



OUTREACH

*Economic Development News
from Tioga County, Pennsylvania*

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SPECIAL EDITION

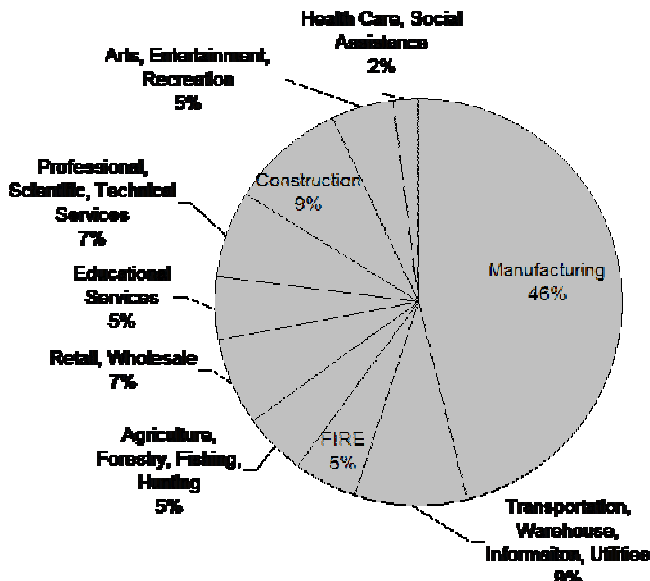
Business Retention and Expansion Program (BREP) Tioga County Annual Report 2005-2006

The ***Business Retention and Expansion Program (BREP)*** is a dynamic group of business leaders and state economic development experts who serve as your single point of contact for assistance and expertise. It is a unique public/private partnership with one overriding priority . . . ***to keep your business right here in Pennsylvania*** by providing the tools to compete stronger in the 21st Century. Pennsylvania companies may rely on the ***BREP*** expertise and coordination of state and local agencies . . . from workplace training and labor analysis, to permitting, site selection and financing for expansions.

As the ***BREP*** Agent for Tioga County, designated by the Tioga County Board of Commissioners, the ***Tioga County Development Corporation*** operates our County's ***Business Retention and Expansion Program (BREP)*** in conjunction with the regional coordinator, Northern Tier Regional Planning and Development Commission (NTRPDC). The ***Business Retention and Expansion Program (BREP)*** is a program designed to retain and grow the existing base of businesses and jobs in the Commonwealth. Contacts are made with local businesses through ***TCDC*** to arrange a highly confidential meeting at the company's discretion. After the areas of concerns and needs are identified, action is taken through a partnership of private industry, economic development, government and community agencies to assist in resolving the concerns identified and meeting the company's needs.

Business Retention and Expansion Program in Tioga County

Since the inception of the ***Business Retention and Expansion Program*** (formerly ***TEAM Pennsylvan!a***) in 1997, there have been 264 Visits conducted with industries and businesses in Tioga County. Over 30 industries and businesses have been involved in follow up meetings. During this reporting year (2005-2006), 44 local industries and businesses have met with ***TCDC*** for initial and follow up Visits. The State averages approximately 6,000 Visits per fiscal year through local ***BREP*** Agents.



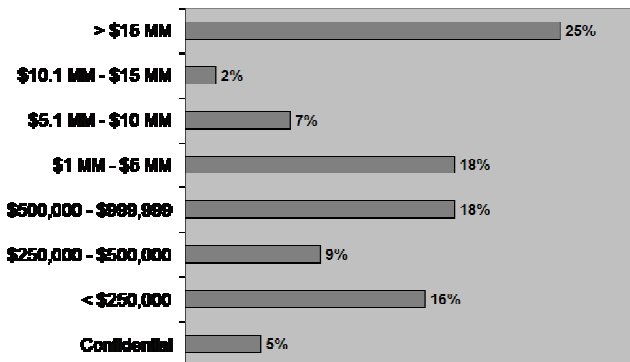
Ninety-one percent (91%) of the industries and businesses surveyed are headquartered in Pennsylvania; only 9% are headquartered in another State. In Tioga County, 14% of the industries and businesses surveyed are owned by women. Only 4.5% of the industries and businesses in Tioga County are minority owned, comparable to the overall Pennsylvania state percentage.

Forty-six percent (46%) of the industries and businesses surveyed were in Manufacturing; 9% were in Transportation, Warehouse, Information, and Utilities; 7% were in Retail and Wholesale Trade; 5% were in Finance, Insurance, Real Estate (FIRE); 5% were in Educational Services; 5% were in Arts, Entertainment and Recreation; and 2% Health Care and Social Assistance. Seven percent (7%) of interviewed businesses were in Professional, Scientific and Technical Service; 9% were involved in Construction; and 5% were involved in Agriculture, Forestry, Fishing and Hunting.

44 Tioga County Companies Surveyed, 9095 Pennsylvania Companies Surveyed in 2005-2006

Growth & Sales

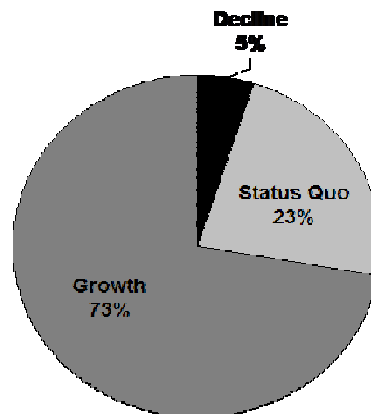
Annual Sales



Twenty-five percent (25%) of all industries and businesses surveyed in Tioga County reported their Annual Sales were \$15 million or greater. Only 16% made less than \$250,000.

The Commonwealth reported only 17% of the Annual Sales were in the \$15 million or greater range and 8% were in the less than \$250,000 range.

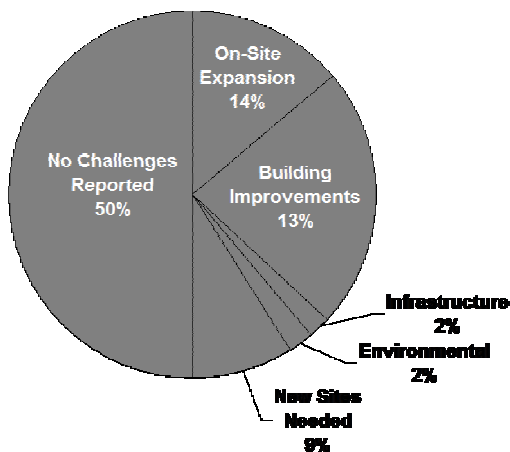
What is your projected Sales Growth over the next 12 months?



Seventy-three percent (73%) of the industries and businesses surveyed in Tioga County project a Sales Growth within the next twelve months while only 5% predict a decline in growth.

The industries and businesses in Pennsylvania predicted a 78% increase in Sales Growth over the next twelve months, while only 2% expect a decline in growth.

Site Challenges



Infrastructure & Facilities

Tioga County businesses and industries are facing site challenges with Building Improvements and On-Site Expansion prevailing above the other challenges at a total of 27%. Nine percent (9%) of companies are in need of a New Site. Two percent (2%) of the businesses and industries are facing building infrastructure problems and 2% are having environmental issues. There were no other challenges recorded during the interviews.

Five percent (5%) of the interviewed businesses found the Telecommunications operations Excellent in Tioga County while 68% found them Adequate, and 25% graded it Poor. Most other facilities and services (Public Water and Sewer, Zoning, Road Systems, and Energy/Utilities) were found Adequate, if applicable. Railways, Airports and Public Transportation were also found Adequate, if applicable.

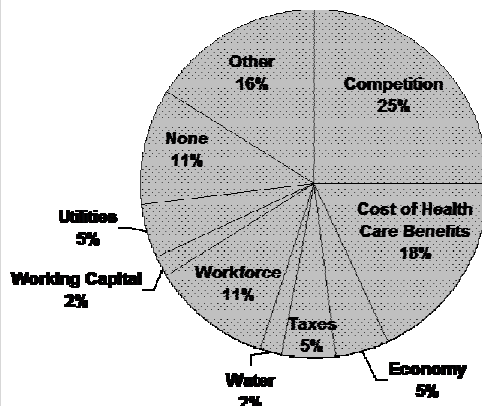
Business Climate

Advantages of Operating Businesses In Pennsylvania

Tioga County businesses and industries surveyed were asked what advantages there are in operating a business in Pennsylvania. Eleven percent (11%) stated Proximity to Markets; 2% said Cost of Doing Business; 9% stated the location was an advantage; 7% applied with Access to Raw Materials; 5% said the workforce and work ethic are advantages; and 5% stated Other.

The toughest challenges facing businesses and industries in Tioga County are Competition at 25%; Cost of Health Care at 18%; and Workforce at 11%. Five percent (5%) of business surveyed rated the Economy, Taxes, or Utilities as their top challenge; Working Capital and Water were both at 2%. Eleven percent (11%) found Tioga County offered no challenges to their production. Sixteen percent (16%) found the options given did not describe their situation. The options which were not used by the companies were Environmental Regulations, Globalization, Marketing, Roads, and Sales.

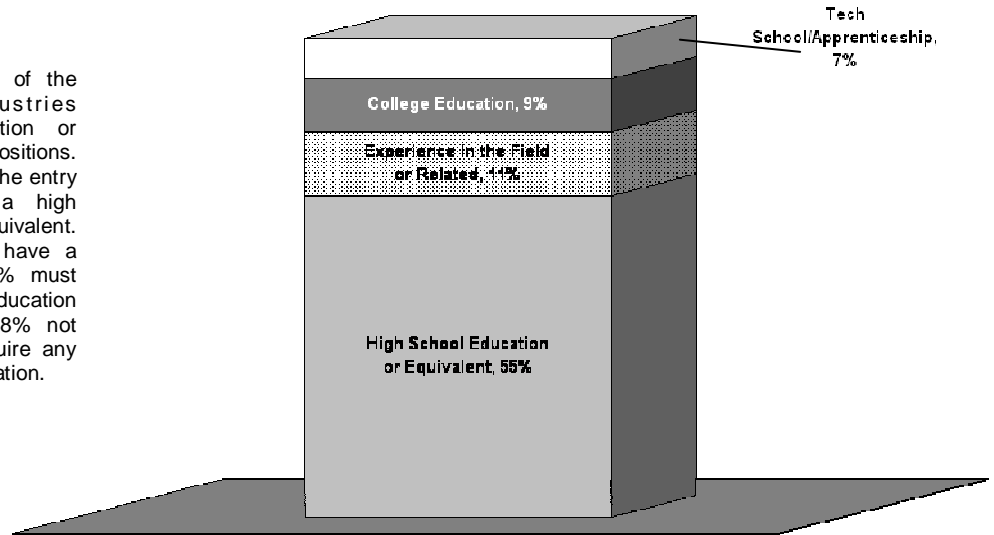
Top Challenges Facing Businesses



Education & Workforce

Education

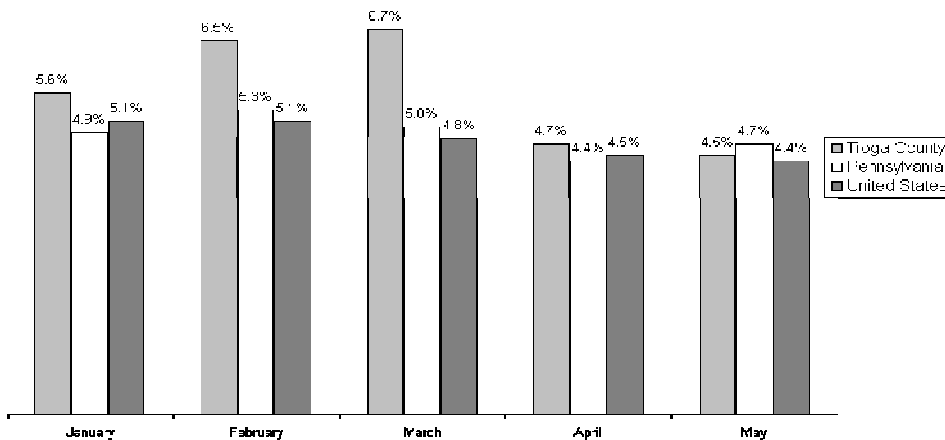
Eighty-two percent (82%) of the businesses and industries surveyed require education or experience for entry level positions. Fifty-five percent (55%) of the entry level positions require a high school education or equivalent. Nine percent (9%) must have a college education and 7% must have a technical school education or apprenticeship. The 18% not represented does not require any form of experience or education.



Technical Skills Sought After

A trainable Workforce is critical to meet the expanding needs of our Employers. *TCDC* is committed to assist in assuring our County can meet required workforce needs and established the *Tioga County Technology Education Center (TTEC)* in 2005 to broker training opportunities. The Corporation is working aggressively with our Public School Districts, Mansfield University, Pennsylvania College of Technology, Northern Tier Industry & Education Consortium (NTIEC), the Northern Tier Regional Planning and Development Commission Workforce Investment Board, Pennsylvania CareerLink, Trehab and the private sector on such programs as the *Tioga County School-To-Work Initiative*, *Customized Job Training (CJT)*, *Job Creation Tax Credit*, *PA WEDnet*, *Incumbent Worker Training Program* and other Education & Training Programs to assure a trained labor force is available.

2006 Unemployment Rates



Unemployment

The PA Department of Labor & Industry reports that Tioga County's unemployment rate has decreased 1.1% since May 2005.

May 2006's rate of 4.5% is the end of a year of fluctuations. March 2006 reported the highest unemployment rate of 6.5%. October of 2005 showed the lowest rate in the past 12 months at 4.2%.

Source: Pennsylvania Department of Labor & Industry, Center for Workforce Information & Analysis



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Customer Action Plan . . .CAP

While conducting a **BREP** visit, a business may identify a particular need or a multitude of needs. Needs may range from assistance with webpage issues to financing machinery. After discovering the need a business or industry may have, a Customer Action Plan (CAP) is determined. CAPs provide an opportunity for a business or industry to gain assistance from the many appropriate Assistance Programs available.

A CAP is determined and the appropriate assistance program is notified of the issue through the use of eCommerce. The services include finance, export, procurement, information technology, workforce training, small business training grants, community development, child care challenge grants, site search and assistance with roads. Service Providers in the Northern Tier Development Team include: *Northern Tier Regional Planning & Development Commission, Ben Franklin Technology Partners, Governor's Action Team, Northeastern Pennsylvania Industrial Resource Center (NEPIRC), Northern Tier Industrial Education Consortium (NTIEC), WEDnet, Pennsylvania Technical Assistance Program (PennTAP) and TCDC.*

Many times the issue cannot be resolved immediately. The Service Provider and the local **BREP** Agent will continue to work with the company until the issue is resolved. Many times other challenges will arise and another Service Provider is needed. The Process of CAPs will continue until the company's needs have been met and the company is satisfied with the outcome.

Thank You!

As **Business Retention and Expansion Program (BREP)** Agent for Tioga County, the *Tioga County Development Corporation* thanks you for allowing us the opportunity to survey your business. Thanks to all who have participated in over 264 **Business Retention and Expansion Program** Visits throughout Tioga County since 1997. The purpose of the Visits are to obtain information about your business which will assist you, the Commonwealth, the Northern Tier Regional Planning & Development Commission and the *Tioga County Development Corporation* in determining and resolving your business needs.

If your business has not been interviewed and would like to participate in the **Business Retention and Expansion Program (BREP)** please contact Lillian Smith, Vice President/Program Development at (570)723-8232 or tcdc3@ptd.net.