



**FAY-PENN**

**Economic Development Council**

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*Annual Report 1992 & 1993*



*Moving Fayette Forward*

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## MESSAGE FROM THE PRESIDENT

It is my distinct pleasure to report to you the accomplishments of Fay-Penn for 1992-1993. These accomplishments carry forward the long standing tradition of the Fayette County Development Council. Through the efforts of many volunteers dedicated to the revitalization of our community and driven by the vision that more can be accomplished by working together, the Development Council merged with Fay-Penn in 1993 to form the Fay-Penn Economic Development Council.

This merger has resulted in a stronger economic development partnership throughout Fayette County. In this report you will also find information on Connellsville Industrial Enterprises and the Greater Uniontown Industrial Fund, two very active organizations which have contributed to the successes described in this report. This cooperative effort is coordinated through the Fay-Penn staff that provides administrative services to support the activities of each individual organization.

Over the 1992 and 1993 period, we have helped 14 companies create or retain over 1100 jobs. These jobs will result in over \$12.1 million in new payroll dollars circulating through our local economy every year. The total investment represented by the capital projects is \$23 million. Highlighting our efficiency, we spent less than \$350 for each job that we helped add or retain. In addition to the jobs, over 483,000 square feet of empty manufacturing space is now being put to productive use and we helped add 177,000 square feet of new manufacturing space to our area. The payroll, real estate and private investment dollars will help increase our communities' tax base, support other businesses and provide a more diverse economy to expand commerce activity in the future. These results would not have been possible without the help of the many economic development and support organizations throughout our county, the region and state that we work with on a daily basis. They have our sincere thanks.

All of our success over the last two years is only a prelude to what we can and will accomplish in coming years. We must expand our loan funds and industrial parks, launch new tourism initiatives and marketing efforts, provide additional support to our local businesses and more. We are excited at the possibilities, but we must remain committed to build upon our successes. Fay-Penn will continue to strive to help companies bring new jobs to our community to provide a brighter future for all of us. I am confident that with continued hard work, our record in 1994 will be even better. But it certainly won't happen without your support, for which Fay-Penn and its staff are truly grateful.

Robert E. Eberly  
President



FLOYD C. HUGGINS  
First Vice President



ANDREW J. DURAN  
Second Vice President



JOHN A. BUCHANAN  
Secretary



RUSSELL B. MECHLING, JR.  
Treasurer

# 1993 BOARD OF DIRECTORS



ROBERT M. BERISH  
Pres. Berish Agency, Inc.



RAYMOND CHESSE  
Pres. Chess  
Coal Company



IRA B. COLDREN, JR., ESQ.  
Coldren Adams



REP. PETER J. DALEY, II (D)  
Dist. 49 - PA House of  
Representatives



REP. H. WM. DEWEESE (D)  
Dist. 50 - PA House of  
Representatives



JOHN A. FIESTA  
Pres., Fiesta Insurance  
Agency



JAMES R. FOUTZ, CPA  
McClure & Wolf



GEORGE FRANKS  
Pres., Masontown Trophy



JAMES GABRIEL  
Pres., Gabriel Brothers



JOSEPH HARDY  
Pres., 84 Lumber Company



ROBERT E. JONES  
Fayette County  
Commissioner



REP. RICHARD KASUNIC (D)  
Dist. 52 - PA House of  
Representatives



SEN. J. WM. LINCOLN, (D)  
Dist. 32 - PA Senate



CHARLES W. MCKINLEY  
Retired



GILBERT R. MEANS  
Pres., Fay. Co. Board of  
Supervisors



JOANNE RAE  
Dir., External Affairs  
Bell Atlantic



BARBARA A. RAITANO  
General Manager  
The Daily Courier



GEORGE RATTAY  
Recording Secretary,  
Steam Fitters Union



DONALD REDMAN  
Pres., UMWA Dist. #5



FRANK RICCO  
Sec.-Treas., Ricco  
Tire Service



REP. LARRY ROBERTS (D)  
Dist. 51 - PA House  
of Representatives



ELI SHUMAR, JR.  
Pres., Shumar Welding &  
Machine Service



WILLIAM SNODDY  
Pres., Golden Eagle  
Construction



REP. JESS STAIRS (R)  
Dist. 59 - PA House  
of Representatives



LARRY STUCKSLAGER  
VP., Fay. Co. Board of  
Supervisors



JOSEPH TASSONE  
Gallatin Fuels



FRED L. VAUGHNS, D.D.S.



EDWARD E. VIGNALI  
Chairman, Second  
National Bank of  
Masontown



THOMAS DUNCAN  
Mayor, City of Connellsville

NOT PICTURED:

FRED L. LEBDER, CHAIRMAN  
Fayette County Board of  
Commissioners

SUSANNE TESLOVICH  
Fayette County  
Commissioner

FRANK CARLOW  
Pres., SME, Inc.

CHARLES MACHESKY  
Mayor, City of Uniontown



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## ORGANIZATION OVERVIEW

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Incorporated in January 1991, Fay-Penn was initially formed to administer a \$500,000 State Economic Revitalization Grant to Fayette County to assist in promoting economic recovery efforts. The organization is designated by the Internal Revenue Service as a tax-exempt, non-profit organization under Section 501(c)(3) of the Internal Revenue Code. The charter members include: Robert E. Eberly, Eberly & Meade; Joseph P. Tassone, Gallatin Fuels, Inc.; and William R. Snoddy, Golden Eagle Construction Co.

### THE MISSION

The ultimate mission of any economic development effort is to increase employment opportunities (jobs) in the community that is being served. This universally accepted mission, however, cannot substitute for focused objectives needed for success. Throughout 1992 and 1993, Fay-Penn's priority focus has been on the manufacturing sector. These efforts were directed by two primary objectives supported by the following strategies that has produced the results that are described throughout this report.

The objectives and strategies below are only a few of the general initiatives that would be contained in a more comprehensive economic recovery plan. These objectives will continue to evolve as certain strategies are implemented and Fay-Penn's mission matures.

#### OBJECTIVE 1 –

##### **Aggressively Initiate Business Activity at Existing Key Development Sites**

**Strategy 1:** Work with existing companies to expand employment opportunities at the few, available building locations.

**Strategy 2:** Focus marketing efforts on the County's five industrial sites, i.e. Fairchance Business Park, Connellsville Industrial Park, Route 51 Industrial Park, Route 119 Industrial Parks #1 and #2.

**Strategy 3:** Retain rail service to the Fairchance Park, the county's other industrial sites, and for existing user companies.

**Strategy 4:** Improve the availability of utilities at the key development sites.

#### OBJECTIVE 2 –

##### **Establish an Economic Development Infrastructure that Can Serve the Needs of the Business Sector**

**Strategy 1:** Work to develop a partnership between existing economic development organizations to coordinate resources and to maximize effectiveness.

**Strategy 2:** Build linkages with the Pittsburgh business and economic development community to increase the use of existing programs and other resources to support local efforts.

**Strategy 3:** Develop the organization and resources needed to provide top quality, professional economic development services and programs only possible through a strong public-private partnership.

**Strategy 4:** Establish a business assistance network that will offer a full range of support services for businesses.

**Strategy 5:** Develop and implement a program for generating economic growth in the County by increasing retail and service sector opportunities in the tourism industry.

## FAY-PENN SERVICES



**M**eeting the needs of the private business sector is Fay-Penn's number one priority. To do this, Fay-Penn offers a full range of confidential services. The staff works very closely with each client to provide the best service possible and maintain confidentiality.

*Left to right: Leigh A. McIntosh, Project Manager; Robert C. Urban, Jr., Accounting/Business Development Specialist; Michael W. Krajovic, Executive Vice President; Tina W. Wargo, Administrative Assistant; and Terri Agate, Secretary*

### Financing Assistance



A variety of low-interest financing programs are available for companies in our area through the PA Department of Commerce. Funds may be used for land, buildings, equipment, working capital and even job training. Fay-Penn's staff works with each company guiding them through the necessary procedures and coordinates efforts with the company's private lending institution.

### Loan Funds



Fay-Penn recently launched its own loan fund to assist businesses in financing. Like other loan programs, specific guidelines have been developed to determine eligibility. For very small businesses, Fayette County entrepreneurs can turn to the SBA Micro Loan Program for help. Funds are limited, but Fay-Penn hopes to increase the available moneys over the coming years.

### Site Selection



If a company is looking for a new site or building, Fay-Penn maintains a file of current listings. Staff works closely with realtors and property owners to keep abreast of the commercial and industrial real estate market.

### Business Park Development

Working with the county and industrial development corporations, the Fay-Penn staff develops resources to expand the industrial and business parks in the county. Location of new businesses and infrastructure development in existing parks is an important function of Fay-Penn.

### Utility and Energy Cost Data



Utility capabilities vary between specific sites. With the help of the local utilities, Fay-Penn will compile all utility data and provide estimated costs based on future use projections.

### Local Market Research Assistance



For new companies unfamiliar with the Pittsburgh regional market, we can help develop a list of potential users of products and services or local suppliers for needed parts and services. We can also help arrange contacts with existing businesses to evaluate the local potential.

### Workforce, Service, Demographic and Tax Information



How productive is the local labor market? What level of education and skills does the local labor pool have? How much will it cost to operate? Is housing available? Tax Rates? Fay-Penn compiles answers to questions like these to assist companies in making the best site location decision.

### Quality of Life Information

Companies today are looking to locate in communities with good schools, housing, recreation and cultural amenities, among many other things. Fay-Penn will help visitors get a 'feel' of the local community and a sense of what it is like to live here.



# FINANCIAL STATEMENT



Ernest P. DeHaas, III  
President, Greater Uniontown  
Industrial Fund

## GREATER UNIONTOWN INDUSTRIAL FUND (GUIF)

Summary of Combined Statement of Support, Revenues,  
Expenditures and Change in Fund Balances for the Period  
September 1, 1992 thru December 31, 1993\*

REVENUE	TOTALS
<b>Revenue</b>	
Interest on Mortgages	\$ 5,599
Interest on Temporary Investments	27,844
Membership Dues	15,325
Meeting Reimbursements	692
Service Fees	5,720
Commonwealth of Pennsylvania Site Development Grant	44,000
<b>Total Revenues</b>	<b>\$99,180</b>
<b>EXPENDITURES</b>	
Administration Fees	\$ 4,897
Insurance	280
Real Estate Taxes	5,078
Office Expense	864
Legal and Accounting	2,377
Dues, Subscriptions, and Meetings	962
Property Operations	1,010
Construction - Sewer	36,970
Construction - Road	44,211
Engineering	7,500
<b>Total Expenditures</b>	<b>\$104,149</b>
Excess (Deficit) of Revenues Over Expenditures	\$ (4,969)
Gain on Sale of Land	33,633
Excess (Deficit) of Revenues over Expenditures Including Gain on Sale of Land	28,664
<b>Fund Balance</b>	
Fund Balance - September 1, 1992	641,374
Excess of Revenues Over Expenditures including Gain on Sale of Land	28,664
<b>Fund Balance - December 31, 1993</b>	<b>\$670,038</b>

### Summarized Combined Balance Sheet as of December 31, 1993

<b>ASSETS</b>	
Cash in Bank	\$ 2,267
Temporary Investments	345,982
Accounts Receivable	2,396
Current Portion of Mortgage Receivables	31,789
Accrued Interest Receivable	20,827
Noncurrent Portion of Mortgage Receivables	195,158
Fixed Assets - Land	72,125
<b>Total Assets</b>	<b>\$670,544</b>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities</b>	
Accounts Payable	\$ 506
<b>Total Liabilities</b>	<b>506</b>
<b>Total Fund Balance</b>	<b>\$670,038</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$670,544</b>



J. David Enany  
President, Connellsville  
Industrial Enterprises

## CONNELLSVILLE INDUSTRIAL ENTERPRISES (CIE)

Summary of Combined Statement of Support, Revenues,  
Expenditures and Change in Fund Balances for the Period  
October 1, 1992 thru September 30, 1993

REVENUE	TOTALS
<b>Revenue</b>	
Interest Income	\$ 2,228
Gain on Sale of Land	5,886
<b>Total Revenue</b>	<b>\$ 8,114</b>
<b>EXPENDITURES</b>	
Engineering	\$ 640
Dues	450
Insurance	1,175
Maintenance	310
Professional Fees	825
Real Estate Taxes	632
Miscellaneous	202
<b>Total Expenditures</b>	<b>\$ 4,234</b>
Excess (Deficit) of Support and Revenue Over Expenditures	<b>\$ 3,880</b>
<b>Fund Balances</b>	
Fund Balance - October 1, 1992	\$435,129
Excess of Revenues Over Expenditures	3,880
<b>Fund Balance - September 30, 1993</b>	<b>439,009</b>

### Summarized Combined Balance Sheet as of September 30, 1993

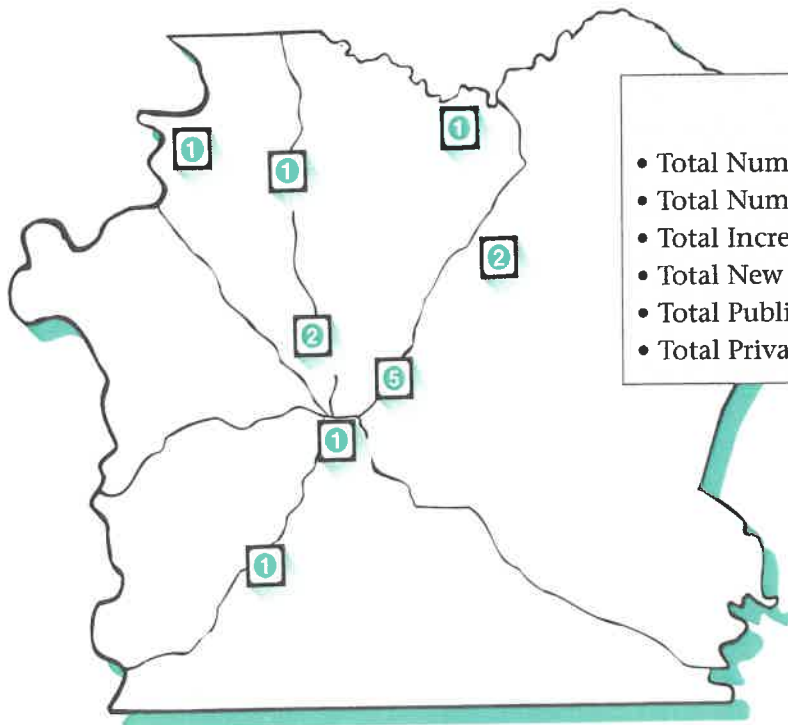
<b>ASSETS</b>	
Cash	\$ 87,603
Land - Industrial Park	237,033
Land Improvements - Industrial Park	117,373
<b>Total Assets</b>	<b>\$442,009</b>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities</b>	
Deposit on Land Purchase Tedesco Manufacturing Co.	\$ 3,000
<b>Total Liabilities</b>	<b>3,000</b>
<b>Total Fund Balances</b>	<b>\$439,009</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$442,009</b>

\*Greater Uniontown Industrial Fund changed its accounting reporting cycle from a fiscal period basis to a calendar year basis in 1993.



## SUMMARY OF COMPLETED PROJECTS

Company Name	Jobs Created and Retained
Anchor Glass Container Corp.	592
Ball Transfer Systems, Inc.	16
Berkley Medical Resources, Inc.	110
Hagan Ice Cream Co.	7
Ceramic Fiber Technologies	18
Holt & Bugbee Hardwoods, Inc.	28
Interstate Thermal Energy Conversion Corp.	132
Perma-Cote Plastics, Inc.	16
Remlik Foods, Inc.	49
Romeo & Sons	18
Williamhouse Regency of Delaware, Inc.	56
Invotech Manufacturing	45
CosBa Fashions	40
United Defense LP	55
<b>TOTAL:</b>	<b>1182</b>



### Project Results Overview

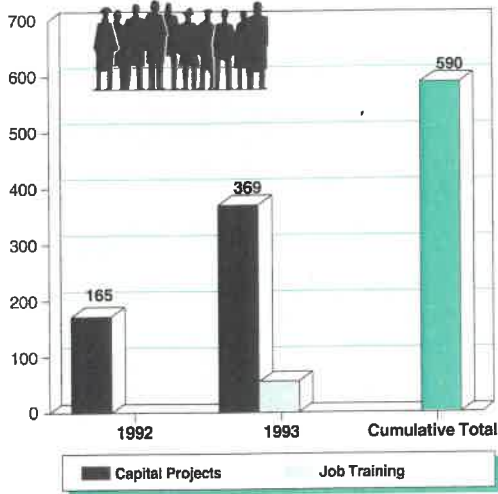
• Total Number of Completed Projects	14
• Total Number of Jobs Created and Retained	1,182
• Total Increase in Annual Payroll Dollars	\$12.8 million
• Total New Investment	\$23.3 million
• Total Public Financing Utilized	\$7.4 million
• Total Private Investment	\$15.9 million

□ Project Sites and Totals

# KEY PERFORMANCE INDICATORS

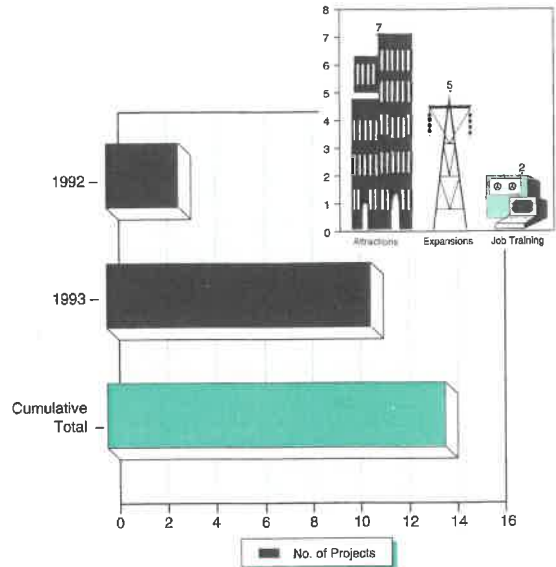
## 1992-1993

### JOB CREATION

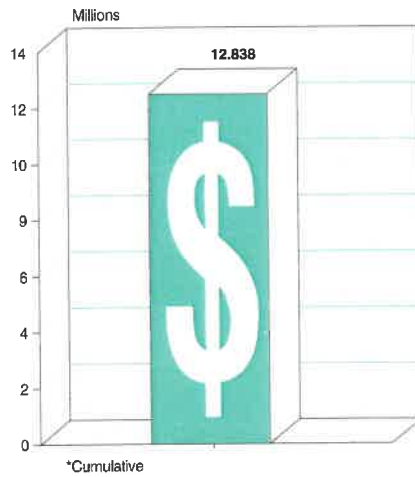


\*Based on 3-yr. projections

### TOTAL COMPLETED PROJECTS

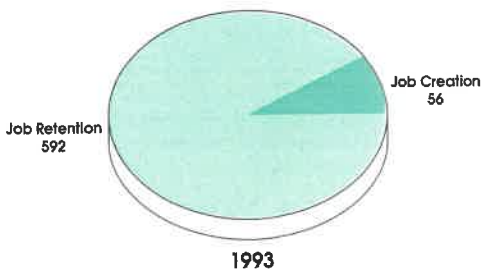


### NEW PAYROLL DOLLARS

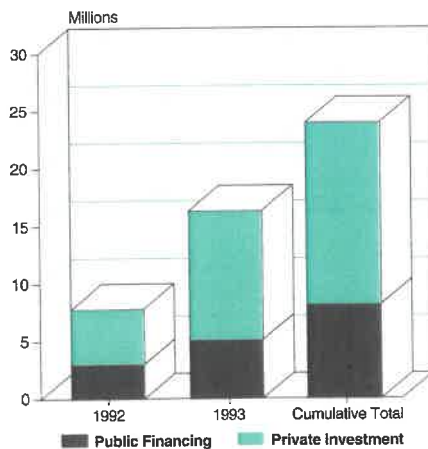


### JOB TRAINING PROJECTS

Creation/Retention



### INVESTMENT DOLLARS



### NEW CONSTRUCTION DOLLARS



**\$8,550,000**

# MAJOR ACCOMPLISHMENTS

People Working in the Community

Preparing for Progress



## Ball Transfer Systems, Inc.

Star Junction, Perry Township

Owners Bob and Mary McKeown with some of their employees show their products.

One of Fay-Penn's top priorities has been and continues to be the marketing of vacant manufacturing buildings. Clearly it was a welcomed opportunity to assist Ball Transfer in acquiring the vacant 20,000 square foot building in Star Junction.

Fay-Penn helped resolve critical financial issues by providing a \$225,000 bridge loan that was needed to meet deadlines in acquiring the facility. The project involved the coordination of loans from the Pennsylvania Industrial Development Authority (PIDA) and the Pennsylvania Capital Loan Fund (PCLF). Staff worked with the company to address problem areas to receive loan approval.

Ball Transfer and its sister company, Image Time, Inc. project to initially bring sixteen (16) new jobs to the area in addition to their eight (8) existing employees. The Private Industry Council and the Uniontown Job Center worked closely with the company to find local employees with the necessary skills.

As vacant manufacturing buildings become occupied and productive once again, through the efforts of companies like Ball Transfer Systems, Fay-Penn needs to look at new ways of increasing Fayette County's manufacturing space.



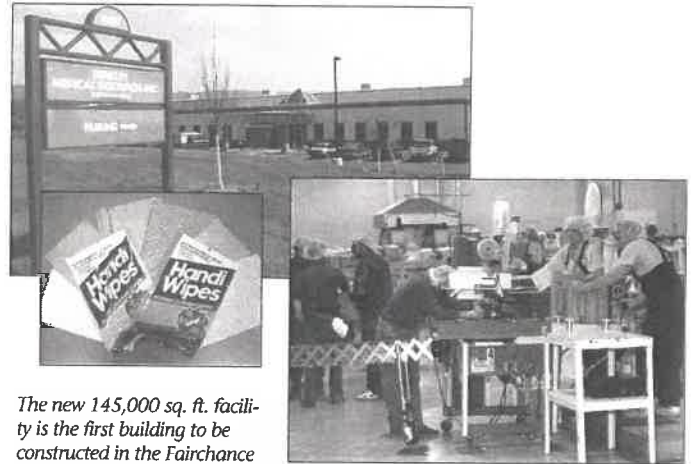
Heavy equipment was used to install over 2000 feet of 12 inch sewage pipe.

## Star Junction Sewage Project

Perry Township

To capitalize on the half million dollar investment made by Ball Transfer in its new manufacturing operation in Star Junction, Fay-Penn, working through the Greater Uniontown Industrial Fund, was successful in obtaining an \$81,000 grant through the Pennsylvania Department of Commerce's Business Infrastructure Development Program (BID).

The BID moneys were used to complete the Perry Township sewage line extension project along Route 51. Not only will Ball Transfer be able to tap in to the new line, but it will provide sewage service to several nearby homes eliminating potential drainage problems.



The new 145,000 sq. ft. facility is the first building to be constructed in the Fairchance Business Park. The announcement of the project was made just after the opening of the Mon-Fayette Expressway south of Uniontown.

## Berkley Medical Resources, Inc.

Georges Township

After considering several possible locations including those outside of Pennsylvania, Berkley Medical Resources, working with Fay-Penn, selected the Fairchance Business Park as the site for its new operation. The Park is located just east of the Mon-Fayette Expressway in Georges Township. The opening of the segment south of Uniontown to the Park was critical to Berkley's site selection decision. This significant project that has already created over 100 new jobs was the result of years of effort by the Greater Uniontown Industrial Fund (GUIF), which started the Fairchance Park years ago, Fayette County and the former Fayette County Development Council.

Fay-Penn worked closely with county and state officials to develop a \$3.5 million financing package that included a \$1.65 million Pennsylvania Industrial Development Authority (PIDA) loan through GUIF, a \$200,000 loan from Fay-Penn and a \$100,000 direct loan from GUIF. To support the project, Fay-Penn and County officials were successful in securing a \$500,000 grant for the County through the Pennsylvania Department of Commerce's Economic Development Partnership Program. As the moneys are paid back to the County, they can be used to support other economic development projects in the County.



## REGIONAL INITIATIVE GRANTS

Thanks to the efforts of Fayette County legislators, Rep. Peter J. Daley, Rep. H. William DeWeese, Rep. Richard Kasunic, Sen. J. William Lincoln, Rep. Lawrence Roberts, Rep. Jess Stairs and Rep. Fred Taylor, Fay-Penn was successful in receiving Regional Initiative Grants from the PA Department of Commerce of \$242,500 in 1992 and \$250,000 in 1993. The moneys have been used to assist in Fay-Penn's economic development efforts to improve the business climate of Fayette County and, ultimately, the quality of life for all of our residents. The Regional Initiatives Program was started by Governor Casey through the Pennsylvania Economic Revitalization Act, to "undertake ways and means of promoting business development, ... and industry within the Commonwealth, and aid in restoring employment in communities affected by unemployment."



# MAJOR ACCOMPLISHMENTS

*The Community Working for the People*

*Moving Fayette Forward*

## Fairchance Industrial Park Georges Township

Part of the Berkley project included Fay-Penn and GUIF assisting the County in securing a \$140,000 'BID' grant to widen the main entrance to the Park, install underground utilities and street lighting.



To assist in the development of the Fairchance Business Park, Fay-Penn undertook the task to develop a master plan for the Park. The plan, near completion, will include construction phases and parceling layouts. Fay-Penn's plans are to produce a promotional brochure to help market the Park to prospective companies. With over 250 acres of developable land, the park will continue to be the focus of concentrated efforts as the area's key economic development asset for future job growth.



Greater Uniontown Industrial Fund worked with PennDot to correct a serious safety concern at the lower entrance to the Park



## Job Training Grants South Connellsville, Upper Tyrone and Menallen Townships

Through strong international support from its parent company, Vitro Group in Mexico, Anchor Glass recently announced a \$20 million expansion project.

Thanks to support efforts by the former Fayette County Development Council staff, both Anchor Glass Container in South Connellsville and Williamhouse Regency in Upper Tyrone Township were successful in being awarded \$200,000 and \$156,000 grants respectively from the PA Department of Commerce's Customized Job Training (CJT) grant program. Substantial support was received from the PA Governor's Response Team for both of these projects.

The moneys are being used to upgrade the skills of the existing work force at Anchor Glass and to hire new employees. Williamhouse Regency's expansion includes the acquisition of new equipment and the creation of over 50 new jobs. This is the most recent of several expansions by Williamhouse. It is now one of our county's largest employers with over 600 employees.

As part of the overall start-up financial package developed by Fay-Penn, the Uniontown Job Center and the Private Industry Council, Remlik Foods, Inc. also received \$120,000 in job training moneys over the last two years through the PA Department of Commerce Job Link program coordinated by the Ben Franklin Technology Center. Training was conducted at California University to prepare workers for careers in the food industry.



Perma-Cote Plastics produces and sells a wide range of products and coated piping all over the country.

## Perma-Cote Plastics, Inc.

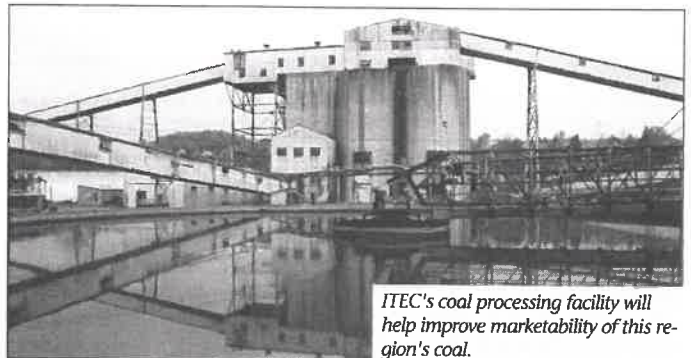
North Union Township



Many of today's modern manufacturing processes involve advanced chemical formulations, some of which are highly corrosive. Perma-Cote manufactures a wide variety of PVC coated piping for these tough industrial applications.

Perma-Cote's business was growing, and by 1992 it needed more space to operate. A search for a new location led the company to Building No. 2 in the former Fruehauf facility along Rt. 119. The Development Council assisted Perma-Cote by arranging for nearly \$400,000 in low interest financing through the State's PIDA and PCLF programs.

Helping local businesses expand is a top priority for Fay-Penn. Due to a lack of suitable sites and competition between states for jobs, companies often leave an area to expand operations. We were happy to be able to assist Perma Cote in acquiring the vacant facility. Perma-Cote's expansion into the 72,000 sq. ft. building is expected to create 16 new jobs in the area over the next two years.



ITEC's coal processing facility will help improve marketability of this region's coal.

## Interstate Thermal Energy Conversion Corporation (ITEC)

Luzerne Township

In 1992, the Fayette County Development Council helped Interstate Thermal Energy to finance the acquisition of a major coal processing facility in Fayette County. The facility, which was formerly owned and operated by Massey Coal Co., is located in the community of Labelle. Using the Pennsylvania Industrial Development Authority program, the Development Council was able to secure a \$2 million low interest loan. The company expects to employ over 130 people, and in some estimates, employment could reach nearly 300 when in full operation.



# MAJOR ACCOMPLISHMENTS

*People Working in the Community*

*Preparing for Progress*



*The employees of Remlik Foods are trying to make Fayette County the spaghetti squash capital of the world.*



## **Remlik Foods, Inc.** Menallen Township

Perhaps the best example of how Pennsylvania's economic development programs can be used together is the Remlik Foods project. When the founder and president of Remlik Foods began working with Fay-Penn in 1992, he had just developed his product and business plan with help from the Ben Franklin Technology Center and the Enterprise Corporation in Pittsburgh and was looking for seed capital and a location to start manufacturing.

Fay-Penn worked to put together a \$1.5 million start-up package which included bank financing through the Small Business Administration, equity, a \$250,000 PIDA loan through the Greater Uniontown Industrial Fund, a \$200,000 loan through the Machinery and Equipment Loan Fund, a \$100,000 loan through the PA Capital Loan Fund, and an approximate \$50,000 grant through the Office of Vocational Rehabilitation. In total, Fay-Penn helped coordinate the activities of over twenty different agencies such as the Penn State Agricultural Extension Office and those described in the Job Training section of this report to successfully complete this project.

Remlik Foods currently employs over twenty (20) people at its location on Rt. 51 and expects to grow to fifty (50) over the next two years. Launching a new product, while starting a new company, is not an easy task for anyone. But we remain optimistic that Remlik Foods will make Fayette County the spaghetti squash capital of the world.



## **CEO BEN FRANKLIN SCHOLARSHIP PROGRAM**

Thanks to support from the Eberly Foundation, Fay-Penn has been able to offer scholarships to local manufacturing companies in Fayette County to attend Carnegie Mellon University's Entrepreneurial Management Program. The twelve week program offers executives the opportunity to keep abreast of current management issues. Companies like Gerome Electric, Stahls' Special Projects, Invotech, Cavert Wire and others have taken advantage of the opportunity. The successful program was initiated to help rebuild business linkages between Fayette County companies and the Pittsburgh business community, and to help business leaders maintain their skills to help manage their companies in today's very competitive global markets.



*United Defense will repair M109 Howitzers used by the military throughout the world at its Fayette County facility.*



## **United Defense LP** North Union Township

As the American defense industry downsizes, more and more emphasis will be placed on product and vehicle upgrades rather than new product development. United Defense, formerly BMY Combat Systems, was looking for a site throughout the country to repair and overhaul military vehicles when it was referred by Congressman Murtha's office to contact Fay-Penn. With the help of Fayette County's legislators and commissioners, various sites in the county were examined.

Attention focused on the former Fruehauf facility which was ideal for servicing large vehicles. Fay-Penn worked with the company for over a year collecting and analyzing information to assess the site's potential. Finally, in 1993, the company was awarded a military contract and, after last minute efforts to help mitigate start-up cost through job training assistance with the Pa. Governor's Response Team, the company decided on the Fayette County site.

Initially, United Defense expects to fill over fifty (50) new positions at its North Union location. The Private Industry Council and Uniontown Job Center worked very closely with the company to find qualified employees. The military contract involves servicing military vehicles, M109 Howitzers, that will be sent to Fayette County from other parts of the world. Both the company and Fay-Penn remain optimistic that the operation will be successful in acquiring future contracts and expanding its local operations.



# MAJOR ACCOMPLISHMENTS

*The Community Working for the People*

*Moving Fayette Forward*



*An employee cuts steel plating at Ceramic Fiber Technologies' new facility in North Union Township.*

## Ceramic Fiber Technologies, Inc. North Union Township

The Greater Uniontown Industrial Fund (GUIF), a long time leader of industrial development in Fayette County, began working with Ceramic Fiber Technologies (CFT) in 1991 to help locate a site to expand its operations. The result was the construction of a new 7,000 sq. ft. manufacturing facility on a two acre site in the GUIF No. 2 Industrial Park along Rt. 119.

Fay-Penn worked with Ceramic Fiber to acquire \$44,000 in matching funds from the Pennsylvania Department of Commerce's Site Development Grant Program to construct the access road and infrastructure needed to service the facility. GUIF invested the money it received from the sale of the land to CFT to help match the grant. CFT expects to add eighteen (18) new positions as its ceramic/steel business continues to grow.



*Preserving rail service to Fayette County's industrial parks is part of an overall transportation and economic development strategy.*

## CSX RAIL RETENTION

Late in 1991, CSX Transportation notified Fayette County that it was planning to abandon the section of rail line south from Connellsville into West Virginia. This rail line is currently used by several companies in the county that collectively employ over 500 people. Fay-Penn, through a well coordinated effort with the community, our area legislators, county commissioners and the Central Fayette Chamber of Business and Industry, was successful in retaining the rail service from Connellsville to Uniontown. Unfortunately, we were unable to stop CSX's plans to abandon the balance of the rail line south of Uniontown.

During 1993, Fay-Penn began the investigation into the possibility of establishing a new shortline railroad including the feasibility of creating a tourist railroad. If successful, a viable shortline railroad will ensure future rail service to the industries in the county by avoiding the threat of abandonment by CSX. Efforts are still underway to determine the feasibility of both projects and to preserve the rail line to the Fairchance Business Park.



*Romeo's expansion will add 4,000 sq. ft. of new refrigeration space to its present facility.*

## Romeo & Sons Uniontown

In business since 1945, Romeo & Sons has provided wholesale food products and distribution services to many stores and restaurants throughout our region. In 1992, the company needed to expand the refrigerated warehouse space at its Uniontown location and contacted the Fayette County Development Council. The Council worked with the company to help acquire over \$350,000, including a \$215,000 loan through the Pennsylvania Industrial Development Authority. Romeo & Sons expects to create eighteen (18) new jobs as a result of this expansion.



## Holt & Bugbee Hardwoods, Inc.

North Union  
Township

*Buying large quantities of world class hardwoods from nearby sawmills is Holt & Bugbee's first step in its production process.*

Thanks to the marketing efforts of the Pennsylvania Governor's Response Team in the hardwoods industry, Massachusetts based Holt & Bugbee began looking for a location to build a new hardwoods manufacturing facility in Pennsylvania. West Penn Power's economic development department helped this 168 year old, privately held company settle on a site owned by the Fayette County Redevelopment Authority to take advantage of the abundant hardwoods in our area.

Fay-Penn developed a million dollar financing package to help the company build its new kiln drying and warehouse facility. The package included a \$350,000 PIDA loan and \$100,000 loan through both the Pennsylvania Capital and PennAg Loan Funds. Currently in operation, the company sells hardwoods to furniture, flooring and other manufacturers all over the world. When fully developed, the company expects to employ nearly thirty (30) people at its Fayette County facility.



# MAJOR ACCOMPLISHMENTS

Preparing for Progress

Moving Fayette Forward



*Hagan's investment in its Uniontown location has helped to preserve and create new jobs in the downtown Uniontown area.*

## Hagan Ice Cream Co. Uniontown

Well known throughout the region for producing a variety of quality ice cream products since 1878, Hagan Ice Cream invested over \$2 million to expand its production capabilities in 1992 and 1993. Working with the Southwestern Pennsylvania Regional Development Council, Fay-Penn helped Hagan Ice Cream secure a \$100,000 low interest loan through the Pennsylvania Capital Loan Fund. The loan was used by Hagan to finance new food processing equipment essential to competing in today's modern and very competitive ice cream market. The company expects to add seven (7) new jobs as a result of this expansion.



*Invotech Manufacturing, one of our county's growing small businesses, has been successful at winning defense contracts.*

## Invotech Manufacturing North Union Township

Financing new equipment is a must for most manufacturers which need to maintain their competitive edge in our global economy. Acquiring new equipment without incurring any cost would be an impossible dream for most companies. But thanks to the Job Creation Grant Program through the Office of Vocational Rehabilitation (OVR), the Middle Monongahela Valley Industrial Development Association and the Entrepreneurial Assistance Center at California University, both Invotech and CosBa had their dreams come true.

Working with Fay-Penn, Invotech received approximately \$50,000 through OVR program to purchase a new punch press to manufacture metal components. Similarly, CosBa received a \$10,000 grant for a new advanced work station. In response to receiving the grants, the companies agreed to hire new employees through OVR's client base. Combined, the two companies added five (5) new jobs as the result of expanding their production capabilities.

*CosBa is one of the few companies in our area still able to operate in the intensely competitive apparel industries.*



## CosBa Fashions Connellsville

## REVOLVING LOAN FUNDS

One of the major accomplishments for Fay-Penn has been the formation of a revolving loan fund to help fill a void in financing resources for small businesses in Fayette County while complementing the efforts of local lending institutions. Using funds from the Regional Initiative Grants that were obtained through the efforts of our area's legislators as seed money, Fay-Penn established two programs at the end of 1993: 1) Fayette Capital Loan Fund (FCLF), and 2) Loan Guarantee Program (LGP).

The FCLF Program assists eligible businesses by funding capital expansion projects involving fixed assets such as new equipment and facilities with loans ranging from \$20,000 to \$200,000. The LGP will secure a percentage of private lending institution loans to eligible companies ranging from \$15,000 to \$100,000. Fay-Penn has developed specific guidelines for each fund which are available to interested companies. The goal of the fund is to encourage job growth in the private sector.

## INDUSTRIAL PARK MARKETING

Fay-Penn has been involved with a strategy of initiating business activity at existing key development sites located within Fayette County's industrial and business parks. Part of this strategy includes developing a master plan for the Fairchance Business Park, one of the few remaining industrial sites in the county. The plan will address the issues of park development, land parceling, interior roads, infrastructure improvements, maintenance and promotion. Fay-Penn will use materials from this plan to develop a professional marketing piece aimed at promoting this and other parks to expanding businesses.

Marketing efforts will target not only the Pittsburgh region, but also those in neighboring states such as the Washington D.C. and Baltimore areas. The marketing effort will coincide with the expected extension of the Mon Fayette Expressway to Interstate 68 in West Virginia.

# CONTRIBUTION ACKNOWLEDGEMENTS

## MEMBERSHIP AND CONTRIBUTIONS

Fay-Penn Economic Development Council's success throughout the first two years of its existence was greatly enhanced by the financial support received from area business and individual contributors. We gratefully acknowledge the 226 active Fay-Penn Contributing Members:

Advanced Microsystems	Dolfi's Restaurant	Interstate Thermal Energy	Service
Alden Oil Co.	Domenico's Cafe	Conversion Corp.	SME Industries
All Around Fence Company	Eat 'N Park Restaurants, Inc.	Jackson's Dairy Farm	Smithfield Hardware & Appliance
Allen Monument	Eberly & Meade	Thomas J. Kalman, Esq.	Smithfield State Bank
American Legion Post 51	W.H. Farwell Company	William B. Kania, CPA	Art Snyder Sanitary Supply
Anchor Glass Container Corp.	Fay-West Travel, Inc.	Laurel Business Institute, Inc.	Solomon Accounting Service
Anchor Hocking Packaging Co.	Fayco Plastics Co., Inc.	Laurel Caverns	SW PA Economic Development Corp.
Artisand, Inc.	Fayette Bank & Trust Company	Laurel Highlands School District	Paul Sprowls Agency
Assad, Iron & Metals, Inc.	Fayette County Airport Authority	Luigi's Italian Restaurant	Stahls' Special Projects, Inc.
Emil T. Beck	Fayette County Community Action	Lynn's Dairy Queen	Stefanick Construction Co.
Henry Beeson, Esq.	Agency, Inc.	Robert Lynn Construction Co.	Stefano's Printing
Bell Atlantic	Fayette County Medical Society	M & Y Services, Inc.	Steinman Enterprises
Belvetone Systems, Inc.	Fayette County Mental Health/Mental	Manos Enterprises	Stone & Company Concrete
Berish Agency, Inc.	Retardation	Masontown Industrial Dev. Corp.	& Builders
Bradley Paint Company	Fayette County Redevelopment	Masontown Trophy Co.	Summit Inn Mountain Resort
Brownsville Borough	Authority	McClure & Wolf	Summit Products Co.
Fairchance Borough	Fayette Engineering Co., Inc.	Means Special Care Rest Home	119 Superette
Markleysburg Borough	Fayette Fuel, Inc.	The Medicine Shoppe	Swan's Appliance & Furniture
Perryopolis Borough	Fayette Institute of Commerce &	Meloni's Restaurant	Tedesco Manufacturing Co.
Smithfield Borough	Technology	Michael Vending Co.	The Italian Oven, PCI
Brad Ragan, Inc.	Fayette Labor Management	Carmine V. Molinaro, Jr., Esq.	Thrift Drug Stores
Brodak's Shop & Save	Committee	MONY	Mark Thompson Distributing
Brooks Construction Company	Fayette Realty Company	Morris Men's Store	Brownsville Township
Brownsville Area School District	Fayette Parts Service	NAACP	Bullskin Township
Brownsville Bus Lines	Fayette Tire Company	N. Fayette County Municipal	Connellsville Township
Brownsville Chamber of Commerce	Fazio & Sons	Authority	Dunbar Township
Brownsville General Hospital	Joseph Ferens, Esq.	N. Fayette Vocational-Technical	Georges Township
Brownsville Industrial Dev. Corp.	Joe Fida's Auto Plate Service	School	Henry Clay Township
C & C Realty	John A. Fiesta Agency, Inc.	Nu-Metrics Instrumentation	Jefferson Township
CBF, Inc.	R. Bruce Fike and Sons Dairy, Inc.	PSI Packaging Services, Inc.	Luzerne Township
CRH Catering Co., Inc.	Firmani's Restaurant	Parker/Hunter, Inc.	Menallen Township
Cameron Coca Cola Bottling Corp.	First Federal Savings Bank	Park's Moving & Storage, Inc.	Perry Township
Cardello Electric Supply Co.	First Federal Savings & Loan	Patwil Homes	Redstone Township
Dr. F.P. Cardenas, M.D.	of Greene	PennState Fayette Campus	Saltlick Township
Centennial Chevrolet-Geo-	Foseco, Inc.	Pennsylvania-American Water Co.	Springhill Township
Dodge, Inc.	Fox Glass Company	Peoples Natural Gas Co.	Stewart Township
Bruce Chambers	Franks Auto Supply	Perma-Cote Plastics, Inc.	Upper Tyrone Township
Champion Lumber Company, Inc.	Frazier Area School District	Perryopolis Industrial Enterprises	Wharton Township
City of Uniontown	Garbart Engineering Co.	Pittsburgh National Bank	Tri-Town Industries, Inc.
James Edward Clarke	Gatling's Auto Stores	Poulos Paint Company	James A. Ulmer
O.C. Cluss Lumber Co.	Gerome Manufacturing Co., Inc.	Private Industry Council of	Uniontown Area School District
Coldren Adams	Goodwill Industries	Westmoreland/Fayette, Inc.	Uniontown Construction Co.
Columbia Gas Company of PA	HBC Barge, Inc.	Oglevee, Ltd.	Uniontown Hospital
Conn Realty	Hagan Ice Cream Co.	RX Plus	Uniontown Mail
Connellsville Corporation	Haky Funeral Home	Rack Engineering Co.	Uniontown Motor Club
Connellsville Industrial Enterprises	Dr. Paul A. Hartley, M.D.	Redstone Pharmacy	Uniontown Newspapers, Inc.
Connellsville Printing Company	Helicon Cablevision	David B. Reiss, Esq.	Uniontown Redevelopment
Connellsville Redevelopment	Helicopter Aviation Services Corp.	Republic Chamber of Commerce	Authority
Authority	A.L. Herman Lumber Company	Romeo & Sons, Inc.	US Cellular Mobile Telephone
City of Connellsville	Highland House Hotel	Louis E. Rudolph Funeral Home	Service
Donald R. Crawford Funeral Home	Highlands Hospital	Rupp Medical Associates	Valley Welding
Crimbly Trucking Service	Highlands Lumber Co., Inc.	Norma Santore, Fay. Co. Sheriff	Fred L. Vaughns, DDS
Culligan Water Conditioning	Honisek Tool Co., Inc.	Scottdale Bank & Trust Co.	Video Snax
Curry Lumber Company	Murray I. Horewitz, Esq.	Seaton & Bowman, Inc.	Vulcan Insurance Agency
Dr. Thomas M. D'Auria, M.D.	Hormell True Value Hardware	Second National Bank	WASP Radio
The Daily Courier	Houze Glass Corporation	of Masontown	Watering Trough Restaurant
Daniel's Mens Store	Dr. Ronald E. Hugh	Senoj Enterprises	West Penn Power Company
Davis & Davis	The Insurance People	Sensus Technologies, Inc.	White Swan Flower Shop
DeMuth Florist, Inc.	Integra Bank/South	Shady Side Inn	Widmer Engineering Co.
Dennis Lumber Company	International Communications	Shallenberger Pools	Williamhouse Regency of Delaware
Berwyn S. Detweiler Pontiac, Inc.	Materials, Inc.	Shumar's Welding & Machine	Yezbak Lumber Co.

Fay-Penn received additional valuable financial support to aid with its efforts to strengthen Fayette County's economy from individuals and businesses who share in the same desire. Among our major contributors, the Eberly Foundation was a strong supporter of Fay-Penn in 1992-1993 by contributing over \$230,000. Fay-Penn greatly acknowledges those who have given their financial support by saying "Thank You" to the following:

\$0 to \$5,000	\$5,000 to \$10,000	\$10,000 to \$100,000	Over \$100,000
Mr. and Mrs. John A. Buchanan John A. Fiesta Agency, Inc. Fayette County Education Association	Gallatin Fuels, Inc. Joe Hardy Foundation	Bell Atlantic Mr. Joseph Hardy Mr. and Mrs. Robert E. Eberly	The Eberly Foundation Commonwealth of Pa. Regional Initiative Grants



## SPECIAL THANKS

Cooperation and assistance was the key to generating the results contained in this report. Everyday Fay-Penn works with many different organizations all dedicated to *Moving Fayette Forward*. Fay-Penn wishes to thank everyone who assisted in these accomplishments. Below is a listing of many of these organizations:

Allegheny Conference on Community Development  
America's Industrial Heritage Project  
Appalachian Regional Commission  
Ben Franklin Program of Western Pa.  
Brownsville Area Revitalization Corporation  
Brownsville Chamber of Commerce  
Builders Association of Fayette County  
California University of PA Entrepreneurial Assistance Center  
Carnegie Mellon University  
Central Fayette Chamber of Business & Industry  
Connellsville Industrial Enterprises  
Connellsville Redevelopment Authority  
Economic Development Administration, U. S. Dept. of Commerce  
Enterprise Corporation of Pittsburgh  
Fayette Association of Positive Action Citizens  
Fayette County Board of Township Supervisors  
Fayette County Community Action Agency Inc.  
Fayette County Industrial Development Authority  
Fayette County Redevelopment Authority  
Fayette Festival Association  
Fayette Labor Management Committee  
Greater Connellsville Chamber of Commerce  
Greater Uniontown Industrial Fund  
Greene County Redevelopment Authority  
Laurel Highlands Inc.  
Middle Monongahela Industrial Dev. Assoc., Inc.  
Mon Valley Education Consortium  
Mon Valley Progress Council  
Mon Valley Renaissance  
Mon Valley Tri-State Network  
National Association of Women Business Owners  
National Road Heritage Park Project  
Office of Vocational Rehabilitation  
Penn State Fayette Campus  
Penn's Southwest Association  
Pennsylvania Department of Commerce  
Pennsylvania Department of Community Affairs  
Pennsylvania Department of Transportation  
Pennsylvania Economy League  
Pennsylvania Governor's Response Team  
Pennsylvania Job Service  
Pennsylvania Small Business Development Centers  
Pittsburgh High Technology Council  
Private Industry Council of Westmoreland/Fayette Inc.  
Regional Industrial Development Corporation  
Regional Trail Corporation  
Republic Chamber of Commerce  
Service Corps. of Retired Executives  
Southwestern PA Hardwoods Council  
Southwestern PA Industrial Resource Centers  
Southwestern PA Regional Development Council  
Southwestern PA Regional Planning Commission  
Southwestern Pennsylvania Growth Alliance  
St. Vincent College Small Business Development Center  
Three Rivers Labor Management Corp.  
U. S. Small Business Administration  
Uniontown Downtown Business Authority  
Uniontown Redevelopment Authority  
University of Pittsburgh  
Washington County Council on Economic Development  
Waynesburg College  
Westmoreland County Industrial Development Corporation  
Westmoreland Economic Development Corporation



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