



# Executive Brief

Volume III, Issue 3  
Year 2004



Northern  
Region

Leadership

Existing  
Industry

Downtown

Quality  
of Life

Education

Infrastructure

Labor

Land

Buildings

Quarter  
Third

## New Commissioner, New Name, New Location

“When I walked into Georgia’s lead organization for economic development in July, I was a new commissioner with a newly named and newly focused agency in a new physical space,” explains Commissioner Craig Lesser. “It is a great point in time to find new opportunities,” he added.

Craig Lesser, Commissioner for the Georgia Department of Economic Development, plans to find those opportunities in a number of ways. Lesser points to the task forces of the Commission for a New Georgia (CNG) to make recommendations on tourism, industries of the future, and policy issues that impact competitiveness.

“At the Southern Governors Conference this year, Governor

Perdue announced heritage tourism as a key initiative for Georgia,” explained Lesser. “The CNG has recommended some break out strategies that I am personally working on now should we need legislation action in next year’s session.”

Strategically, this department will:

- identify industries that are the next generation of manufacturing and determine how we might recruit those to our communities.
- nurture entrepreneurs by identifying strategic links with existing industry, university research and traditional strengths. The Entrepreneur and Small Business Program was launched in April and its representatives have called on almost half of

“In the first six months of 2004 there were 78 project announcements, 18 percent over the same time last year,” reports Craig Lesser.



Craig Lesser

New Commissioner...continued  
from page one

Georgia's 159 counties to build awareness about its services.

- capitalize on Georgia's already strong reputation as a center for logistics, transportation and supply chain management.
- build a business climate that is so attractive that competitors' incentives won't measure up.
- simplify the process for our customers so that we get better fuel mileage from the existing programs. We want customers and partners to know exactly where to turn to get the assistance needed.
- target tourism efforts as critical to job creation. The very nature of tourism jobs is inextricably woven into the fabric of our communities. They can't be lured away.

“I am very aware that opportunities do not happen in isolation. To be successful we have to partner at every level. We need our community leaders to be our partners. Partnerships form the foundation for success,” concludes Commissioner Lesser.

*The Georgia Department of Economic Development (GDEcD), formerly named the Georgia Department of Industry, Trade and Tourism is housed at Technology Square, Atlanta along with other statewide economic development such as Location Georgia.*

Scott Wilson, **Elberton** City Manager, is one of 24 community leaders serving on Georgia's Rural Development Council. Wilson, and the other Infrastructure Task Force members, recommended, in August, to the Governor an initiative that expands computer and Internet access to those without home computers. The initiative lowers the barriers for the low-income community with a means to create, maintain and store personal files on a network at local library facilities. Susan Holmes, Mayor of **Monticello**, serves as vice chair of the council.

New executive director of **Jasper County /Monticello** Chamber of Commerce and Jasper County Development Authority, Tracy Trovillo, is building a cohesive focus for economic growth with a model for community partnering. Team Jasper brings together six components of the community - the Economic Development Authority, Housing Authority, Family Connection, Historical Preservation Commission, Downtown Development Authority, and the Chamber of Commerce.

The **Marietta** City Council created the Marietta Redevelopment Corporation (MRC), a real estate development entity, to launch development initiatives utilizing tax allocation districts where possible to address blighted areas. The MRC is looking at a 10 year plan spanning 800 acres, and when complete is estimated to be \$1 billion in redevelopment.

To better learn how to foster entrepreneurship in **Fannin County** the local Business Development Alliance identified and interviewed local entrepreneurs in the county. An October presentation of the

findings will be the springboard for program development.

In support of small business development, **Marietta** has initiated a Marietta Growth Fund to provide gap financing for new businesses. The fund will provide financing for facade improvements and small business loans in partnership with local business lenders.

## Leadership

### Economic Development Highlights

- Exports through the second quarter of 2004 were up 13 percent over 2003.
- In business recruitment and retention, project inquiries increased 18 percent for January to June 2004 over the same period in 2003.
- Georgia hotel revenues are up 9 percent for the first six months of 2004 over 2003, totaling up to \$13 million in revenues.
- In 2003, Georgia realized \$99.4 million in economic impact from film and video production.

*from GDEcD*

Toyo Tires is a great boost in job creation for Bartow County with 350 jobs in the near future and a total potential of 900 through phase two and three.

## Rubber Meets The Road

From light truck and tractor trailers to suvs, tires are big business for two North Georgia manufacturers. Newcomer to the United States, Toyo Tires is breaking ground this month in [Cartersville](#) on a \$150 million facility with annual production estimates of 2,000,000 tires. Industry stalwart, Michelin, has launched a \$13.5 million expansion in [Covington](#) at their retread facility.

Technology and innovation play a role in success for both these manufacturers. Toyo Tires' plant will incorporate proprietary automation technology making it possible to produce small production runs on numerous lines of tires without compromising quality.

Michelin Retread Technologies brings its new tire technology to the retread business. The retread line is built with rubber compounds and patterns which allow the retread to mirror new Michelin tire aspects and performance.

"We are doubling the volume, but more important, we are adding high technology volume," explains Michelin plant manager, John Yarbro.

This Covington facility, which

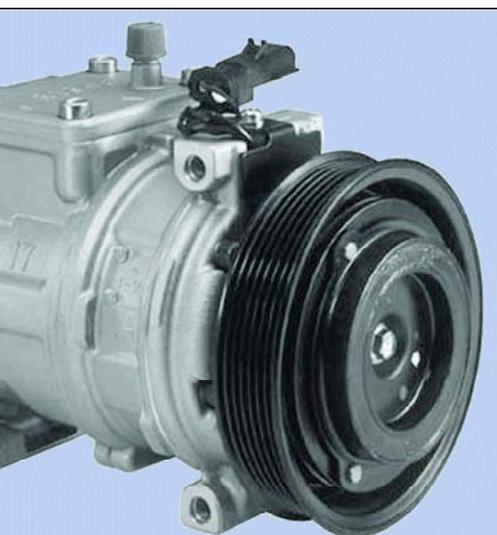


opened in 1999, is the only Michelin location producing this product. The new capacity will meet the market interest, particularly tractor trailer companies, for a cost-effective alternative to new tires.

Toyo Tires in Cartersville will be the first United States manufacturing facility for Toyo Tires & Rubber Co. Ltd. based in Osaka, Japan. The facility will also include a central warehouse to service its Southeastern U.S. markets.

Michelin North America is headquartered in Greenville, South Carolina.

## Energy Efficient Product



The automotive industries continue to look to Georgia for a place to grow their businesses. These industries contribute over \$2 billion to the state's gross product. Now, Toyota Denso Air Compressors Georgia (TACG) joins the 30 plus automotive companies that comprise the Southeast automotive corridor. TACG in [Commerce/Jackson County](#) will produce compressors for automotive air conditioning.

The facility is a \$100 million project on 152 acres with production launch planned for December 2005. By 2006, TACG expects to employ approximately 300 people and by 2010 produce 2 million variable displacement compressors per year.

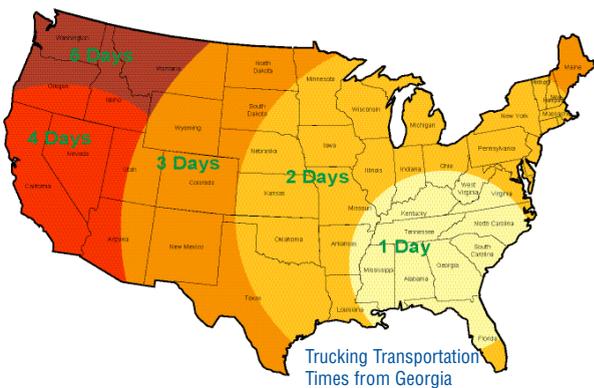
Corporate officials anticipate increased demand for this type of compressor due to heightened environmental awareness. The technology of the variable displacement compressor offers increased energy efficiency over fixed displacement compressors.

This is a second Toyota Industries Corporation (TICO) and DENSO Corporation (DENSO) joint venture in North America.

- The city of Cartersville, Bartow County, the Cartersville-Bartow County Convention and Visitors Bureau, the Booth Western Art Museum and Cartersville Downtown Development Authority, have joined forces to host Cowboys and Indians Days in October. The month long celebration features four signature events and the areas attractions such as the Etowah Indian Mounds State Historic Site.

- Barnsley Gardens Resort in Adairsville has been acquired by a local company of private investors, BGAC, LLC. By the end of 2005 a new 15,000 square foot conference center will be completed.

## Speed to Market



Calhoun/Gordon County sits conveniently on the I-75 corridor and offers its industries easy access to markets. Two manufacturers have recently capitalized on that location.

LG Chem Ltd, a mammoth chemical company in Korea and manufacturer of 50,000 products

with revenues of \$45 billion selected Calhoun for its first venture in Georgia. Located only three miles from I-75, the \$40 million operation will produce synthetic marble, specifically for counter tops. Proximity to markets, Lowe's specifically, also gives LG Cim more flexibility in product changes as consumers' tastes and color preferences shift. The 150,000 square foot facility will be operational in spring of 2005 and will employ 70 people.

Long-standing Calhoun carpet maker, Mohawk Industries, is building two new distribution centers alongside existing manufacturing facilities. The distribution facilities will serve the hard surface division and the home division which produces pillows, throw rugs. and other decorative home accessories.



The planned facility in Calhoun, LG Chem Industrial Materials (LG CIM), will make 1,000 sheets of 30-inch by 12-foot counter top per day.



# Special Focus

## Manufacturing Innovation

In this time of intense global competition, Georgia manufacturers must excel on many fronts. Running a lean operation, seeking to eliminate inefficiencies is high priority. But even more urgent is their need to offer new products and services that create a better value for their customers. Georgia Tech's EDI is a resource for innovation for manufacturers.

For a Cartersville - based manufacturer of floor polishers and strippers, EDI engineer Mark Heflin designed state of the art prototype equipment.

"Mark's design made the machine more durable than what we've seen on the market," reports Panda Products, Inc. president Mike Spratling.

The latest Georgia Manufacturers Survey found that only five percent of Georgia manufacturers compete for customers on the basis of innovation and technology. Yet, firms that compete based on innovation in products and processes, rather than low cost, earn higher profits and benefit from higher wages.

"Innovation is the best competitive strategy for Georgia manufacturers as more nations with lower cost structures vie for customers," explains Larry Alford, Director of EDI Manufacturing Services.

# B uildings



Business Insight, an initiative to increase responsiveness to existing industry, is completing 250 executive interviews with companies from across the state. Watch for a report of the findings in the first quarter of 2005.



**Lawrenceville**  
Former Bridgestone Tire Facility is a 402,600 square foot masonry building on 19 acres. It is expandable to 600,000 sq. ft.

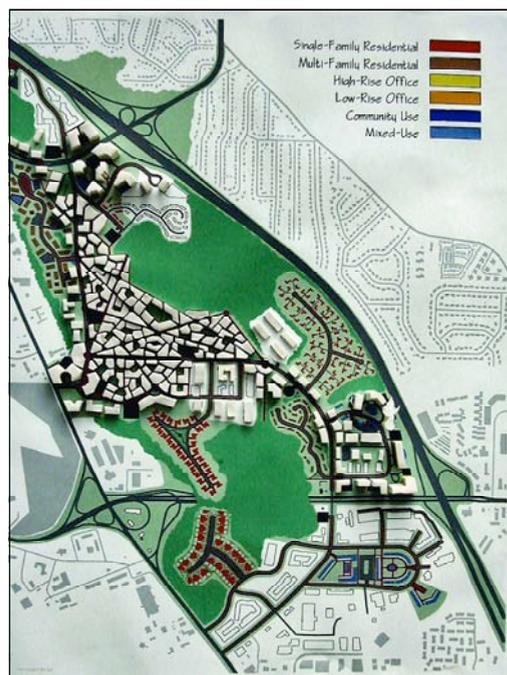


**Buford**  
The 2800 Sawnee Ave. Building is 302,600 sq. ft. on 20 acres. Forty-two outside loading docks.



**LaFayette**  
The Con-Set Building is 54,000 sq. ft on 10 acres.

View available Georgia buildings at [www.locationgeorgia.com](http://www.locationgeorgia.com). For more information call Dinah Silvio at 770-563-0028.



## Collaboration

The city of **Marietta** launched a student project collaborative with Southern Polytechnic State University to enlist exemplary students in the school of architecture to assist in the design of mixed use areas and single family neighborhoods. City officials and academicians are hopeful the initiative is the beginning of a fully functioning design center to engage the local community in the redevelopment of Marietta. City of Marietta looked to the University of Tennessee and the city of Chattanooga as a successful model for the initiative.

This is a student concept for the Franklin Road corridor in Marietta.

# Make A Note

- Mark your calendar now for the Location Georgia Economic Development Forum March 30 - April 1 at Lake Blackshear Retreat in Cordele.
- Consider an interesting read with *The Rise of the Creative Class* by Richard Florida. Florida proposes a theory on urban revitalization strategies.
- How do you give meaningful tax credits to companies in fields such as biotechnology where profits remain distant? Pennsylvania is finalizing regulations so that certain companies can sell their unused tax credits to profitable businesses for cash. See an article [www.nasvf.org/web/allpress.nsf/pages/9496](http://www.nasvf.org/web/allpress.nsf/pages/9496).

*MEAG Power is a charter member of Georgia Allies, a statewide economic development marketing alliance of utilities, financial institutions and private business.*

## Contacts

Walter West  
Director of Marketing



770.563.1250  
wwest@meagpower.org

Daryl Ingram  
Economic Development Manager

770.563.0321  
dingram@meagpower.org

Michelle Cooper  
Economic Development Project Manager

770.563.0435  
mcooper@meagpower.org

Don Yates  
Sr. Economic Development Project Manager

770.563.0319  
dyates@meagpower.org

Dinah Silvio  
Market Research Analyst

770.563.0028  
dsilvio@meagpower.org

Oleta Herron  
Sr. Administrative Assistant

770.661.2876  
oherron@meagpower.org

Location Georgia offers statewide economic development services to expanding businesses. We also provide communities economic development support in aerial photography, advertising support, strategic planning facilitation and various other services through strategic

MEAG Power  
Economic Development  
75 Fifth Street  
Suite 850  
Atlanta, Georgia 30308

For an electronic copy of  
this newsletter contact  
oherron@meagpower.org.

Newsletter designed by  
Underwood & Co.  
Debra Underwood  
229.226.1434