSoDel)	16	Caroline Co.	N	E	Ladysmith Integration Facility, provides item unique identification marking	14	\$0.00
SimVentions, Inc.	16	Spotsylvania Co.	N	E	Modeling and simulation, IT services	62	\$0.15
		<i>Expansion Total</i>			<i>7 announcements</i>	<i>624</i>	<i>\$10.40</i>
		<b><i>PDC 16 Total</i></b>			<b><i>10 announcements</i></b>	<b><i>752</i></b>	<b><i>\$18.16</i></b>
Helena Chemical Company	17	Richmond Co.	N	E	Distributor of crop protection and crop production inputs	0	\$0.18
O'Gara Group	17	Westmoreland Co.	N	E	Tactical training center to teach combat, defensive tactics; modeling & simulation	100	\$10.00
		<i>Expansion Total</i>			<i>2 announcements</i>	<i>100</i>	<i>\$10.18</i>
		<b><i>PDC 17 Total</i></b>			<b><i>2 announcements</i></b>	<b><i>100</i></b>	<b><i>\$10.18</i></b>
Iluka Resources*	19	Dinwiddie Co.	N	N	Mineral sands mining; produces zircon and titanium dioxide	86	\$67.00
Nelson Westerberg	19	Dinwiddie Co.	N	N	Relocation services for domestic, international, corporate, and military clients	75	\$0.00
		<i>New Total</i>			<i>2 announcements</i>	<i>161</i>	<i>\$67.00</i>
Amsted Rail Company, Inc.	19	Petersburg	M	E	Tapered roller bearings	104	\$37.50
Praxair, Inc.	19	Hopewell	M	E	Carbon dioxide/industrial gas capture and purification	15	\$23.00
Service Center Metals	19	Prince George Co.	M	E	Extruded aluminum products	20	\$0.00
		<i>Expansion Total</i>			<i>3 announcements</i>	<i>139</i>	<i>\$60.50</i>
		<b><i>PDC 19 Total</i></b>			<b><i>5 announcements</i></b>	<b><i>300</i></b>	<b><i>\$127.50</i></b>
AMAC Leasing LLC	23	Southampton Co.	M	N	Aggregate distribution facility and asphalt manufacturing	26	\$5.60
Arc Granite & Marble	23	Virginia Beach	N	N	Distribution of architectural stone products	5	\$0.15
Blue Bell Creameries	23	Suffolk	N	N	Transfer station; ice cream products	10	\$0.50
BNNT LLC	23	Newport News	M	N	Boron nitride nanotubes	20	\$4.00
CoesterVMS	23	Virginia Beach	N	N	Provides appraisal management and technology services	40	\$0.00
Cosentino S.A.*	23	Hampton	N	N	Distribute stone and stone-like materials used in countertops	17	\$2.28

## Appendix 4: Announcement Data for FY 2013

Faneuil, Inc.	23	Portsmouth	N	N	Customer support solutions	50	\$1.00
Franklin Lumber, LLC	23	Isle of Wight Co.	M	N	Southern yellow pine lumber	72	\$14.80
Grandwatt Electric Corporation (SWT)*	23	Suffolk	M	N	Power generators for telecom, mining, railway and other applications	50	\$10.00
Green Flash Brewing	23	Virginia Beach	M	N	Manufactures craft beers	42	\$20.00
Hi-Logic, Inc.*	23	Virginia Beach	N	N	Warehouse, imports/exports products between China and Virginia	10	\$1.00
PHH Arval	23	Virginia Beach	N	N	Provides financial and management services for commercial vehicle fleets	10	\$0.15
Tak Investments, Inc. (ST Tissue)	23	Isle of Wight Co.	M	N	Recycles waste paper into tissue for napkins and towels	85	\$60.00
			<i>New Total</i>		<i>13 announcements</i>	<i>437</i>	<i>\$119.48</i>
Acosta, Inc.	23	Virginia Beach	N	E	Provides sales and marketing services to consumer packaged goods companies	20	\$0.35
AirLite USA	23	York Co.	N	E	Animal bedding	15	\$0.60
Architectural Graphics Inc.	23	Virginia Beach	N	E	Architectural quality interior and exterior sign systems	125	\$17.35
AvalonBay Communities, Inc.	23	Virginia Beach	N	E	National customer care center, real estate investment trust	52	\$1.50
Avdex Corporation	23	Hampton	M	E	Metal fabrication	0	\$1.67
Avdex Corporation	23	Hampton	M	E	Metal fabrication	34	\$3.83
Avis Budget Group, Inc.	23	Virginia Beach	N	E	National processing center; regional shared services center; rental car supplier	25	\$0.00
Bauer Compressors Inc.*	23	Norfolk	M	E	U.S. HQ; Air and industrial compressors	130	\$15.00
BFPE International	23	Virginia Beach	N	E	Regional headquarters; full-service fire protection and security system firm	30	\$0.95
Canon Virginia Inc.*	23	Newport News	M	E	Manufactures toner for Canon copiers	0	\$27.00
Cetan Corp.	23	Chesapeake	N	E	Enterprise software solutions	31	\$0.90
Clark Nexen	23	Virginia Beach	N	E	HQ; architectural design	0	\$1.00
Continental Terminals, Inc.	23	Suffolk	N	E	Coffee roasting, sorting, storage, blending and distribution	35	\$2.70
DLBA Robotics, Ltd.	23	Hampton	M	E	Molds/patterns for marine, rail, aerospace, wind generation equipment	0	\$0.50
Eska Graphic Board*	23	Chesapeake	M	E	Paperboard	18	\$0.55
Ferguson Enterprises Inc.*	23	Newport News	N	E	Subsidiary HQ; Distribution center, bathroom fixtures	0	\$2.60
Global Supply Solutions (GSS Gear)	23	Virginia Beach	N	E	Supplier of tactical and outdoor gear	11	\$0.10
Greystone, Inc.	23	James City Co.	M	E	Metal plating of components	34	\$1.50
Hamilton Consulting Corporation	23	Chesapeake	N	E	Provides IT consulting and management solutions	58	\$0.50
High Liner Foods Inc.*	23	Newport News	M	E	Seafood processing; frozen seafood products	57	\$6.60
Hobbs & Associates	23	Norfolk	N	E	HVAC distribution, installation and solutions, engineering services	20	\$3.35

## Appendix 4: Announcement Data for FY 2013

IBS of America Corp./JUD Corp.*	23	Chesapeake	M	E	Manufactures equipment for the paper industry	10	\$1.30	
International Paper	23	Isle of Wight Co.	M	E	Fluff paper mill	0	\$7.00	
KOSTER American Corp.*	23	Virginia Beach	M	E	U.S. HQ; Distribution of waterproof construction materials, other building products	6	\$4.60	
La Tienda	23	James City Co.	N	E	Warehouse/distribution of Spanish food products	32	\$0.17	
Labels Unlimited, LLC	23	Virginia Beach	M	E	Manufactures pressure sensitive labels and tags	71	\$3.50	
Liebherr Mining Equipment Newport News*	23	Hampton	M	E	Construction and mining equipment	0	\$10.00	
Liebherr Mining Equipment Newport News*	23	Newport News	M	E	N.A. HQ; manufactures construction and mining equipment	174	\$45.43	
Lipton*	23	Suffolk	M	E	Tea, bagged and instant	0	\$96.20	
LoanCare, a division of FNF Servicing, Inc.	23	Virginia Beach	N	E	Call center; mortgage loan sub-servicing	178	\$1.40	
Manufacturing & Design Technology, Inc.	23	Chesapeake	M	E	Ferrous, nonferrous, exotic and composite materials	21	\$1.80	
McKean Defense Group, LLC	23	Portsmouth	N	E	Naval engineering and information technology services	25	\$0.00	
Mills Marine & Ship Repair, LLC	23	Suffolk	M	E	Ship maintenance, repair, and shipboard components	142	\$3.00	
Mosaic Tile	23	Virginia Beach	N	E	Distributes ceramic tile and stone	8	\$2.50	
Mosquito Joe	23	Virginia Beach	N	E	HQ; mosquito control franchise	16	\$0.21	
Newport News Industrial Corp. (NNI)	23	Newport News	M	E	Fabricate, assemble, inspect, transport nuclear shield building wall panels	50	\$10.00	
Parsons Brinckerhoff	23	Virginia Beach	N	E	Regional headquarters, planning and engineering services	10	\$0.95	
Portfolio Recovery Associates	23	Hampton	N	E	Call center, consumer debt collection	111	\$0.00	
Portfolio Recovery Associates	23	Norfolk	N	E	HQ; call center, consumer debt collection	138	\$0.00	
Solar Panels Plus, LLC	23	Chesapeake	M	E	Manufactures and distributes solar energy products	0	\$0.10	
Sutherland Global Services	23	Chesapeake	N	E	Business process outsourcing and analytics services	275	\$6.87	
Tidewater Prosthetic Center	23	Portsmouth	M	E	Fabricates custom-made devices and prosthetics	5	\$0.25	
Trans-Ocean Import Co.	23	Suffolk	M	E	Laminating, laser cutting, pillow and cushion stuffing, sewing	12	\$1.10	
Virginia Packing	23	James City Co.	M	E	Cured meats, cheeses and other specialty food products	18	\$0.12	
Virginia Toy and Novelty Company	23	Virginia Beach	N	E	Distributes toys, novelty and gift items	52	\$0.13	
Vision Machine & Fabrication	23	Hampton	M	E	Machined parts, turn-key assemblies, with prototype and production capabilities	1	\$0.44	
Xerox	23	Chesapeake	N	E	Call center	300	\$0.00	
		<i>Expansion Total</i>				<i>47 announcements</i>	<i>2,350</i>	<i>\$285.61</i>
		<b>PDC 23 Total</b>				<b>60 announcements</b>	<b>2,787</b>	<b>\$405.09</b>
<b>Not Publicly Announced</b>		<b>Confidential Total</b>				<b>10 announcements</b>	<b>496</b>	<b>\$293.00</b>

## Appendix 4: Announcement Data for FY 2013

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	<b>Grand Total</b>		<b>353 announcements</b>	<b>17,123</b>	<b>\$3,406.04</b>
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**Notes:**

\*Indicates foreign affiliation

Type: New or Expansion

Mfg: Manufacturing or Nonmanufacturing

2013 announcements are preliminary

All announcements are subject to revision

## Appendix 5: Employment Creation and Capital Investment by PDC

	Announcements	Employment	Investment (millions)
New Total	1	25	\$0.50
Expansion Total	1	28	\$1.20
<b>PDC 1 Total</b>	<b>2</b>	<b>53</b>	<b>\$1.70</b>
New Total	1	15	\$0.00
Expansion Total	0	0	\$0.00
<b>PDC 2 Total</b>	<b>1</b>	<b>15</b>	<b>\$0.00</b>
New Total	1	32	\$1.93
Expansion Total	1	8	\$4.88
<b>PDC 3 Total</b>	<b>2</b>	<b>40</b>	<b>\$6.81</b>
New Total	3	235	\$270.15
Expansion Total	8	477	\$174.23
<b>PDC 4 Total</b>	<b>11</b>	<b>712</b>	<b>\$444.38</b>
New Total	1	15	\$0.94
Expansion Total	10	443	\$35.91
<b>PDC 5 Total</b>	<b>11</b>	<b>458</b>	<b>\$36.85</b>
New Total	2	65	\$50.50
Expansion Total	13	421	\$160.25
<b>PDC 6 Total</b>	<b>15</b>	<b>486</b>	<b>\$210.75</b>
New Total	2	251	\$37.05
Expansion Total	11	644	\$175.40
<b>PDC 7 Total</b>	<b>13</b>	<b>895</b>	<b>\$212.45</b>

## Appendix 5: Employment Creation and Capital Investment by PDC

New Total	21	1,110	\$47.60
Expansion Total	104	4,550	\$679.96
<b>PDC 8 Total</b>	<b>125</b>	<b>5,660</b>	<b>\$727.56</b>
<i>New Total</i>	2	40	\$5.00
<i>Expansion Total</i>	3	160	\$156.00
<b>PDC 9 Total</b>	<b>5</b>	<b>200</b>	<b>\$161.00</b>
<i>New Total</i>	1	0	\$3.05
<i>Expansion Total</i>	6	58	\$37.05
<b>PDC 10 Total</b>	<b>7</b>	<b>58</b>	<b>\$40.10</b>
<i>New Total</i>	3	168	\$2.70
<i>Expansion Total</i>	6	164	\$36.80
<b>PDC 11 Total</b>	<b>9</b>	<b>332</b>	<b>\$39.50</b>
<i>New Total</i>	7	750	\$28.10
<i>Expansion Total</i>	11	625	\$38.85
<b>PDC 12 Total</b>	<b>18</b>	<b>1,375</b>	<b>\$66.95</b>
<i>New Total</i>	0	0	\$0.00
<i>Expansion Total</i>	2	93	\$364.20
<b>PDC 13 Total</b>	<b>2</b>	<b>93</b>	<b>\$364.20</b>
<i>New Total</i>	1	75	\$1.00
<i>Expansion Total</i>	2	50	\$7.13
<b>PDC 14 Total</b>	<b>3</b>	<b>125</b>	<b>\$8.13</b>
<i>New Total</i>	12	1,065	\$71.05
<i>Expansion Total</i>	30	1,121	\$160.70



## Appendix 5: Employment Creation and Capital Investment by PDC

<b>PDC 15 Total</b>	<b>42</b>	<b>2,186</b>	<b>\$231.75</b>
<i>New Total</i>	3	128	\$7.76
<i>Expansion Total</i>	7	624	\$10.40
<b>PDC 16 Total</b>	<b>10</b>	<b>752</b>	<b>\$18.16</b>
<i>New Total</i>	0	0	\$0.00
<i>Expansion Total</i>	2	100	\$10.18
<b>PDC 17 Total</b>	<b>2</b>	<b>100</b>	<b>\$10.18</b>
<i>New Total</i>	0	0	\$0.00
<i>Expansion Total</i>	0	0	\$0.00
<b>PDC 18 Total</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<i>New Total</i>	2	161	\$67.00
<i>Expansion Total</i>	3	139	\$60.50
<b>PDC 19 Total</b>	<b>5</b>	<b>300</b>	<b>\$127.50</b>
<i>New Total</i>	0	0	\$0.00
<i>Expansion Total</i>	0	0	\$0.00
<b>PDC 22 Total</b>	<b>0</b>	<b>0</b>	<b>\$0.00</b>
<i>New Total</i>	13	437	\$119.48
<i>Expansion Total</i>	47	2,350	\$285.61
<b>PDC 23 Total</b>	<b>60</b>	<b>2,787</b>	<b>\$405.09</b>
<b>Confidential</b>	<b>10</b>	<b>496</b>	<b>\$293.00</b>
<b>Grand Total</b>	<b>353</b>	<b>17,123</b>	<b>\$3,406.04</b>

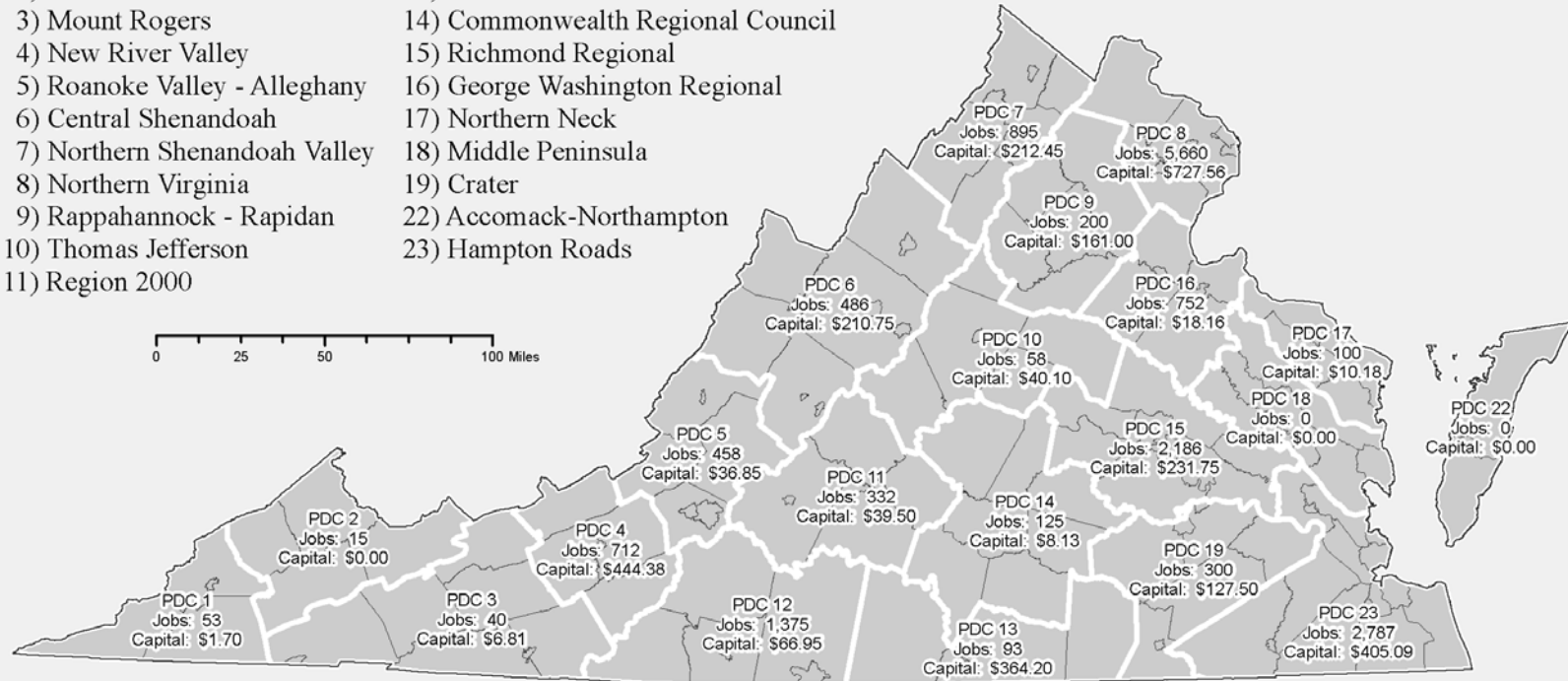
Notes: 2013 announcements are preliminary; All announcements are subject to revision

## Appendix 5: Employment Creation and Capital Investment by PDC for FY 2013

### Employment Creation and Capital Investment by Planning District Fiscal Year 2013

**Planning District Commission (PDC) Name & Number**

- |                               |                                   |
|-------------------------------|-----------------------------------|
| 1) Lenowisco                  | 12) West Piedmont                 |
| 2) Cumberland Plateau         | 13) Southside                     |
| 3) Mount Rogers               | 14) Commonwealth Regional Council |
| 4) New River Valley           | 15) Richmond Regional             |
| 5) Roanoke Valley - Alleghany | 16) George Washington Regional    |
| 6) Central Shenandoah         | 17) Northern Neck                 |
| 7) Northern Shenandoah Valley | 18) Middle Peninsula              |
| 8) Northern Virginia          | 19) Crater                        |
| 9) Rappahannock - Rapidan     | 22) Accomack-Northampton          |
| 10) Thomas Jefferson          | 23) Hampton Roads                 |
| 11) Region 2000               |                                   |



Numbers on map indicate jobs created and capital invested in millions for FY2013. All announcements are subject to revision.

Map created by Virginia Economic Development Partnership, September 2013

## **Appendix 6: Audited Financial Report**

Virginia Economic Development Partnership  
Audited Basic Financial Statements  
For the Fiscal Year Ended June 30, 2013

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## INTRODUCTORY SECTION

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
Richmond, Virginia

APPOINTED OFFICIALS  
As of June 30, 2013

Board of Directors

John F. Malbon, Chair  
Hugh D. Keogh, Vice Chair

Stephen R. Adkins	David Oliver
Robert G. Beck	Julien G. Patterson
Michael E. Bennett	Dan M. Pleasant
Eddie M. Bowles	A. Carole Pratt
Russell B. Clark	Samuel A. Schreiber
Mark D. Heath	Donald W. Seale
David Hudgins	James E. Ukrop
Chris A. Lumsden	Neil D. Wilkin, Jr.
Stuart S. Malawer	

The Honorable William T. Bolling, Ex-Officio  
The Honorable Richard D. Brown, Ex-Officio  
The Honorable Jim S. Cheng, Ex-Officio  
The Honorable James D. Duffey, Ex-Officio  
The Honorable Todd P. Haymore, Ex-Officio  
Glenn DuBois, Ex-Officio

President and Chief Executive Officer

Martin J. Briley

## FINANCIAL SECTION

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
AS OF JUNE 30, 2013

The Virginia Economic Development Partnership (Partnership) management offers the readers of the Partnership's financial statements this narrative overview and analysis of its financial activities for the fiscal year ended June 30, 2013. We encourage the reader to consider this information presented here in conjunction with the financial statements and accompanying notes.

**Overview of the Financial Statements**

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Partnership in a manner similar to a private sector business.

The Statement of Net Position presents information on all of the Partnership's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Partnership is improving or deteriorating.

The Statement of Activities presents information showing how the Partnership's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. For example, expenses that are accrued for the net pension obligation in the current period are expected to be paid with future funding appropriations from the Commonwealth of Virginia.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Partnership, like other political subdivisions of the Commonwealth of Virginia, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The financial activities of the Partnership are reported in *governmental funds*.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Partnership's near-term financing requirements.



## Reconciliations between Government-Wide and Fund Financial Statements

There are two reconciliations between the government-wide and the fund financial statements. The first is found on the Balance Sheet and explains the difference between the *fund balance* on the Balance Sheet and *net position* on the Statement of Net Position. The second is found on the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities, which reconciles the difference between the *net change in fund balances* on the fund-based statement and the *change in net position* on the government-wide based statement. Both statements describe in sufficient detail the amounts and the reasons for those differences.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of an organization's financial position. At the close of the fiscal year ended June 30, 2013, the Partnership had a net position of (\$2,498,051) compared to a net position of (\$1,480,360) as of June 30, 2012. Following is an analysis of the changes in the net position of the Partnership.

	Net Position		
	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Current and other assets	\$ 3,624,998	\$ 3,982,262	\$ (357,264)
Capital assets, net of depreciation	<u>777,835</u>	<u>654,549</u>	<u>123,286</u>
Total assets	<u>4,402,833</u>	<u>4,636,811</u>	<u>(233,978)</u>
Non-current liabilities	6,431,660	5,541,611	890,049
Other liabilities	<u>469,224</u>	<u>575,560</u>	<u>(106,336)</u>
Total liabilities	<u>6,900,884</u>	<u>6,117,171</u>	<u>783,713</u>
Net position:			
Net investment in capital assets	777,835	654,549	123,286
Unrestricted	<u>(3,275,886)</u>	<u>(2,134,909)</u>	<u>(1,140,977)</u>
Total net position	<u>\$ (2,498,051)</u>	<u>\$ (1,480,360)</u>	<u>\$ (1,017,691)</u>

*Total assets* decreased this fiscal year by \$233,978 when compared to last year. The principal causes of this decrease were decreases in the Current asset, cash of \$224,160 and the Current asset, operating grants receivable of \$128,050, which was due from the federal government, and a net increase in Capital assets, net of depreciation of \$123,286.

*Total liabilities* increased by \$783,713. The principal causes of this increase were increases in the Non-current liabilities of the Partnership's net pension obligation and other post-employment obligation totaling \$874,111, and an increase in compensated absences liability of \$15,938. Other liabilities decreased by \$106,336. The principal causes of this decrease were decreases in the Due to Virginia National Defense Industrial Authority of \$127,466 and accrued payroll of \$43,454 which was offset by increases in accounts payable and deferred revenue totaling \$65,248.

Net investment in capital assets consists primarily of leasehold improvements, computers and peripheral technology equipment used by the organization to deliver program services to its clients. The

Partnership considers technology a vital asset in its efforts to market Virginia and will continue to invest in technology to ensure that its equipment and software are updated to take advantage of greater data handling capabilities and increased processing speeds.

The remaining *Net position* balance of (\$3,275,886) is classified as *unrestricted*. The Partnership has recorded \$5,567,682 of net pension and other post retirement obligations which are expected to be paid with future appropriations from the Commonwealth of Virginia (COV). The Partnership's Current and other assets exceed its Other liabilities by \$3,155,774.

#### Changes in Net Position

	<u>2013</u>	<u>2012</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenues:			
Charges for services	\$ 601,626	\$ 383,962	\$ 217,664
Operating grants	611,496	292,413	319,083
General revenues:			
General Fund appropriations	18,193,822	18,687,018	(493,196)
Other	92,370	32,358	60,012
	<u>19,499,314</u>	<u>19,395,751</u>	<u>103,563</u>
Total revenues			
Expenses:			
Business Expansion	2,367,158	3,254,531	(887,373)
Business Attraction	3,283,440	2,500,633	782,807
International Trade	4,637,418	3,492,862	1,156,382
Research	2,294,216	1,935,918	358,298
Communications and Promotions	2,947,714	3,053,140	(105,426)
Information Technology	1,543,900	2,222,311	(678,411)
Administration	2,788,145	3,140,901	(364,582)
Pass-through Payments	655,014	500,000	155,014
	<u>20,517,005</u>	<u>20,100,296</u>	<u>416,709</u>
Total expenses			
Increase (Decrease) in net position	(1,017,691)	(704,545)	(313,146)
Beginning net position	<u>(1,480,360)</u>	<u>(775,815)</u>	<u>(704,545)</u>
Ending net position	<u>\$ (2,498,051)</u>	<u>\$ (1,480,360)</u>	<u>\$ (1,017,691)</u>

*Net position* for the Partnership decreased by \$1,017,691 during the current fiscal year. The total revenues increase of \$103,563 is due to an increase in sponsorship and participation fees related to International Trade missions, shows and events, as well as an increase in federal operating grants revenue, offset by a decrease in general fund appropriations provided by the COV.

Total expenses for the Partnership increased by \$416,709. Increases and decreases by Division were affected by the realignment of staff to match the operational strategy of the Partnership which took place during the current fiscal year. The overall increase in expenses is primarily due to increased federal operating grant activity as well as additional expenses related to International Trade missions, shows and events, and Governor's marketing missions to California and Asia.

## **General Fund Budgetary Highlights**

The *Statement of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual-Cash Basis* is presented to provide information on the budget as originally prepared and the final budget on which the Partnership operated for the fiscal year. Also, the final budget is compared to the cash basis actual results by revenue source and expenditure activity. The Partnership's budget, as originally prepared, included revenue provided by the COV of approximately \$17.8 million. This amount was increased by approximately \$350,000 for a variety of benefit cost increases. Participation fees exceeded the final budget due to increased International Trade missions, shows and events. Actual expenditures were below the final budget by approximately \$1.2 million for the fiscal year.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes describe the nature of the Partnership's reporting entity and the relationship to the Commonwealth of Virginia as a whole; the basis on which the financial statements were prepared; and the methods used for presentation. Further, the notes provide explanations of specific accounts with significant balances.

## **Requests for Information**

This financial report is designed to provide a general overview of the Partnership's finances for all those with an interest in the Partnership's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the President and Chief Executive Officer, Virginia Economic Development Partnership, P.O. Box 798, Richmond, Virginia, 23218-0798.

## Basic Financial Statements

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
STATEMENT OF NET POSITION  
As of June 30, 2013

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	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents (Note 2)	\$ 3,020,909
Travel advances	4,030
Operating grants receivable	154,831
Due from Component Units of the Commonwealth of Virginia	76,322
Prepaid expenses	349,642
Lease deposits (Note 5)	19,264
Capital assets, net of accumulated depreciation (Note 6)	
Leasehold improvements, furniture, and equipment	<u>777,835</u>
Total assets	<u>4,402,833</u>
<b>Liabilities</b>	
Accounts payable	235,560
Accrued payroll	135,593
Unearned revenue	20,100
Due to Virginia National Defense Industrial Authority	77,971
Noncurrent liabilities due within one year	
Compensated absences (Note 8)	548,103
Noncurrent liabilities due in more than one year	
Compensated absences (Note 8)	315,875
Net pension obligation (Note 9)	4,072,661
Net other post-employment obligation (Note 10)	<u>1,495,021</u>
Total liabilities	<u>6,900,884</u>
<b>Net position</b>	
Net investment in capital assets	777,835
Unrestricted	<u>(3,275,886)</u>
Total net position	<u><u>\$ (2,498,051)</u></u>

The accompanying notes are an integral part of the financial statements.

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2013

	Program Revenues		Net (Expense)
	Charges for	Operating	Revenue and
Expenses	Services	Grants	Changes in
			Net Assets
<b>Governmental Activities</b>			
Business Expansion	\$ 2,367,158	\$ 10,000	\$ (2,357,158)
Business Attraction	3,283,440	52,203	(3,231,237)
International Trade	4,637,418	238,041	611,496
Research	2,294,216	-	(2,294,216)
Communications and Promotions	2,947,714	296,752	(2,650,962)
Information Technology	1,543,900	-	(1,543,900)
Administration	2,788,145	4,630	(2,783,515)
Pass-through Payments	655,014	-	(655,014)
Total governmental activities	20,517,005	601,626	611,496
<b>General Revenues</b>			
Revenue provided by the General Fund of the Commonwealth (Note 4)			18,193,822
Interest revenue			8,324
Other revenue			84,046
Total general revenues			18,286,192
Decrease in net position			(1,017,691)
Net position, July 1, 2012			(1,480,360)
Net position, June 30, 2013			\$ (2,498,051)

The accompanying notes are an integral part of the financial statements.

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of June 30, 2013

	General Fund	Special Revenue Funds	Total Governmental Funds
<b>Assets</b>			
Cash and cash equivalents (Note 2)	\$ 3,020,909	\$	\$ 3,020,909
Travel advances	4,030		4,030
Due from the special revenue funds	154,831		
Operating grants receivable		154,831	154,831
Due from Component Units of the Commonwealth of Virginia	76,322		76,322
Prepaid expenses	349,642		349,642
Lease deposits (Note 5)	19,264		19,264
<b>Total assets</b>	<b>\$ 3,624,998</b>	<b>\$ 154,831</b>	<b>\$ 3,624,998</b>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ 235,560		\$ 235,560
Accrued payroll	135,593		135,593
Due to the general fund		154,831	
Unearned revenue	20,100		20,100
Due to Virginia National Defense Industrial Authority	77,971		77,971
<b>Total liabilities</b>	<b>469,224</b>	<b>154,831</b>	<b>469,224</b>
Fund Balances:			
Nonspendable	368,906	-	368,906
Committed	45,000	-	45,000
Unassigned fund balance	2,741,868	-	2,741,868
<b>Total fund balances</b>	<b>3,155,774</b>	<b>-</b>	<b>3,155,774</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,624,998</b>	<b>\$ 154,831</b>	<b>\$ 3,624,998</b>

Amounts reported for governmental activities in the statement of net assets are different because:

Fund balances, Governmental Funds	\$ 3,155,774
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	777,835
Noncurrent liabilities (compensated absences, net pension obligation and net other post employment obligation) are not due and payable with current financial resources and, therefore, are not reported in the funds.	(6,431,660)
<b>Total net position of governmental activities</b>	<b>\$ (2,498,051)</b>

The accompanying notes are an integral part of the financial statements.

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2013

	General Fund	Special Revenue Funds	Total Governmental Funds
<b>Revenues</b>			
Revenue provided by the General Fund of the Commonwealth (Note 4)	\$ 18,193,822	\$	\$ 18,193,822
Participation fees	479,703		479,703
Sponsorship fees	85,945		85,945
Operating grants		611,496	611,496
Interest revenue	8,325		8,325
Other revenue	120,023		120,023
<b>Total revenues</b>	<b>18,887,818</b>	<b>611,496</b>	<b>19,499,314</b>
<b>Expenditures</b>			
Business Expansion	2,289,747		2,289,747
Business Attraction	3,114,773		3,114,773
International Trade	3,767,475	611,496	4,378,971
Research	2,134,496		2,134,496
Communications and Promotions	2,891,645		2,891,645
Information Technology	1,417,441		1,417,441
Administration	2,868,156		2,868,156
Pass-through Payments	655,013		655,013
<b>Total expenditures</b>	<b>19,138,746</b>	<b>611,496</b>	<b>19,750,242</b>
Revenues over expenditures	(250,928)	-	(250,928)
Fund balance, July 1, 2012	3,406,702	-	3,406,702
Fund balance, June 30, 2013	\$ 3,155,774	\$ -	\$ 3,155,774

The accompanying notes are an integral part of the financial statements.



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 TO THE STATEMENT OF ACTIVITIES  
 For the Fiscal Year Ended June 30, 2013

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Amounts reported for governmental activities in the statement of activities are different because:

Net increase (decrease) in fund balance of the governmental funds	\$ (250,928)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	123,286
Some expenses reported in the statement of activities (compensated absences, net pension obligation and net other post employment obligation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(890,049)</u>
Decrease in net position of governmental activities	<u><u>\$ (1,017,691)</u></u>

The accompanying notes are an integral part of the financial statements.

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - CASH BASIS  
GENERAL AND SPECIAL REVENUE FUNDS  
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts		General Fund Actual	Special Revenue Funds Actual	Variances with Final Budget- Positive (Negative)
	Original	Final			
<b>Revenues</b>					
Revenue provided by the General Fund of the Commonwealth (Note 4)	\$ 17,843,475	\$ 18,193,822	\$ 18,193,822	\$ -	\$ -
Participation fees	157,000	157,000	479,704		322,704
Sponsorship fees	75,000	75,000	85,410		10,410
Operating grants	873,333	873,333		739,546	(133,787)
Interest revenue	5,000	5,000	8,324		3,324
Other revenue	3,000	87,000	127,023		40,023
<b>Total revenues</b>	<b>18,956,808</b>	<b>19,391,155</b>	<b>18,894,283</b>	<b>739,546</b>	<b>242,674</b>
<b>Expenditures</b>					
Business Expansion	2,331,550	2,397,097	2,306,632		90,465
Business Attraction	3,677,565	3,529,860	3,031,183		498,677
International Trade	4,249,043	4,713,846	3,785,540	625,289	303,017
Research	2,207,765	2,266,750	2,178,635		88,115
Communications and Promotions	2,903,461	2,924,099	2,848,841		75,258
Information Technology	1,338,191	1,440,307	1,430,739		9,568
Administration	2,523,753	3,026,716	2,883,362		143,354
Pass-through Payments	670,000	700,000	655,013		44,987
<b>Total expenditures</b>	<b>19,901,328</b>	<b>20,998,675</b>	<b>19,119,945</b>	<b>625,289</b>	<b>1,253,441</b>
Revenues over (under) expenditures	(944,520)	(1,607,520)	(225,662)	114,257	1,496,115
Fund balance, July 1, 2012	944,520	1,607,520	3,132,012	-	1,524,492
Fund balance, June 30, 2013 (Note 3)	\$ -	\$ -	\$ 2,906,350	\$ 114,257	\$ 3,020,607

The accompanying notes are an integral part of the financial statements.

## Notes to Financial Statements

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Virginia Economic Development Partnership (the Partnership) was established on July 1, 1996, by Chapter 638 of the 1995 Acts of Assembly and operates as an authority in accordance with the provisions of Chapter 22 of Title 2.2 of the Code of Virginia. The Partnership's major activities are to encourage, stimulate, and support the development and expansion of the economy of the Commonwealth.

The Partnership is a component unit of the Commonwealth of Virginia. A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Partnership is an integral part of the reporting entity of the Commonwealth of Virginia; accordingly, the Partnership's financial statements are included in the financial statements of the Commonwealth as a discretely presented component unit.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles. The Statement of Net Position and the Statement of Activities are referred to as "government-wide" financial statements and are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Program revenues include charges for services and operating grants. Charges for services are comprised primarily of participation fees and shared mission reimbursements. Operating grants are grants awarded to the Partnership from the federal government.

The Balance Sheet and the Statement of Revenue, Expenditures, and Changes in Fund Balances are referred to as "governmental fund" financial statements and are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Partnership considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as in accrual accounting. However, debt service payments and expenditures related to compensated absences are only recorded when payment is due. The Partnership reports its activities in governmental funds. The general fund is used for its primary operating fund and accounts for all financial transactions not accounted for in the special revenue funds. The special revenue funds are used to account for federal grant revenues and related expenditures for operating grants awarded to the Partnership by the federal government.

Fund balances for the Partnership's governmental funds financial statements are classified in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." Fund balances are classified as restricted, committed or assigned if the related resources reported in governmental funds have either externally or internally imposed restrictions on their usage. Nonspendable fund balances represent assets such as prepaid expenses and lease deposits that are unavailable to be spent on future operations. The unassigned fund balances represents the remainder of the fund balances funds.

C. Operating Grants Receivable

Operating grants receivable include amounts due from the federal government for two grants that are funded based on reimbursement of expenses paid by the Partnership.

D. Due from Component Units of the Commonwealth of Virginia

Due from component units of the Commonwealth of Virginia represents the balance due to the Partnership under a Memoranda of Understanding for services the Partnership provides to the component unit.

E. Prepaid Expenses

The Partnership's prepaid expenses include amounts paid for promotional activities, other services and portions of insurance premiums for which the economic benefits had not been received as of June 30, 2013.

F. Capital Assets

Capital assets are defined by the Partnership as those assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are valued at estimated market value at the date of donation. Capital assets are comprised of leasehold improvements, furniture, and equipment. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over useful lives of five to ten years.

G. Due to Virginia National Defense Industrial Authority

The Virginia National Defense Industrial Authority (VNDIA) was an independent authority of the Commonwealth of Virginia. VNDIA's budget was appropriated to the Partnership and was held in the cash and cash equivalents accounts of the Partnership until disbursed for VNDIA's expenditures. Funding received in excess of expenditures paid created an obligation to VNDIA.

H. Unearned Revenue

Unearned revenue includes amounts received for sponsorship and participation fees at June 30, 2013, for various events to be held in the next fiscal period.

I. Compensated Absences

Compensated absences represent the amounts of vacation, sick, and compensatory leave earned by the Partnership employees, but not taken at June 30, 2013. Compensated absences were calculated in accordance with GASB Statement No. 16, "Accounting for Compensated Absences." This statement requires the accrual of Social Security and Medicare taxes to be paid by the Partnership on all accrued compensated absences.

J. Budgets and Budgetary Accounting

The Partnership's budget was primarily established by the Appropriation Act as enacted by the General Assembly of Virginia for the fiscal year ended June 30, 2013, which is the first year of the biennium ended June 30, 2014. No payments were made to the Partnership out of the state treasury except in pursuance of appropriations made by law. Payments from the state treasury were deposited into Partnership bank accounts in accordance with the provisions of Chapter 22 of Title 2.2 of the Code of Virginia and expended for purposes as stated in those provisions. The budget is prepared on the cash basis.

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents represent deposits not with the Treasurer of Virginia and cash in the Local Government Investment Pool (LGIP) with the Treasurer of Virginia. Cash on deposit is held in demand deposit accounts maintained for operating and payroll costs and is covered by federal depository insurance and carry no significant risk. Cash on deposit includes deposits in Japanese Yen, Euros, British Pound Sterling, and Chinese RMB which are used to pay the Partnership's international vendors and are valued in U.S. dollars at cost. As of June 30, 2013, the Partnership's holdings in these currencies were valued at \$53,084. The LGIP funds are held in pooled accounts, are considered cash equivalents and, accordingly, also carry no significant risk as defined by Statement 40 of the Governmental Accounting Standards Board. VEDP deposits are secured in accordance with the provisions of the Virginia Security for Public Deposit Act § 2.2-4400 of the Code of Virginia.

3. RECONCILIATION OF BUDGETARY FUND BALANCE TO GAAP FUND BALANCE

The accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Cash Basis - General and Special Revenue Funds presents comparisons of the legally adopted budget prepared on the cash basis with actual data prepared on the cash basis. To enhance this comparison, actual data on the cash basis is reconciled to actual data on the GAAP basis as follows:

	<u>Total all Funds</u>
Fund balance, cash basis, June 30, 2013	\$ 3,020,607
Add: Prepaid expenses and other accrued receivables	504,473
Deduct: Accrued expenses and unearned revenues	<u>(369,306)</u>
Fund balance, GAAP basis, June 30, 2013	<u>\$ 3,155,774</u>

4. REVENUE PROVIDED BY THE GENERAL FUND OF THE COMMONWEALTH

The original appropriation from the General Fund of the Commonwealth has been adjusted as follows:

Original appropriation, Chapter 890	\$ 17,849,466
Add: Funding for Rolls Royce Project Management	300,000
Central Appropriations adjustments	439,607
Deduct: Appropriation for VNDIA	<u>(395,251)</u>
Revenue provided by the General Fund of the Commonwealth	<u>\$ 18,193,822</u>

5. LEASE DEPOSITS

The Partnership maintains offices in Roanoke, Virginia, Tokyo, Japan, Munich, Germany and Shanghai, China. Each landlord requires a lease deposit as part of the lease agreement for those locations. The Roanoke lease deposit is held in U.S. dollars in a non-interest bearing account and is valued at \$500. The Tokyo lease deposit is held in Japanese yen in a non-interest bearing account in the amount of 880,000 Japanese yen and was valued at \$8,400 at June 30, 2013. The Munich lease deposit is held in Euros in a non-interest bearing account in the amount of 2,078 Euros and was valued at \$2,684 at June 30, 2013. The Shanghai lease deposit is held in Chinese RMB in a non-interest bearing account in the amount of 48,000 Chinese RMB and was valued at \$7,680 at June 30, 2013.

6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

<u>Capital Assets Being Depreciated</u>	<u>Balance June 30, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2013</u>
Leasehold improvements, furniture and equipment	\$ 1,710,640	\$ 309,753	\$ (47,046)	\$ 1,973,347
Less: accumulated depreciation	<u>1,056,091</u>	<u>186,467</u>	<u>(47,046)</u>	<u>1,195,512</u>
Leasehold improvements, furniture and equipment, net of accumulated depreciation	<u>\$ 654,549</u>	<u>\$ 123,286</u>	<u>\$ -</u>	<u>\$ 777,835</u>

7. COMMITMENTS

The Partnership is committed under various operating leases and office use agreements for office facilities and equipment through December 2015. Expense under these agreements for the fiscal year ended June 30, 2013, amounted to \$1,580,867. A summary of minimum future obligations under these agreements as of June 30, 2013, follows:

<u>Year Ending</u> <u>June 30</u>	<u>Obligations</u>
2014	\$ 1,534,149
2015	1,374,302
2016	<u>688,214</u>
Total future minimum rental payments	<u><u>\$ 3,596,665</u></u>

The Partnership has a commitment of \$45,000 under a Memorandum of Understanding with the Virginia Department of Housing and Community Development. The purpose of this agreement is to support the implementation of the Virginia Building Collaborative Communities Programs, a grant program designed to promote regional economic collaborations in economically distressed areas.

8. COMPENSATED ABSENCES

Compensated absences activity for the fiscal year ended June 30, 2013, was as follows:

<u>Balance</u> <u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>\$ 848,040</u>	<u>\$ 572,057</u>	<u>\$ 556,119</u>	\$ 863,978
	Due Within One Year		<u>(548,103)</u>
	Due in More Than One Year		<u>\$ 315,875</u>

9. PENSION PLAN

The Partnership is a participating employer in a defined benefit pension plan administered by the Virginia Retirement System (VRS). The VRS is an agent and a cost-sharing multiple-employer public employee retirement system that acts as a common investment and administrative agency for the Commonwealth of Virginia and its political subdivisions. Salaried employees of the Partnership are members in one of two retirement plans administered by the VRS. As of June 30, 2013, the Partnership's net pension obligation was \$4,072,661.

Plan Descriptions

Plan 1 – Employees with pre-July 1, 2010 service credit.

Benefits vest after five years of service. Employees may retire with an unreduced benefit at age 65 with at least 5 years of service credit or at age 50 with at least 30 years of service credit. Retirement benefits are payable monthly for life in an amount based on 1.7 percent of an employee's average final



compensation (AFC) multiplied by the employee's total years of service. AFC is defined as the average of the employee's 36 highest consecutive months of creditable compensation. Reduced retirement benefits are available to employees at age 55 with at least 5 years of service credit or at age 50 with at least 10 years of service credit. In addition, retirees qualify for annual cost-of-living increases beginning in their second year of retirement. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the State legislature.

Plan 2 – Employees hired or rehired on or after July 1, 2010 with no service credit.

Benefits vest after five years of service. Employees may retire with an unreduced benefit at normal social security retirement age with at least 5 years of service credit or when the employee's age plus service years equal 90. Retirement benefits are payable monthly for life in an amount based on 1.7 percent of an employee's average final compensation (AFC) multiplied by the employee's total years of service. AFC is defined as the average of the employee's 60 highest consecutive months of creditable compensation. Reduced retirement benefits are available to employees at age 60 with at least 5 years of service credit. In addition, retirees qualify for annual cost-of-living increases beginning in their second year of retirement. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the State legislature.

The VRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the plan. A copy of that report may be obtained by writing to the system at P.O. Box 2500, Richmond, Virginia 23218-2500, or online at <http://www.varetire.org/Publications/Index.asp?ftype=annualreport>.

#### Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5 percent of their annual salary to the VRS. In addition, the Partnership is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the statute and approved by the VRS Board of Trustees. The Partnership's contribution rate for the current year was 8.76% of creditable compensation of \$7,459,946 resulting in a contribution of \$653,491.

## 10. OTHER EMPLOYMENT AND OTHER POST-EMPLOYMENT BENEFITS

The Partnership is a participating employer in other employment and post-employment benefit plans. The Group Life Insurance plan, Virginia Sickness and Disability Program (VSDP) and the Retiree Health Insurance Credit fund are administered by the VRS. The VRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for these plans. A copy of that report may be obtained by writing to the system at P.O. Box 2500, Richmond, Virginia 23218-2500. The Partnership is also a participating employer in the Health Benefits Program for Retirees, Survivors and Long Term Disability (LTD) Participants administered by the Commonwealth's Department of Human Resource Management (DHRM). The Commonwealth issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for this plan and a copy of that report may be obtained by writing Financial Reporting, 101 N. 14th Street, Richmond, VA 23219. As of June 30, 2013, the Partnership's combined net other post-employment benefit obligation for these plans was \$1,495,021.

## GROUP LIFE INSURANCE

The Group Life Insurance plan provides life insurance benefits to full time employees of the Partnership. As a part of the plan, life insurance benefits are provided to retired employees in accordance with Title 51.1 of the Code of Virginia (1950), as amended. To be eligible for the retired employee portion of the plan, the employee must have retired or terminated employment after age 50 and have had at least 10 years of service (including 5 years of continuous service) or at age 55 and have had 5 years of continuous service or retired because of disability. At retirement or termination, natural death coverage starts to reduce by 25 percent each year until coverage reaches 25 percent of its value at retirement or termination.

Post-employment life insurance benefits are advance funded on an actuarially determined basis using the aggregate cost actuarial method with the same actuarial assumptions used for determining pension plan contribution rates. All contributions to the plan are made by the Partnership. The Partnership's actuarially determined rate for the current year was 1.19% of creditable compensation of \$7,466,428 resulting in a contribution of \$88,850. This contribution covers premiums for active employees and actual death claims for retirees. As of June 30, 2013, the Partnership had no net post-employment benefit obligation for this plan.

## HEALTH INSURANCE CREDIT PROGRAM

The Retiree Health Insurance Credit fund was established on January 1, 1990, and provides benefits to employees with at least 15 years of service credit under the VRS retirement plan. The program provides a maximum credit reimbursement of \$4 per month per year of service credit against the monthly health insurance premiums of eligible retirees.

The amount required to fund all credits is financed on a current disbursement basis by the employers participating in the plan and is based on contribution rates determined by the VRS actuary. The Partnership's actuarially determined rate for the current year was 1.00% of creditable compensation of \$7,459,946 resulting in a contribution of \$74,599. As of June 30, 2013, the Partnership's net post-employment benefit obligation for this plan was \$196,949.

## VIRGINIA SICKNESS AND DISABILITY PROGRAM

The VSDP was established on January 1, 1999, and covers salaried employees who work at least 20 hours per week. The VSDP provides income protection to employees for absences due to sickness or disability from the first day on the job. After a 7 calendar-day waiting period following the first incident of disability, eligible employees receive short-term benefits ranging from 60 to 100 percent of compensation up to a maximum of 125 working days, based upon months of qualified service. If the disability continues after the short-term disability period, the employee becomes eligible to receive long-term disability benefits equal to 60 percent of compensation until they return to work, reach age 65, or death, whichever is sooner.

The Partnership is required to make contributions to the VRS for the cost of providing long-term disability under the VSDP. The Partnership's actuarially determined rate for the current year was 0.47% of creditable compensation of \$7,219,081 resulting in a contribution of \$33,930. As of June 30, 2013, the Partnership's net post-employment benefit obligation for this plan was \$316,807.

## HEALTH BENEFITS PROGRAM FOR RETIREES, SURVIVORS AND LTD PARTICIPANTS

The Health Benefits Program for Retirees, Survivors and LTD Participants was established to allow eligible employees who retire before age 65 to continue healthcare coverage under the same healthcare plans offered to active employees. This continuation is also available to LTD participants and the spouses of retired employees and LTD participants.

The Partnership's actuarially determined liability under this program arises from the implicit rate subsidies that occur when retirees, LTD participants, and surviving spouses are insured in a group with current employees. The liability is determined by computing expected future benefit pay out cost, less expected future participant contributions. All participants are required to pay the total subsidized contributions for benefits coverage. As of June 30, 2013, the Partnership's net post-employment benefit obligation for this plan was \$981,265.

### 11. DEFERRED COMPENSATION PLAN

Employees of the Partnership may participate in the Commonwealth's Deferred Compensation Plan. Participating employees can contribute to the plan each pay period with the Partnership matching up to \$20 per pay period. The dollar amount of the match can change depending on the funding available in the Partnership's budget. The Deferred Compensation Plan is a qualified defined contribution plan under Section 401(a) of the Internal Revenue Code. Employer contributions under the Deferred Compensation Plan were \$34,155 for the fiscal year 2013.

### 12. RISK MANAGEMENT

The Virginia Economic Development Partnership is exposed to various risks of loss related to torts; theft, damage, or destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Partnership is insured for these risks through commercial insurance policies. Further, the Partnership is insured for workers compensation and for loss from employee actions by an insurance policy issued by the Chubb Group and the Great Northern Insurance Company. Policy coverage for loss from employee actions is \$50,000 per year with a \$1,000 deductible for each loss.

The Partnership participates in the state health care insurance plan maintained by the Commonwealth of Virginia, which is administered by DHRM. The Partnership pays premiums to DHRM for health insurance coverage. Information relating to the Commonwealth's insurance plan is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.



# Commonwealth of Virginia

*Auditor of Public Accounts*

Martha S. Mavredes, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

October 8, 2013

The Honorable Robert F. McDonnell  
Governor of Virginia

The Honorable John M. O'Bannon, III  
Chairman, Joint Legislative Audit  
And Review Commission

Board of Directors  
Virginia Economic Development Partnership

## INDEPENDENT AUDITOR'S REPORT

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the General Fund, a major fund, and the Special Revenue Fund, a non-major fund of the **Virginia Economic Development Partnership**, a component unit of the Commonwealth of Virginia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Partnership's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

The Partnership's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinions.

***Opinion***

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the General Fund, a major fund, and the Special Revenue Fund, a non-major fund, of the Virginia Economic Development Partnership as of June 30, 2013, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 8, 2013, on our consideration of the Virginia Economic Development Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Partnership's internal control over financial reporting and compliance.

  
AUDITOR OF PUBLIC ACCOUNTS

LJH/clj