

a compendium of economic development facts and trends

Life Sciences

Georgia is ranked 8th among U.S. states for developing life science industry clusters, according to Ernst & Young. Necessary ingredients include talent, access to funding, and proximity to research institutions. Since 2000, the number of biotech companies has increased by 66% and revenues by 56%.

The Georgia Biomedical Partnership is a collaboration of 260 companies and institutions, fostering GA life sciences.

In 2009, Atlanta will host BIO 2009, the world's largest biotechnology conference with over 30,000 attendees anticipated.

Talent – Georgia has a growing medical technology community. There are two major life science clusters, Atlanta and Augusta. Metro Atlanta is home to more than 200 life science companies. Augusta is home to Monsanto, Pfizer, and others.

Access to funding - A \$3 million Biosciences Seed Fund invests only as part of a larger deal involving private investors. The company must bring in at least three dollars of private investment for each dollar from the state fund. The first seed fund recipient, CytoDome, a company developing treatment for aggressive brain cancer, moved from Arizona to Georgia. The seed capital fund invested \$180,000 in CytoDome. Recently, InsectiGen Inc., which makes environmentally friendly alternatives to chemical pesticides, garnered \$1.6 million from the fund, Georgia Venture Partners LLC and angel investors. InsectiGen is the 6th company to receive funding from the seed fund.

Biosciences Facilities Finance Fund provides funding to biotech companies for development of research laboratories. Inhibitex, Inc. was the first recipient - received \$2.5 million. Other Investment Groups - Healthcare Partners and Georgia Venture Partners are especially designed for early stage financing.

Research - world class research facilities include Atlanta's U.S. Center for Disease Control and Prevention. The Augusta Medical College received research awards totaling more than \$76 million. The college is home to the Center for Biotechnology and Genomic Medicine.

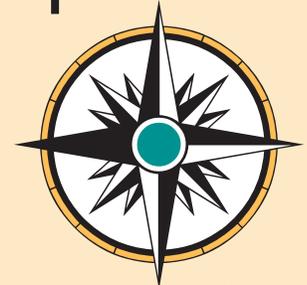


Great Find

Check out website www.gra.org for Georgia Research Alliance.

States can take advantage of a 2004 federal bioshield law that provides \$5.6 million for therapies critical to fighting bioterrorism.

an Intelligence Report



georgia,usa

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Food Processing

This is not your father's agribusiness. Technology is the driver for a safer, more efficient industry. Leading the way is a collaboration between the state and 17 private investors – all with facilities in Georgia. The result:

A \$9.4 million Food Processing Technology Building serves as headquarters for Georgia Tech's Agricultural Technology Research Program and Georgia's Traditional Industries Program for Food Processing. Projects include:

- Automated inspection system that eliminates human screeners at poultry processing plants.
- Computer vision system that identifies unwanted elements in finished food products. This product is funded by Georgia Tech and private businesses.
- Georgia Tech is a part of a USDA \$5 million, multi-institutional study for battling avian flu. An early detection biosensor system aims to detect the disease before it spreads. Most biosensor equipment now offered commercially works only in laboratories. This is a portable, low cost device. The whole package would have marketability with pharmaceutical companies.

High-Tech Talent

Georgia shows growth in high-tech, high wage jobs. Despite Georgia's high-tech industry downturn in 2001, the number of employees in high-tech occupations has grown. Georgia ranks 11th in high-tech employment in the nation according to *Cyberstates 2005* a report from the American Electronics Association. The average high-tech wage was \$65,600 in 2003, 78% higher than the state private sector average. "Low-tech" operations may have "high-tech workers." In examining a state's high-tech economy, consider high-tech occupations as a complement to looking at high-tech industries.

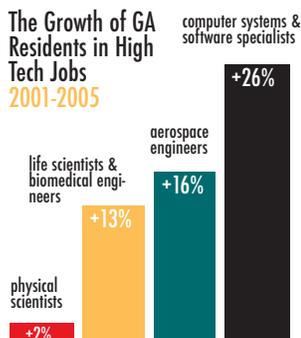
Georgia has a higher proportion of high tech workers than the country as a whole - 2.4% for Georgia versus 2.2% nationally.

Samsung Electro-Mechanics Company, Ltd. chose Atlanta for a design center to develop next generation radio frequency integrated circuit technology. Collaboration opportunities with Georgia Tech were cited as the "tipping point."

The Georgia Center for Advanced Telecommunications Technology houses more than 400 researchers and 60 laboratories.

The Georgia Research Alliance creates an environment conducive to high-tech job creation. The Eminent Scholar program recruits preeminent scientists to the state.

Scholars from 14 Georgia colleges and universities generate \$580 million in bioscience research.



31.450 N | 83.508 W
 Tifton, in south GA, is the Center for Innovation for Agriculture Technologies. This is 1 of 5 Innovation Centers in the

Specialized skills and capabilities are rewarded in Georgia. High-tech industry makes up about 5% of the state's employees, more than 149,400 jobs. But this accounts for 8% of the total state earnings because high tech companies pay 1.7 times more than what a typical employer pays.

Logistics

A 2 million-square-foot import warehouse is under construction at the Savannah River International Trade Park. Target slates a 2007 opening.

The Georgia Maritime Logistics and Innovation Center works to ensure coastal safety for safe supply chains as goods move from our deep water ports. Pilot projects include technologies creating, "virtual fences" around containers which provides real time information on a container's location and monitor its movements.

The Port of Savannah is the 5th largest port in U.S. and largest single-container facility on either the East coast and the Gulf coast. It is also the fastest growing container port in the nation.

Georgia ranks second on the East Coast in the fast-growing Asian import market. Savannah is the only major port with 50/50 ratio of imports to exports.

Georgia ports, Savannah and Brunswick, are setting records for tons shipped and the speed with which cargo is unloaded. Business has increased by 150% in the past decade. The ports contribute \$10.8 billion in income across the state. The export of auto parts was up more than 100% in 1 year.

Georgia's rail system is the most extensive rail system in the Southeastern USA with 5,000 miles of track.

Atlanta's Hartsfield-Jackson International Airport is the world's busiest passenger airport, with 2,000 flights per day connecting to 80% of the U.S. population in less than 2 hours. Flights from Hartsfield-Jackson travel non-stop to 150 U.S. destinations and 55 international destinations. About 900,000 tons of cargo passes through this airport annually.

There are 109 public airports throughout the state, including 8 additional commercial airports and 44 with runways of 5,000 ft or greater.

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Business Climate

Georgia is the fifth-best state in the country to do business, according to a survey of 339 of the nation's top CEOs. The state moved up from sixth place last year to a top-five slot in *Chief Executive magazine's* 2006 "Best and Worst States for Business" report.

Getting a small business started in Georgia just got easier. Governor Sonny Perdue signed an executive order in March 2006 that allows small business owners to cut through the red tape. State agencies must appoint a small business liaison to help fledgling companies with paperwork. The Georgia Technology Authority will develop a Georgia Rules and Regulations website on which small business owners will find up-to-date information about all state agency rules and regulations, any proposed changes and contact information. The website is scheduled to be fully operational by summer 2006.

The Georgia Department of Economic Development's Entrepreneur & Small Business Office offers Georgia communities an entrepreneur friendly designation when criteria is met. Resources to assist these communities are a part of the package.



[Neenah Paper](#), a premium paper and pulp manufacturer joined more than 1,100 100-employee firms that are headquartered in Atlanta in late 2004.

Consultants receive a complete Georgia Information Packet. Just contact us at www.LocationGeorgia.com

2005 Georgia Announcements

New Business

Name	City	County	Investment <small>in millions</small>	Facility Type
ADP	Alpharetta	Fulton	\$300	Data Center
SK Telecom	Atlanta	Fulton	\$400	Telecom
Kajima Associates [Toyo Rubber]	White	Bartow	\$392	Manufacturing
Sabare USA Inc	Atlanta	Fulton	\$10	Manufacturing
ae group ag	LaGrange	Troup	\$35	Manufacturing
The Sygma Network	Newnan	Coweta	\$15	Distribution
Scotland Wright & Assoc [Monitor Mfg]	Cartersville	Bartow	\$10	Manufacturing
Medline Industries	Douglasville	Douglas	\$10	Manufacturing
Pepsico Gatorade	Douglasville	Douglas	\$30	Manufacturing
Frontier RV	Fitzgerald	Ben Hill	\$2	Retail Trade
IKEA	Savannah	Chatham	\$57	Distribution
Simonton	Lyons	Toombs	\$12	Manufacturing
Boeing	Macon	Bibb	\$3	Manufacturing
American Tower	Marietta	Cobb	\$1	Transportation and Warehousing
Target Corporation	Savannah	Chatham	\$57	Distribution
Target Corporation	Midway	Liberty	\$55	Distribution
Petsmart	Newnan	Coweta	\$60	Distribution
Bass Pro Shops	Forsyth	Monroe	\$12	Distribution
Spectrum Brands	Pendergrass	Jackson	\$20	Manufacturing
Arby's LLC	Sandy Springs	Fulton	\$24	Headquarters
Samsung Electro-mechanics	Atlanta	Fulton	\$12	Electronic Design
Solo Cup Company	Social Circle	Walton	\$50	Wholesale Trade
Staples	Douglasville	Douglas	\$20	Distribution
NBTY Inc.	Augusta	Columbia	\$40	Manufacturing
Altea Therapeutics	Atlanta	Fulton	\$28	Headquarters

Technology

Name	City	County	Investment <small>in millions</small>	Facility Type
Avion Systems Inc.	Alpharetta	Forsyth	\$1	Professional, Scientific, and Technical Services
Atherogenics	Augusta	Richmond	\$2	Manufacturing
Lexicor Medical Technology	Augusta	Richmond	\$2	Manufacturing
Xytex Corporation	Augusta	Richmond	\$2	Health Care
Greenway Medical Technologies	Carrollton	Carroll	\$1	Health Care
AFLAC	Columbus	Muscogee	\$1	Finance and Insurance
Synovus	Columbus	Muscogee	\$1	Finance and Insurance
TSYS	Columbus	Muscogee	\$1	Printing/Data
Dutch Valley Supply Co.	Lawrenceville	Gwinnett	\$1	Distribution
Timco [Innovation Center]	Macon	Bibb	\$2	Transportation and Warehousing
Automated Irrigation Controls	Tifton	Tift	\$1	Distribution
BAE Systems	Warner Robin	Houston	\$1	Professional, Scientific, and Technical Services

Expansions

Name	City	County	Investment <small>in millions</small>	Facility Type
AFLAC	Columbus	Muscogee	\$100	Finance and Insurance
Roper Pump Company	Commerce	Jackson	\$35	Manufacturing
Norbord	Cordele	Crisp	\$135	Manufacturing
General Mills	Covington	Newton	\$35	Manufacturing
Wrigley Manufacturing Company	Gainesville	Hall	\$48	Manufacturing
Perdue Farms	Perry	Houston	\$155	Manufacturing
Georgia-Pacific	Savannah	Chatham	\$100	Manufacturing
Flowers Baking Company	Villa Rica	Carroll	\$24	Manufacturing
Rheem Manufacturing Company	Milledgeville	Baldwin	\$25	Manufacturing
Faus Group	Calhoun	Gordon	\$25	Distribution
Flint River Services	Springfield	Effingham	\$20	Transportation/Warehousing
Shaw Industries	Thomson	Mcduffie	\$20	Manufacturing
Lee Container Corporation	Homerville	Clinch	\$15	Manufacturing
Chico's	Winder	Barrow	\$10	Warehouse/Distribution
Linde Gas, LLC (Holox)	Jefferson	Jackson	\$14	Manufacturing
Solo Cup	Conyers	Rockdale	\$10	Manufacturing/Distribution
Pactiv (Rockdale)	Conyers	Rockdale	\$10	Manufacturing/Distribution
Quad/Graphics	Thomaston	Upson	\$20	Manufacturing
Interface Flooring	LaGrange	Troup	\$12	Manufacturing

This listing represents only a sample of new businesses and expansions in 2005.



Venture Capital Availability

Venture capital investments in Georgia soared by 88% in 2004 for a total of \$585 million, ranking 7th in the nation. The [Advanced Technology Development Center \(ATDC\)](#) graduates accounted for 18% of the total. For 2005, \$900 million was invested in Georgia companies, according to the Metro Atlanta Chamber of Commerce.

A \$5 million broadband state seed capital fund and the \$3 million bioscience seed fund provides equity and risk capital for fledgling companies in high bandwidth communications, semiconductor technology, content processing, cancer research and bioengineering.

The ATDC Seed Capital Fund enjoys a 30 to 1 leverage track record. This fund invested \$3.6 million of state funds in 11 companies to attract a total of \$140 million in private equity.

Top VC Recipients

software
biotechnology
telecommunications
networking equipment
medical devices
semiconductors

84.987 W

32.460 N The ATDC incubator at the Information Technology Center in Columbus launched software developer, TimeTraxx.

Fifty top Southeastern venture capitalists met in Atlanta in February 2006 to build a regional base of capital - or "Superfund" - that will attract companies to the region.

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Logistics, continued from page 3

Georgia is a mecca for logistic capabilities. With proximity to markets, 45 cargo carriers at Hartsfield-Jackson International Airport, 20 railroads, 1,200 miles of Interstate highway and two deep water ports, the state draws retail giants. [Wal-mart](#), [Target](#), [Pepsico](#) and [IKEA](#) have recently chosen Georgia for mega distribution sites.

For the second year in a row, Atlanta was named in the top logistic U.S. sites in the Logistics Quotient 2005 by *Expansion Management and Logistics Today*. Comparisons were done on 10 categories among 362 metropolitan statistical areas in the nation.

The [Georgia Institute of Technology Logistics Center](#) is one of the world's leading centers for innovation of technology to improve logistics.

Governor Perdue's **Fast Forward program** launches a \$351 million investment in six Interstate 95 projects. When completed in 2009, the entire I-95 corridor will feature six lanes, three in each direction.

Georgia's Federal and State highway system includes 20,000 miles of roadway. The interstate and highway system allows trucking companies to reach:

- 82% of the U.S. industrial market in less than two days.
- 79% of the largest consumer markets in the U.S. in less than two days.

The **Governor's Road Improvement Program (GRIP)** will ensure that 98% of communities in the state will be within 20 miles of a four-lane road and, therefore, connected to an interstate.

Target Chooses Georgia

[Target](#) placed key distribution centers in Georgia cities

- Tifton, located on I-75 is a 1.5 million square foot distribution center. Employs 800 people.
- Midway, near Savannah and adjacent to I-95, provides another 1.5 million square feet center employing 500.

[Target](#) operates 1,300 stores in 47 states with 26 distribution facilities in 23 states.

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The Law

Single Factor Corporate Tax Saves \$

"The Georgia legislative session that ended in spring 2005 was among the most progressive economic development sessions in 30 years," says Chris Clark, Deputy Commissioner at the [Georgia Department of Economic Development](#).

One of the most notable pieces of legislation, the Single Factor Corporation Tax Bill, lowered the rate from a three-factor corporate tax structure to a one-factor system, which is expected to save corporations more than \$1 billion over the next 10 years, depending on economic conditions.

Other legislation:

Small Business Tax Relief Bill - offers tax savings to companies that add employees and expand. Small businesses are expected to see \$25 million in tax savings in the first three years.

Existing Industries Bonus Bill - Gives a \$500-per-job tax credit bonus for each new, full time position created by existing enterprises and designated strategic industries that have been headquartered in the state for three or more years.

Tort Reform - Insurance companies that write medical malpractice coverage are attempting to attract new business in Georgia according to State Insurance Commissioner John Oxendine. New civil justice reform aims to curb malpractice rates and provide relief from built-in "tort tax" for consumers and businesses.

Flurry of new and growing **intellectual property boutique law firms** in Atlanta is a further sign of Georgia's technology boom. A few are: [Needle & Rosenberg](#), [Thompson Hine](#), [Fish and Richardson](#), and [Parks Knowlton](#).

"We picked Atlanta because we see growth in the [biotech] business sector in this part of the country and there's also a lot of support at the state level and among the business community here," says Walt Linscott, partner at Thompson Hine.

MEAG Power is a public generation and transmission corporation providing wholesale electricity to Georgia's public power utilities. As Georgia's third largest power supplier MEAG Power also provides statewide economic development services to new and existing industries.

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