2013-14
Year in Review
# Table of Contents

**Our Mission** ................................................................. .1

**Governor’s Action Team** ............................................. .2

**Innovation & Investment** ................................................. .5
  - Business Financing ................................................... .5
  - Private Financing ..................................................... .8
  - Technology Investment ............................................... .9
  - PREP Offices ........................................................... .10
  - Travel, Tourism and Film .......................................... .11

**Office of International Business Development** .................. .13

**Community Affairs & Development** .............................. .17
  - Governor’s Center for Local Government Services ........ .17
  - Community Financing ............................................... .19
  - Community Services ............................................... .20

**Communications Office** ............................................... .21

**Legislative Affairs and Policy** ........................................ .24

**Awards & Rankings** .................................................... .25

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Our Mission

The mission of the Department of Community and Economic Development (DCED) is to foster opportunities for businesses to grow and for communities to succeed and thrive in a global economy. Our mission is to improve the quality of life for Pennsylvania citizens while assuring transparency and accountability in the expenditure of public funds.

The work of the more than 300 professionals at DCED and our hundreds of community and economic development, local government and tourism partners throughout the commonwealth have contributed to the positive outlook included in this annual report.

At the end of the day, what we do at the state level would not be possible without our statewide, regional and local partners, who are working every day to reinvent and revive your communities, attract visitors to your tourism destinations and create job opportunities for your residents.

Please review DCED’s Annual Report for Fiscal Year 2013-14 to learn more about our efforts to build a Pennsylvania that is Built to Advance.
Governor’s Action Team

In FY 2013/2014, GAT successfully completed 92 projects in which private employers committed to create 13,812 new jobs, the highest number of jobs pledged to be created since FY 2008/2009.

Comcast

The Comcast Innovation and Technology Center (CITC) is the largest private development project in the history of Pennsylvania. Developed jointly by two Pennsylvania-headquartered organizations, Comcast Corporation and Liberty Property Trust, this $1.2 billion, 59-story tower will become the dedicated home for Comcast Corporation’s growing workforce of technologists, engineers and software architects.

With 1.7 million sq. ft. in rentable space, the project will redefine Center City Philadelphia as a thriving nexus of innovation and invention. Comcast will create a media, technology and innovation center with this expansion that will house a new broadcast and production studios for Comcast’s local NBC affiliates.

In the commonwealth, the CITC and its spillover activity is estimated to generate $1.05 billion in expenditures annually. Through the development of the CITC, Comcast has also committed to create 1,500 new jobs.

“We are thrilled to mark another historic moment in our company’s history in Pennsylvania with the development of the Comcast Innovation and Technology Center,” Comcast Corporation Chairman and CEO Brian L. Roberts said. “This expansion of Comcast’s vertical campus in Philadelphia will create tens of thousands of jobs and drive billions of dollars in economic development in the commonwealth and the City.

“Philadelphia has been Dietz & Watson’s home for 75 years, so it’s only appropriate that when we looked for a location to rebuild our distribution center we looked no further than this great city that has supported us since the very beginning,”

— Louis Eni, President & CEO of Dietz & Watson

Announced June 24, 2014 – 158 jobs created, 691 jobs retained and $50 million investment.
PPG Industries

PPG Industries is the world’s largest coatings and specialty materials company. The company is headquartered in Pittsburgh and operates in more than 60 countries. PPG will establish its North American Architectural Coatings headquarters in Butler County and expand its existing technology center in Allegheny County. The project will result in an investment in excess of $14 million for infrastructure, equipment and employee training. More than 300 jobs will be created between the two sites, and 2,500 jobs will be retained statewide.

Church & Dwight, Inc.

Church & Dwight, Inc. (C&D) constructed a new manufacturing and distribution building in York, PA in 2010. The 1.1 million-square-foot facility produces liquid laundry detergent and cat litter, and distributes C&D’s full product line. In October 2012, C&D acquired AVID, Inc., a vitamin company based in Washington State with net sales of roughly $300 million. In order to improve current and future growth of the business, C&D is installing a new state-of-the-art gummy form vitamin manufacturing, packaging and distribution operation at its York, PA facility. The new operation will add 180 new jobs, bringing the total full-time employee headcount to 533. The capital investment for the project will be $50 million. The company’s plant in Vancouver, Washington was also under consideration for the project.

Bell & Evans

Bell & Evans has purchased a 19.6-acre parcel of land and will construct a new 158,000-square-foot poultry processing and packaging plant in Bethel Township, Lebanon County. The company will invest more than $44 million in construction, new equipment and employee training. They have also committed to creating at least 380 new jobs and retaining 1,108 more positions over the next three years.

“This project is going to be a world-class showplace of a processing plant that will produce the Bell & Evans brand of natural and organic poultry,” said Scott Sechler, Chairman and President, Sechler Family Foods, Inc., parent company of Farmers Pride Inc. and Bell & Evans. “Pennsylvania, Lebanon County, Bethel Township is the best place in the U.S.A. to do it.”
Urban Outfitters, Inc.

The company will invest more than $200 million in two expansion projects. The current headquarters at the Philadelphia Navy Yard will be expanded with the acquisition of an adjoining 350,000-square-foot building. The second component of the expansion entails the purchase of land and construction of an East Coast direct-to-consumer fulfillment center adjoining their existing fulfillment center in Gap, Lancaster County. This expansion will result in the creation of 2,000 new jobs in Philadelphia and 500 jobs at the Gap facility.

Urban Outfitters, Inc. has had a history of success in Pennsylvania and these projects will provide the additional infrastructure necessary to achieve our corporate growth objectives for years to come.

East Penn Manufacturing

East Penn Manufacturing is the largest single-site battery manufacturing facility in the world. Headquartered in Berks County, the company manufactures batteries for automotive, telecommunication, marine and military applications. The company continues to grow and needs to develop additional manufacturing space at its three facilities in Berks County. The main plant is composed of a 520-acre site that includes the automotive and specialty battery production plants, a cable and wire manufacturing plant, an acid reclamation center and warehousing facilities. East Penn is constructing a 458,000-square-foot battery manufacturing plant, which will be connected to its existing battery facility. This new facility will produce batteries for the telecommunications industry and backup batteries for UPS (uninterrupted power supply) systems. The company will also purchase equipment and train its new employees. This expansion, which will cost more than $50 million, will create 400 new manufacturing jobs.

Computer Sciences Corporation

Computer Sciences Corporation (CSC) is one of the world’s largest providers of information technology services and solutions, employing more than 81,000 people worldwide. CSC will establish a new delivery center in the Strip District in the City of Pittsburgh in Allegheny County that will create at least 500 new technology jobs over the next three years. This location was attractive, as the company believes it is in an area where it can recruit quality IT-skilled individuals as well as develop long-term relationships with universities to supply a skilled workforce to support its future growth. CSC plans to invest $14 million, which will include leasing a 120,000-square-foot building to accommodate the 500 new employees.
Office of Innovation and Investment (I&I)

During the last Fiscal Year (FY) 2013-14, and in direct support of the responsible development of Pennsylvania’s abundant natural gas resources and related industries, I&I actively deployed its extensive toolkit of more than 70 economic development and business assistance programs to expand and advance Pennsylvania’s economy.

Business Financing

**Brownfield Assessment and Cleanup Programs:** 22 approved projects for $5.5 million by leveraging $1.84 million in public and private funds.

**Energy Programs:** 37 approved projects for $37.1 million which leveraged $400 million in public and private funds.

**Local Share Account Program:** funded by gaming revenues – approved 69 projects for $19.8 million which pledged to retain 452 jobs and create 361 jobs by leveraging $37.9 million in public and private funds.

**PA First Grant Program:** 55 approved projects for $32.85 million that pledged to create 5,930 jobs and pledged to retain 20,145 jobs.

**Machinery & Equipment Loan Fund (MELF):** 33 approved projects for $37 million which pledged to retain 2,438 jobs and create 1,149 new jobs and which leveraged $42.8 million in private funds.

**Small Business First (SBF):** 37 loans were approved totaling $6,611,225 which were leveraged by $19,737,186 in matching funds and resulted in the recipient companies pledging to retain 383 full-time jobs and create 54 full-time jobs.

<table>
<thead>
<tr>
<th>Total Projects Funded</th>
<th>New JOBS Pledged to be Created</th>
<th>Existing JOBS Pledged to be Retained</th>
<th>Businesses Assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>602</td>
<td>52,750</td>
<td>69,564</td>
<td>3,437</td>
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</table>
The funding formulas implemented by DCED are yielding PA’s desired outcomes — the continual development of publicly accessible fueling stations. Previous successes led directly to DCED’s current inventory of 23 new pending Alternative and Clean Energy (ACE) applications, requesting $10.9 million to develop 22 additional publicly accessible fueling stations and one private fueling station. These projects are proposed to leverage $17 million in new private investments all across the commonwealth. To date, 89 percent of the fueling stations receiving ACE assistance are accessible to the public.

ACE’s High Performance Building Programs also improved PA’s educational infrastructure by supporting innovative energy-related projects, resulting in improved efficiencies and lower overall costs.

Success Stories

<table>
<thead>
<tr>
<th>Grant Approved</th>
<th>Project Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$365,690 ACE grant approved</strong></td>
<td>For Hickory Hollow Farms, a family-owned swine farm, for installation of an anaerobic digester system with swine manure as a sole feedstock to generate electricity and heat for annual operational utilization, as well as for sale of excess energy on the grid. This $1,462,759 project will also reduce greenhouse gas emission and nutrient loading in the Chesapeake Bay Watershed.</td>
</tr>
<tr>
<td><strong>$338,511 ACE grant approved</strong></td>
<td>Toward $1,128,369 total project cost for Lancaster Resort Limited Partnership [owner of Eden Resort &amp; Suites (Eden)], for installation of a 333 kW combined heat and power (CHP) system that will produce electricity and heat from natural gas with a high overall efficiency.</td>
</tr>
<tr>
<td><strong>$74,791 ACE grant approved</strong></td>
<td>For Indian Springs Sawmill toward purchase and installation of a biomass boiler and associated energy storage and distribution components (lumber drying kiln) to heat their 7,500-square-foot facility.</td>
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</table>

<table>
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<tr>
<th>Grant Approved</th>
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<tbody>
<tr>
<td><strong>$2 million ACE grant approved</strong></td>
<td>For Bethlehem Area School District for the construction of Nitschmann Middle School — a high-performance building. Planned energy-saving features include energy-efficient lighting, automated energy control systems, low-flow water-saving fixtures, occupancy-based temperature and lighting and an improved thermal envelope — reducing energy consumption by an estimated 3,442,700 kBTu annually. Low-flow water fixtures will reduce water consumption by over 815,533 gallons, a savings of 38 percent annually. The project will achieve USGBC LEED Gold.</td>
</tr>
<tr>
<td><strong>$2 million ACE grant approved</strong></td>
<td>Toward the total project cost of $31,737,500 for the Lehighton Area School District for construction of a new USGBC LEED Gold K-2 primary and 3-5 elementary center. The new 140,000-sq.-ft. school will replace four existing aging facilities, and will include a geothermal HVAC system, energy efficient lighting, natural daylighting and a thermal envelope. The project is anticipated to reduce energy consumption by 4,685,179 kBTU annually. In addition, new low-flow water fixtures will save the district 30 percent of the annual water usage at the building.</td>
</tr>
</tbody>
</table>
Economic Development through Tax Credits

**Educational Improvement Tax Credit (EITC) Program:** collected $109 million in business contributions; approved 3,025 business applications totaling $99.2 million in EITC tax credits awarded.

**Opportunity Scholarship Tax Credit (OSTC):** collected $33.3 million in business contributions; approved 729 business applications totaling $29.6 million in OSTC tax credits awarded.

**Film Tax Credit:** 52 approved projects injected $370 million spent in film production, creating 3,034 full-time jobs.

**Job Creation Tax Credit (JCTC):** approved $10,082,000 in tax credits, supporting the pledged creation of 4,928 jobs.

A Smoother Process for Businesses Financing

**Pennsylvania Industrial Development Authority (PIDA):** $35.4 million approved across 31 projects, pledged to leverage $88.1 in private investment, 913 pledged new jobs and 2,359 pledged retained jobs.

In October, 2014, historic legislation was passed and signed into law that consolidates five revolving loan funds into the Pennsylvania Industrial Development Authority (PIDA). This legislation will streamline the application and approval process for all the commonwealth’s business assistance loan funds by creating a one-stop shop for businesses seeking to access growth capital. The PIDA participation rates for industrial parks will increase from 50 percent to 90 percent and multi-tenant building up to 75 percent.

Marcellus Legacy Fund Provides More than $16 Million for Greenways, Trails and Recreation.

More than $16 million in funding was approved to support 116 greenways, trails and recreation projects throughout Pennsylvania.

In addition to the Greenways, Trails and Recreation program, five additional programs were approved under the Marcellus Legacy Fund, including:

- Watershed Restoration and Protection
- Baseline Water Quality Data
- Abandoned Mine Drainage Abatement and Treatment
- Orphan or Abandoned Well Plugging
- Flood Mitigation programs
Private Financing

- **10 Programs**
- **193 Loans and Loan Guarantees**
- **$582 Million Loans and Loan Guarantees**

Success Story

**PA Economic Development Financing Authority (PEDFA) - The Capitol Region Parking System**

PEDFA’s Capitol Region Parking System transaction was a key component in the “Harrisburg Strong” Plan implemented by the Receiver of the City of Harrisburg, William Lynch, to allow Harrisburg to address the myriad of financial challenges that have for many years plagued the City and impeded its growth. This monetization of the City’s parking assets, which involved the issuance of bonds totaling more than $286 million, was designed to provide sources of funding to be used to pay numerous creditors. The PEDFA staff, Receiver Lynch and his team and dozens of other professionals worked exhaustingly to bring this transaction to a successful conclusion. A dozen public agencies/government entities were involved, and the PEDFA bond issue involved a closing index of more than 72 entries and many exhibits, bringing the total to more than 100 documents that include contracts, certificates, resolutions and opinions.

**Pennsylvania State Small Business Credit Initiative (SSBCI)**

The State Small Business Credit Initiative (SSBCI), which is administered by the Center for Private Financing (CPF), is a flexible federal program that awards funds to states to increase access to capital for small businesses to grow and prosper in the challenging economic environment. Economic development partners were asked where the need was greatest. The result was that funding was allocated to 12 entities to support statewide and regional job generating programs, early-stage technology companies and Community Development Financial Institutions. Thanks to SSBCI funds, businesses that otherwise would be unable to access capital are growing, adding employment and contributing to Pennsylvania’s economy. CPF is proud to administer this important program that is housed within Innovation & Investment. It has worked with our economic development partners and the U.S. Treasury to overcome challenges to implementation of the program, which to date has resulted in more than 460 jobs being retained and created and a cumulative private leverage ratio of more than 9:1.

**SSBCI in Action - Dooley’s Landscaping and Tree Care Services**

Dooley’s Landscaping and Tree Care Services was founded in 2009 by Mae Dooley, an African American woman who invested $50,000 in her retirement savings to start the firm.

Ms. Dooley’s intent in starting her business was to provide jobs for formerly incarcerated African American males. She used the $4,000 loan (including $3,200 of SSBCI funds) to purchase a van that allowed her to perform under a contract with the Pennsylvania Horticultural Society and to service her existing residential accounts. As a result of the SSBCI loan, Dooley’s was able to hire six workers.

Her success in performing under the contract with the Horticultural Society has led to its renewal and to additional contracts with the City of Philadelphia. She has been able to hire an additional four workers, bringing her total employees to 10.
Designed to support technology-based economic development through strategic partners and innovative programs, the Technology Investment Office (TIO) serves as a catalyst to advance the creation, growth, success and global competitiveness of Pennsylvania’s technology industry sector and its businesses.

The TIO provides critical financial support to entities and initiatives that encourage entrepreneurship, advance the commercialization of new technologies and facilitate the creation of high-paying, family sustaining jobs across Pennsylvania.

Nationally recognized programs, such as the award-winning Ben Franklin Technology Partners and Discovered in PA, Developed in PA grant (D2PA) program are administered through the TIO. The D2PA program has infused much-needed capital into the marketplace, allowing entrepreneurs to bring their ideas from concept to commercialization and regions to launch new initiatives, enhance existing initiatives and increase their competitiveness.

Over the past four years, Discovered in PA, Developed in PA (D2PA) has infused $32.1 million into 95 unique and innovative projects and initiatives. This investment promotes entrepreneurship, encourages technology transfer and the commercialization of intellectual property, builds capacity for regional economic development, and increases awareness of resources to help budding entrepreneurs and existing businesses.

First-round projects demonstrated significant success and gained national attention. For example, the Enterprise Center, Philadelphia’s first food business incubator, helps early-stage entrepreneurs test and develop new products utilizing state-of-the-art kitchens, as well as network with industry representatives to gain placement in the supply chain to local colleges and universities. Additionally, the Enterprise Center was one of five finalists in the TEDxManhattan Challenge “Changing the Way We Eat.” Their project “Neighborhood Foods” infuses local, low-income neighborhoods with fresh and healthy produce.

In Central PA, Penn State University College of Medicine’s “Entrepreneur-in-Residence” program assisted faculty researchers in the launch of successful businesses such as Melanovus Oncology, a late preclinical stage oncology company, featured in Managed Care Oncology as a thought leader for better therapeutics in the treatment of Melanoma.

### Making an Impact Across Pennsylvania

- **3,761** Jobs Created
- **4,848** Jobs Retained
- **4,239** Businesses Assisted
- **278** New Technology Companies Established

### Private Funds

- **$3,207,242** Private Funds Leveraged

### Public Funds

- **$519,347** Public Funds Leveraged
PREP (Partnerships for Regional Economic Performance) is a statewide network of partners designed to work in concert to deliver vital business assistance services across 10 regions of the commonwealth.

Our local and regional PREP partners have the experience and know-how to assist individuals who have an idea and need help with the basics of starting a new venture. PREP also meets the demands of existing companies that seek assistance in all aspects of successful business development and growth.

**Success Story**

BROCKWAY GLASS COMPONENTS, LLC is a startup business located in the North Central PREP region, owned by James Geer and Kevin Grecco in Brockport, PA. The Small Business Development Center (SBDC) at Clarion University and the North Central PA Regional Planning and Development Commission provided business planning and financing assistance. Upon completion of their business plan, the newly formed Brockway Glass Components was approved for financing by S & T Bank and the Small Business First Fund. This business opened its doors and began producing guide and neck rings for glass containers in July 2013 and created four new jobs in the first six months of operation.

In addition, Brockway Glass Components, located in the former Tamburlin Coal building, put an underutilized building to good use. The business plan and the Small Business First Fund application involved the acquisition of equipment and working capital necessary to start and operate the business for the next three years, with a plan for expansion within the first five years of operation.

www.newPA.com/prep

15,932 Jobs Created

25,133 Jobs Retained

12,479 Businesses Assisted
**Travel, Tourism and Film**

- 3.5M people served at PA Welcome Centers
- 29.1M hotel rooms sold — a record high!
- 533,300 leisure & hospitality industry jobs
- 2.2M international airline passengers

**Groundhog Day 2014**

- **Preview coverage** totaled 182,419,148 impressions, including coverage from CNN, USA Today, Time, National Geographic and the Washington Post.
- **Event day coverage** totaled an additional 245,299,568 impressions from ABC, Yahoo, MSN, HuffPost, TIME, the Epoch Times and more.
- **Satellite feed** of event produced 7,901,843 impressions and ad equivalency of $727,163.
- **Social media** A meme of the prediction was shared by our fans more than 2,700 times, more than 200 times our usual reach.

**Hauler Parade**

Public officials kicked off the first-ever Hauler Parade in Harrisburg, PA, welcomed 11 “haulers” to the Capitol Complex and waved the green flag to send the caravan, including the pace car, to Pocono Raceway for the NASCAR Sprint Cup Series Pocono 400

- The event generated 51 individual stories, reaching nearly 20 million viewers and readers.
- The hashtag #haulerPArade was used nearly 500 times reaching more than 5.5 million in impressions.
- 91% of all mentions were from other uses.
Outdoor Adventure Guide

In Feb. 2014, Pennsylvania released the first-ever Outdoor Adventure Guide — an inaugural effort and collaboration between the Department of Community and Economic Development, the PA Office of Travel, Tourism & Film, the Department of Conservation and Natural Resources, the Fish & Boat Commission and the Game Commission that highlighted the commonwealth’s vast variety of outdoor assets and activities. The guide has reached more than 100,000 people and was well received by sports enthusiasts, visitors, partners and members of the General Assembly alike.

Film

During FY 2013-14, a projected $370 million was spent in film production.

- $1.8 billion directly injected into Pennsylvania’s economy (since 2007).
- 22,000 full-time jobs since 2007
- 52 newly-approved projects

Tourism Media Relations

Earned 228 media placements (38% increase from the previous year) in regional and national travel publications, including USA Today Travel, The Washington Post, The Today Show and Travel + Leisure — just to name a few.

- 1.1 billion impressions (28% increase from the previous year)
- The Tourism Office hosted its 1st international media mission resulting in 13 stories

visitPA.com

- 3.4M visitors
  (51% in organic traffic)
- 6.4M pageviews
- 68.6% of traffic is organic
- TOP 10 State Tourism Office website (via Quantcast)

PA Tourism Social Media

Social media referral traffic to visitPA.com was up 83% this year, and all metrics — including growth and engagement — increased significantly over last year (sometimes three times the previous year’s total).

- 290,000 followers on Facebook, Twitter, Pinterest, YouTube and Foursquare
- 85,575 followers (nearly triple previous year’s growth)
- 253,000 engagements on Facebook and Twitter (three times previous year’s total)

PA Tourism PR Twitter – Following of 14,480 (15% growth) and personalized conversations with nearly 100 journalists in 2013-14 alone.
In FY 2013-14, the export assistance programs and the foreign direct investment services offered by OIBD under the World Trade PA line item helped to **create or retain more than 10,617 jobs** in Pennsylvania and generate **$98 million in state and local tax revenues**.

**World Trade PA**

- **1,364 Pennsylvania Active Clients**
- **$864M in Export sales**
- **$180.6M of new foreign capital investment**
- **$1.04B of FDI capital investment and export sales**

**For every Pennsylvania tax dollar invested, OIBD companies generated $155.66 in economic impact**
OIBD’s trade development team provides invaluable market penetration information (market research, distributor or buyer matchmaking, or background checks) for more than 1,000 PA companies every year, with the support of 22 trade offices covering 73 markets and the 10 Regional Export Network (REN) partners.

**Additional special initiatives are supported with more than $300k in outside funding:**

**PA Mining Expansion Initiative** *(Funded in part by a grant from ARC)*
- Supports Pennsylvania’s mining companies in seven Southern African markets.

**Tech Export** *(Funded in part by a grant from EDA)*
- Supports technology businesses in launching or increasing their export sales.

**New Country Initiatives and small business grant program** *(Funded in part by a cooperative agreement from SBA)*
- Opened special project offices in the Czech Republic, Russia and Indonesia
- Provided funding for the Global Access Program (GAP) stipends for small businesses, totaling $136,447

**Market Access Grants** *(Funded in part by TeamPA Foundation)*
- Support PA companies with small grants to expand the export of goods and services, awarded $135,000

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**Success Stories**

**PAMEX Helps CAB Sell Into Southern Africa Markets (Cambria):**
Since 2012, the Cambria County Association for Blind & Handicapped (CAB) has been a member of OIBD’s PA Mining Exports Initiative (PAMEX) consortium and has used the program to locate suitable distributors in South Africa and surrounding markets. CAB continues to grow their reach in the mining industry and has signed several authorized distributors for the mine safety equipment that they manufacture. Initial shipments have already been made. In addition to the mining sector, PAMEX staff assisted CAB in pursuit of sales to companies in the solar power sector where their products also apply.

**Fredericks Company Builds Taiwan Business (Montgomery):**
The Fredericks Company manufactures and markets tilt sensors, vacuum measurement devices and inclination monitors. The company was assisted by OIBD’s export development program over the last two years with an initial distributor search, background checks and interviews along with grants supporting client travel for in-country meetings with current, new customers and distributor prospects. As a result of these efforts, Fredericks signed on Jin Zon Enterprise Co. Ltd. as their countrywide distributor in Taiwan. Further, the trips enabled Fredericks to gain additional sales from existing customers and allow smooth transition of current and new customers in need of technical assistance to be provided by the newly appointed distributor. With this structure in place, Fredericks anticipates solid export sales growth in the years to come.
Foreign Direct Investment (FDI)

OIBD’s investment team works to provide the overall support and technical assistance required by international companies to establish in Pennsylvania. A record-setting $180,644,710 Capital Investment was committed to Projects for FDI — more than double that in FY 12-13.

Success Stories

**Ecosave**: Australian energy efficiency company, Ecosave, selected the Navy Yard in Philadelphia for the location of its U.S. headquarters and first location in North America, creating 125 new jobs.

**Fuling Plastics**: Chinese manufacturer, Taizhou Fuling Plastics, has established its first manufacturing site in the U.S. in Lehigh County creating 75 new jobs. Fuling is recognized as the leading exporter of plastic tableware and kitchenware, a national high-tech enterprise and an environmentally friendly company.

**Noise Solutions**: Noise Solutions Inc. is the leading North American provider of engineered turnkey industrial noise control for oil and gas, mining, power and aerospace industries. They have established a new manufacturing plant in Mercer County to serve the U.S. market, creating 126 new jobs.

**Denali Sourcing Services**: Indian consulting company, Denali, expanded their Pittsburgh office from 20 employees to 55 by the end of 2014. They are one of the fastest-growing small companies in the U.S.

**Greiner Packaging**: Austrian packaging manufacturer, Greiner Packaging, has established its U.S. headquarters in Luzerne County, creating 128 new jobs. They will produce premium packaging of cups and lids, as well as other convenience and sustainable items for the food industry.

“Thanks to Pennsylvania’s Office of International Business Development, the Governor’s Action Team, Select Greater Philadelphia and the City of Philadelphia for the great efforts made and the welcoming openness of the people we met throughout the region, we feel very well connected before we even moved to the area.”

— Marcelo Rouco, CEO, Ecosave (Australia, Philadelphia County)
Host of 11th annual World Forum for FDI, the first time it had been hosted in North America.
Pennsylvania was awarded the Destination of the Future for Energy-Intensive Industries Award by the FDI Association.
Prospects identified at the World Forum project over 200 jobs to be created.

Pennsylvania Missions to France-Germany and Brazil-Chile

A delegation of Pennsylvania businesses, tourism and university leaders and economic development groups participated in missions to France and Germany in March 2012 and to Brazil and Chile in April 2013. These missions focused on creating new economic opportunities for job growth, creating awareness of Pennsylvania as a tourist destination and investment in Pennsylvania. In FY 2013-2014, as a result of these missions and follow-up by OIBD, the following successes have resulted.

Charles & Alice: French food processing company Charles & Alice established its U.S. operations in Lancaster County, creating 50 new jobs. Charles & Alice specializes in ready-to-eat, healthy food products, such as squeezable apple sauce pouches, and will source Pennsylvania-grown apples for its product line of “Fruit Friends” to be sold in the U.S.

Torcomp: Brazilian machinery manufacturer and supplier to Volvo Construction in Shippensburg has established its first U.S. facility in Franklin County, creating 73 new jobs.

Fibria: Brazilian company Fibria Celulose S.A. (Fibria) has decided to move its northeast distribution center to the Port of Philadelphia, bringing more than 380 total jobs and $40 million in economic activity annually to the state of Pennsylvania. Fibria, the world’s largest producer of Bleached Eucalyptus Kraft Pulp (BEKP), will move its current shipping operations from the Port of Baltimore to the Tioga Marine Terminal operated by Delaware River Stevedores, Inc. at the Port of Philadelphia.

PSPM Millet Plastics: French Company, Millet Plastics, formed a partnership with PSPM to establish a larger manufacturing facility of agribusiness packaging products in Lebanon County, creating 20 new jobs.

Hydrotechnik: The German manufacturer of high-specification measuring instruments, Hydrotechnik, established its North American presence in Allegheny County, creating 15 new jobs.

Logistics Plus (Erie County): Logistics Plus participated in the Governor’s JOBS1st Mission to Brazil and Chile. Working with OIBD, Logistics Plus has signed agency agreements with two logistics companies in Brazil and one in Chile.

New Pig Corporation (Blair County): New Pig has signed a Chilean-based distributor, resulting in new export sales.

“We’ve been impressed by their energy and involvement in making this project happen. To produce the healthiest Fruit Pouches for kids, we need a talented workforce, high-quality apples, a supportive community and a business-friendly state government, and we can find all of this here, in Pennsylvania.”

— Thierry Goubault, CEO, Charles & Alice (France, Lancaster County)
Increasing Revenues
On a daily basis, technical assistance provided by the Center facilitates and promotes understanding of Pennsylvania’s unique and complex local tax collection system. Through the successful implementation of Act 32, which provides for the more efficient collection of local income taxes, local government revenues are expected to increase without having to raise any Earned Income Tax (EIT) rates. Based on data provided by local tax collectors, from 2012-2013, total EIT collections are up by approximately 22.65% in third class cities throughout PA.

Strengthening Tools
Through involvement with the Local Government Advisory Committee (LGAC), the Center helped lead the effort in advocating for legislation that would increase the statutory limits of the Local Government Capital Project Loan Program (LGCPLP) to include equipment purchases of up to $50,000 and facility purchases of up to $100,000. By doing so, local governments have greater purchasing power and access to equipment and facility renovations through the offering of an affordable, and otherwise unavailable, low-interest loan. Since the loan limits were increased, there has been a dramatic increase in municipalities utilizing the program as evidenced by a 400% increase in loan issuances.

Revitalizing PA
In December 2013, the first two City Revitalization and Improvement Zone (CRIZ) Program designations were awarded to the cities of Bethlehem and Lancaster. For Bethlehem, the CRIZ designation is projected to spur more than $580 million of new investment and create thousands of jobs in the city.

Improving Services
With technical assistance from the Center, newly formed regional fire and police organizations were established to improve services and reduce costs to taxpayers. These organizations include: the Butler Township Volunteer Fire District, the Hegins Valley Fire-Rescue and the Central Bucks Regional Police Department.
Overcoming Distress
In March 2014, Millbourne Borough’s status as a distressed municipality was rescinded under Act 47. The Borough of Millbourne was the first municipality to shake its distressed status and exit the program in more than seven years. Continuing the momentum, Act 47 Exit Hearings were also held for West Hazleton Borough and Westfall Township in FY 2013-14.

“Thanks for all your help securing the $5,000 MAP Grant for us. I wanted you to know the Warren County COG really appreciates all you’ve done for us to help make this project happen.”
— Dan Glotz, Warren County Planner

Connecting with Communities
DCED On The Road tours continued throughout FY 2013-14 in North Central and Central PREP Regions. Through regional representatives, DCED is actively involved in all of PA’s 67 counties.

Anticipating and Addressing Challenges
In FY 2013-14, the Early Intervention Program (EIP) provided financial assistance to benefit communities housing a total population of more than 345,000 Pennsylvanians across five cities, four boroughs, three townships and one county.

Additionally, testing of the Early Warning System (EWS) validated its statistical integrity as the results accurately identified the City of Shamokin as having a 72% likelihood of financial distress within the next 5 years. Early assistance was subsequently provided to avoid a more dangerous financial situation.

FACT:
Millbourne Borough marked the first community to emerge from distress post-recession.
Homelessness

Individuals across the nation experience homelessness due to a variety of circumstances and complex variables, but the most common reason is that they cannot maintain or acquire affordable housing. Whether it's providing funding, guidance and technical assistance, or co-facilitating the Statewide Homelessness Steering Committee, DCED's Center for Community Financing is dedicated to addressing homelessness in Pennsylvania and works closely around this issue with the U.S. Department of Housing and Urban Development and other Federal Partners, as well as local governments, stakeholders and service providers.

Success Story

Providing Housing and Stability for Homeless People – In 2013, it is estimated through the annual Point-In-Time count that there were at least 14,547 homeless people in the smaller cities and rural areas of the state. Starting in October of 2012 and throughout calendar year 2013, DCED successfully transitioned from the Emergency Shelter Grant program, which concentrated on providing assistance for shelters, to the Emergency Solutions Grant program, (ESG) which provided assistance for people experiencing homelessness or at risk of homelessness. ESG mandated that at least 40 percent of its funding be provided to rapid rehousing and/or homelessness prevention activities. DCED met this requirement with its grant allocations and, in 2013, $948,316 was spent to assist 3,095 persons in these activities. Shelters also received assistance in 2013 with renovations, operations and essential services. Grantees expended $2.6 million in assisting 5,784 persons needing shelter. With all activities in 2013, 2,455 children were assisted in getting a safe and healthy living environment.
The Weatherization Assistance Program (WAP), authorized by the Energy Conservation in Existing Buildings Act of 1976, Title IV of the Energy Conservation and Production Act, was established to help low-income families reduce energy costs by increasing the energy efficiency of their homes, while ensuring their health and safety. The program is intended to reduce national energy consumption and reduce the impact of higher fuel costs on low-income families.

**Lawrence County Community Action Partnership (LCCAP)**

**Regional Weatherization Pilot Project** – As the current regional rehabilitation and lead program administrator, LCCAP has developed internal policies and procedures to integrate, qualify and blend Weatherization funds.

Over the past four years, LCCAP has invested over $550,000 in 26 blended projects. This integration of resources with Weatherization funding has been nationally highlighted as a Weatherization Plus Health concept, and has provided LCCAP the opportunity to establish procedures for successful integration of all federal, state, local and private funds. This model will be shared throughout the PA Weatherization network and with other community partners in order to prioritize the needs of our targeted families and create additional, safe, affordable and healthy housing.

Pennsylvania is made up of many communities and neighborhoods whose vitality make an important contribution to the state’s success.
The Communications Office spearheaded another successful fiscal year with the highlighting of Pennsylvania companies’ accomplishments, supporting the marketing efforts of all DCED Offices, hosting two highly educational media FAM tours, saturating regions with two On the Road tours in the North Central and Central regions and continuing the organic and paid social media growth for the reasons why Pennsylvania is built to advance. We also are making headlines in print and online media with digital advertising, the Governor’s ImPAct Awards and other efforts to pitch Pennsylvania success stories to in-state, national and global trade and business media.

Press and Events

- Governor’s ImPAct Awards recognizes 250 companies
- DCED On the Road
- Metro market missions to New York City and Dallas/Fort Worth
- 24 tradeshows, including:
  - BIO International Convention
  - Corporate Real Estate Network (CoreNET)
  - Industrial Asset Management Council (IAMC)
  - International Economic Development Council (IEDC)
  - Medical Device and Manufacturing Show (MDM)
  - 3 Rivers Venture Fair
  - Global Plastics Summit
  - Platts Oil & Gas Supply Chain Conference
  - Site Selector Guild Conference

245 Press Releases
39,181,516 Governor’s ImPAct Awards impressions
Life Sciences Media Tour
Media Highlights

B. Braun, LVEDC host life sciences media tour
— LehighValley.org

State Of Innovation: The Next U.S. Medtech Hotspot
“That’s right — it’s Pennsylvania, the next big thing in U.S. medtech”
— MedDeviceOnline.com

Capturing potential of early stage firms in Greater Lehigh Valley and Pa.
— LVB.com

National journalists tour Pennsylvania’s robust life sciences industry
— Team PA News

Food Manufacturing Media Tour
Media Highlights

Speakers highlight speed of manufacturing growth
— LVB.com

Candy Manufacturers Add Health, Sustainability to Production Operations
— FoodProcessing.com

Innovations: Four Breakthrough Technologies in Food Processing
— FoodProcessing.com

They’re ‘Just Born’ to be sweet!
— CandyIndustry.com

DCED on the Road

DCED held two installments of DCED On the Road FY 2013-14 to discuss the governor’s priorities for economic growth, job creation and community development, and to strengthen collaboration with our partners in the field.

🌳 Coverage in more than 45 newspaper, TV and radio reports
違って 65+ events in each region

Central Region
• Centre
• Clinton
• Columbia
• Juniata
• Lycoming
• Mifflin
• Montour
• Northumberland
• Snyder
• Union

North Central Region
• Cameron
• Clearfield
• Elk
• Jefferson
• McKean
• Potter
Fifteen print pieces have been designed, developed and placed this past fiscal year. The print creative focused on the brand’s established competitive strengths such as low-cost, abundant energy; strategic location; skilled workforce; and growth in key industries such as advanced manufacturing, agribusiness & food manufacturing, and life sciences/biotech.

**Social Media**

- **LinkedIn**
  - 1,519 followers with a 95% growth
  - 385,857 impressions
  - 2,983 engagements
  - 4,648 page views

- **Twitter**
  - 2,334 followers with an 88% growth
  - 5,406 engagements — an increase of 3,468 from last year

- **YouTube**
  - 48 subscribers with a 336% growth
  - 26 new videos
  - 11,000 views of new videos

**Digital and newPA**

**Digital**

- more than 135 digital display banner advertisements

- 43,855,492 impressions to our audience of site selection consultants

**Search Engine Marketing**

Conversions for the year:

- 4,164 Business Finance
- 3,725 New Business
- 2,991 Grants

**newPA**

- 1,395,712 Visits
- 4,236,902 Pageviews

International visits

- 196 countries
- 31,638 visits

**Publications**

Factsheets

- Agribusiness
- Aviation Fixed-Wing Tax Exemption
- Life Sciences
- Medical Device Manufacturing
- Shale Gas & the Plastics Industry
- Tourism
- A World-Class Workforce
- Export Assistance
- OIBD Overview
- Business Assistance Matrix

Trade Show Booklets

- Fancy Food Show Booklet
- Arab Health Booklet
- Medica Booklet

Local Government Services/Community

- Certificates and Citations
- Emergency Solutions Grant Program
- Local Government Factsheet
- Publications
- Training Factsheets

Community Financing Brochures

- Installation of Manufactured Homes in PA
- Recovery Resources Team Brochure

Office of International Business Development

- World Trade Impact Report

Energy=Jobs Brochure: Pennsylvania State Energy Plan

Business Today in PA Publication
Act 161 of 2014: Merges five business financing programs into PA Industrial Development Authority (PIDA) and transitions the governor’s Executive Order 2012 changing the PA Military Community Protection Commission to the PA Military Community Enhancement Commission.

Act 194 of 2014: Modifies the Educational Improvement Tax Credit (EITC) and Opportunity Scholarship Tax Credit (OSTC) programs by streamlining and extending the application process for businesses, expanding the age range for children qualifying for pre-kindergarten programs, and creating a waiting list for businesses interested in both programs. Also expands the definition of contracting authority to permit a City Revitalization and Improvement Zone (CRIZ) pilot program in a borough or township.

Act 199 of 2014: Updates Act 47 by allowing municipalities to exit their distressed designation in five years, with a possible three-year extension and gives affected cities more flexibility to raise revenue, cut standard operating costs, and get priority consideration for state grant and no-interest loan programs.

DCED Orientations: Staff held numerous orientations to educate legislators and legislative staff about programs, resources and constituent services provided by the department.

The Job Creation Tax Credit (JCTC) was increased from $1,000 to $2,500 per job for employers who create a new job that is filled by an unemployed individual.

Film Tax Credit – Tightened definitions to enhance the economic development impact of the program.

WEDNetPA – Changed guidelines for the two categories of job training to better meet the challenges of 21st century, particularly in the manufacturing sector.

The Pennsylvania Tourism Partnership (PTP) – This newly created public-private partnership, governed by a 17-member Steering Committee, is tasked with solidifying Pennsylvania as a pre-eminent destination for tourists, developing a sustainable funding mechanism and creating a targeted, comprehensive marketing plan supported by the state’s marketing partners.

PABizOnline – This website gives entrepreneurs one-stop access to business information — how to start a business, learn how PA can help them grow, find the right forms and electronically register a business with the Department of Labor and Industry, Department of Revenue and Department of State.

JOBS 1st Regional Partnership Grants – DCED and L&I combined forces to encourage collaboration between local Workforce Investment Boards (LWIBs) and regional economic development partners (PREP) by funding 10 projects with $4 million from L&I’s Re-employment Fund. These grants will develop employer-driven training programs and services so that job seekers acquire the skills needed to match jobs available now and into the future.

Thank you for supporting DCED’s initiatives.

DCED strives to always make ourselves available to legislators and legislative staff.
Awards and Rankings

Across the country and around the globe, prestigious business publications and organizations recognize the advantages and successes associated with doing business in Pennsylvania.

The following list captures some of the recent recognition, awards and rankings earned by the commonwealth, Pennsylvania businesses and economic development organizations across the state.

**PA 3rd in U.S. for Private Equity Investment** (2013)

**Silver Shovel Award**
Area Development (2014)

**Governor’s Cup: #1 in Northeast and #4 in the U.S.**
Site Selection (2013)

**PA FDI Destination of the Future**
Foreign Direct Investment (2014)

**Economic Development Leadership Award to the Philadelphia Industrial Development Council**
CoreNET Global (2014)

**NADO Innovation Award- SAP&DC,**
Pennsylvania Booth at Expomin
National Association of Development Organizations (2014)

**Honorable Mention- Deal of the Year- Urban Outfitters**
Business Facilities Magazine (2014)

**#9 for Highest Number of IT Firms**
InfoWorld (2014)

**#5 for leading state in Bioscience Venture Capital Investments**
2014 Battelle Report

**#5 for leading state in NIH Funding**
2014 Battelle Report

**#7 for Life Sciences Cluster Report**
2014 JLL Global Life Sciences Cluster Report

**Top States in Economic Growth Potential**

**#7 Pennsylvania**
Business Facilities Magazine