



INDUSTRY

NEWS

WALTER CHOSEN 2001 VOLUNTEER OF THE YEAR



William R. Walter, administrator of Maury Regional Hospital in Columbia, has been selected by TIDC as the 2001 Volunteer of the Year. Mr. Walter was nominated by TIDC member and Maury Alliance president Frank Tamberrino.

During Mr. Walter's 26-year tenure, Maury Regional has grown from a community-based hospital to a regional

medical center serving southern Middle Tennessee. He has received numerous awards at the state level for his work in the health care and health care administration fields.

Mr. Walter has also served in numerous capacities in Maury County's business community. These include past chairman of the Maury County Chamber of Commerce, Kiwanis Club, Columbia State Community College, Boy Scouts and United Way. When discussions began on merging three chambers of commerce, and the Maury County Economic Development Commission into the Maury Alliance, Bill Walter's name quickly surfaced as the choice for the first chairman.

Mr. Walter's most significant project was the organizational development of the Maury Alliance. While there were several

other key individuals who worked diligently to bring the Maury Alliance to fruition, Bill Walter chaired the organizational stage and first year of the Alliance. This included: putting a Board of Directors in place; selecting key volunteers to serve in Council and committee positions; chairing the search committee for a new President; maintaining momentum and support from the participating government entities and member businesses; and setting plans in motion to create long-term financial stability for the Alliance.

During his year as Chairman, Saturn announced a \$1.5 billion expansion. The Alliance's Economic Development Council assisted in seven new and expanding industry projects which created 125 new jobs, plus an additional \$14 million in capital investment and anticipated 180 new jobs uncovered through the existing industry Retention and Expansion survey last year.

Seven projects initiated during Mr. Walter's year as Chairman have closed in the first half of 2001 and are under construction or completed. These total over \$20 million in capital investment and will create between 267 and 325 jobs.

Other projects created under Mr. Walter's leadership and have carried forward to this fiscal year include: Familiarization tours for strategic partners at regional and state levels; increased business concern and commitment for community

continued on page 4

FALL CONFERENCE OFFERS OPPORTUNITIES, INFORMATION

Over 160 people attended the TIDC fall conference, held September 13-15 at the Marriott Hotel in downtown Chattanooga. As TIDC continues to grow, our conferences are becoming bigger and better each year.

The fall conference once again provided all who attended with excellent networking opportunities and informative sessions mixed with a bit of entertainment. Golfers enjoyed a great time on the links while others chose to tour historic downtown Chattanooga, take in Lookout Mountain, or maybe do some shopping between sessions. Former ECD Commissioner Alex Fischer reported on the state of the department, and Dave Goetz with the Tennessee Association of Business provided a legislative update for attendees.

During Thursday night's dinner, William Walter was announced as TIDC Volunteer of the Year.

Another highlight of the conference was the honorary lifetime membership that was awarded to Fred Harris by Nashville Chamber colleague and TIDC past president Janet Miller. After thirty-five years in the business, Harris will retire in February from his post at Vice President of Economic Development with the Nashville Chamber.

Members are encouraged to begin planning now to attend the TIDC Spring Conference which will be held April 24-26 at the Holiday Inn in Destin, Florida. Let's make the 2002 spring conference the most well attended ever!

continued on page 4

by Dave Goetz

As state revenues plummet, legislators and administration officials will be looking for ways to make up as much as \$275 million in the current budget and a half billion dollar shortfall just to get started next year. This means the business community is squarely in the sights again, and we have to remind our officials why our ability to recruit industry will suffer if we make the business tax burden worse.

Put simply, we already have the 8th highest franchise and excise tax burden in the country on a per capita basis. No state surrounding us is close. Our franchise tax is third highest.

Based on U. S. Census Bureau data for the 2000 tax year, Tennessee businesses paid in combined corporate income (excise) and franchise (license) taxes \$195 for each man, woman and child. These taxes also apply to non-corporate limited-liability entities. Tennessee's per capita business tax burden is 41 percent higher than the U. S. average. It is \$44 per person higher than the closest state in the southeast.

The main culprit in driving up Tennessee's business tax burden is our franchise tax. In essence it functions as a state property tax on corporations, and because of the minimum alternative basis used in its calculation, it particularly punishes those companies with heavy capital investment. Tennessee's franchise tax burden is \$87 per person, with only Delaware and Texas being higher. Delaware could be discounted because of the unusually large number of corporations domiciled in that state, making Tennessee actually rank 2nd. Kentucky is 6th at \$48 per person and Alabama is 7th at \$40.

Tennessee's corporate income tax or excise tax is also among the higher in the country. At \$108 per capita it ranks 21st in the country. Of the southeastern states, only North Carolina has a higher corporate income tax burden, ranking 14th with \$123 per person. Arkansas follows at \$89, ranked 25th, and Georgia is 27th at \$87.

But when excise and franchise taxes are combined, Tennessee jumps up to 8th highest total corporate tax load in the country. Delaware is 1st, and Alaska is 2nd. In order, the other states are New Hampshire, Michigan, Pennsylvania, Massachusetts and California. The nearest southeastern state is again North Carolina, at 13th, followed by Kentucky at 18th.

As we face higher taxes for the fourth year, we need to remind our legislators that while business does not mind doing its share, we are already doing that and more in Tennessee. We know new shocks have weakened an already stumbling economy, and we know national and international events will require more sacrifice of all of us. But that doesn't mean any approach should be unbalanced and should not acknowledge those who are already carrying the load.

ECD Update

**Commissioner
TONY GRANDE**



I want to tell you how much I look forward to working with you in my new role as commissioner. Given the national economic slowdown and the events of September 11, we will, without a doubt, confront some unique hurdles and challenges together in economic development over the next few months. That simply means that our ECD team must be more aggressive than ever in working in support of you to generate leads, assist our existing industry and help our communities prepare for the growth and expansion that lie ahead.

We have enjoyed six straight years of record-breaking economic investment and job creation. And, in the coming months, I want to continue to work with our many partners across the state to reach our record-breaking target of \$40 billion of new capital investment during Governor Don Sundquist's terms in office.

As we work with a determined team and aggressive marketing campaign, we will be focused on the basics of economic development success in our state - our location, our people and our infrastructure. These last two are ably supported by our highly successful Industrial Training Service and Tennessee Industrial Infrastructure Program (TIIP). They are really our best incentives in giving our state an edge when recruiting new companies or assisting existing industry expansions. But in current tight budget times, these programs are highly-vulnerable. I urge you to let your legislators know just how important TIIP grants and worker training is to creating economic growth and more jobs in your communities.

In November, our ECD team will launch a Tennessee Means Technology initiative. This effort is designed to dramatically boost national awareness of Tennessee's many technology resources and assets, from the Med-Tech Corridor, the University of Tennessee and the Oak Ridge National Laboratory in East Tennessee, to Vanderbilt University and Arnold Engineering Development Center in Middle Tennessee to the abundant resources at St. Jude's and the UT-Memphis in West Tennessee. Promoting our technology assets and capabilities is key to attracting and growing the jobs of the future.

It is also imperative that we continue strengthening our support system for existing Tennessee industry, particularly in the automotive sector. With three automotive and truck assembly plants and more

LOOKING FORWARD TO A GREAT YEAR



By Rhonda Rice, TIDC President 2001-2002

We have a saying among the TIDC Board of Directors, "There is no training for this job". What we do have is continuous support from the previous and current officers in our organization. It is with great pride that I take on the role as TIDC President this

year. It is more time consuming than perhaps one realizes at first but like most things that are worth doing, it is time well spent.

TIDC has accomplished many things over the years. Membership is at an all time high and continues to grow. We are a financially sound professional organization. We have worked with our legislature to improve their knowledge and understanding of economic development and we have a true partnership with the Tennessee Department of Economic and Community Development. These achievements are continuous and all are done through volunteer time commitments.

In our economy today, we are facing challenges not only as a state but also as a nation. We will recover from this but I feel it will take all of our efforts and commitments to continue the path of success we have seen in previous years. Perhaps that is why now more than ever we should be out spreading the message to do business in Tennessee. We have had several successful recruiting trips with the Tennessee Economic Partnership and are hosting national

site selection consultants to our state. We, as professionals now more than ever should be working to ensure that companies looking to grow their business will consider Tennessee.

TIDC will be working with the Tennessee Department of Economic & Community Development to ensure that when business does come to our state, we have the tools and resources that are needed to assist them. The TIIPs program is now a non-recurring funded item in the state budget. This program is crucial to many of us as we work with prospects considering our communities. We will be asking the membership for your help in the upcoming legislative session as we work to ensure the continuation of the TIIPs program.

The last thing I would like to mention is friendships and gratitude. As we closed our Fall Conference in Chattanooga in the days following the horrible events of September 11, something spontaneous happened. The golfers decided to donate all their winnings to the American Red Cross. Within just two or three minutes, through the generosity of our membership we had collected several thousand dollars to send to people in need. It was a special moment but not a surprising action of the wonderful people who make up the membership TIDC.

Thank you for this opportunity and please let me know if you have any questions that I may help you with.

ECD Update...cont'd from page 2

than 800 automotive industry suppliers in the state, Tennessee now ranks fifth in the nation in car and light truck production. The added production of Nissan's redesigned Maxima and Saturn's new SUV will only spur more growth in this important manufacturing sector.

Finally, I want to continue our focus on relationship building. Our relationships are some of our most valuable tools as we work to lure new business to our state. So, we must maintain

our active work and support of our many state and local partnerships, such as the Tennessee Economic Partnership and the Millennium Fund, to make sure Tennessee is top-of-mind as a America's premier business address.

Your hard work and commitment to economic development is making our success possible. Thank you for your continued support of our great state.

CALENDAR OF EVENTS

November 1-2

Governor's Conference, Nashville - Nashville Radisson

November 12-13

Venture Capital Conference, Nashville

November 14-16

National Association Manufacturers Conference

December 2-5

NACORE, Nashville - Gaylord Opryland Hotel

Walter, Volunteer Of The Year...cont'd from front page

development and educational improvement; and future resource analysis and action.

Many of the initiatives of the first year are bearing fruit this year the long-range outlook for economic development in Maury County is excellent. Mr. Walter's hands on and zealous approach to improving Maury County through the Maury Alliance has generated significant support and personal commitment from other community leaders. The area's economy and quality of life have been improved due to the leadership of Bill Walter.

Obstacles that were overcome during the first year of the Maury Alliance's are also testimony to Mr. Walter's exceptional guidance:

Mr. Walter and the first Board of Directors of the Maury Alliance took control of an organization not considered truly competitive and transformed it into an organization which is now used as a model for economic development organizations.

Public perception and support within the community was also targeted early in the process as critical to the long-term resiliency and success of the Maury Alliance. Mr. Walter made

significant efforts to establish open communications with all Alliance partners and area media. The open and frequent communication of the Alliance with the media has proven to be an asset.

"Ninety percent of the time, individuals receiving awards and recognition do so because of the work and contributions of others associated with the cause," stated Walter of the honor, "That is particularly true of this recognition."

"Over the past two years, many individuals have contributed countless hours toward the formation of Maury Alliance and the partnership between local government officials and business leaders," continued Walter. "We have built our foundation based on serving the common good, meeting total community needs and open communication, while leaving our own personal interests out of Maury Alliance activities. It has been a pleasure to watch many individuals pledging and adhering to those principles and working harmoniously together to make all of Maury County a better place to live, work and raise our children. It is truly on behalf of all these individuals that I accept this award."

Mr. Walter was honored at the TIDC Fall Conference in Chattanooga during the Volunteer of the Year banquet.

Fall Conference...cont'd from front page

TIDC would like to once again thank all the sponsors. Your continued support plays a major role in the success of our conferences:

*Matteson-Hudson Construction Co.
Rutherford Co. Chamber of Commerce
Lauderdale County Econ & Comm Dev Board
CSX
Oak Ridge Chamber of Commerce
TVA
Chattanooga Area Chamber
Southeast Industrial Development Assoc.
Nashville Area Chamber of Commerce
Expansion Management Magazine
Gresham, Smith and Partners
Centex Engineering & Design*

*M.T.I.D.A.
The Access Group
The 21st Century Council of Lawrence Co.
The Memphis Chamber
Site Selection/Conway Data
Barge, Waggoner, Sumner & Cannon
Greene County Partnership
ATC Associates
South Central Tennessee Development District
Clarksville/Montgomery County Chamber of Commerce
The Gray Company
Northeast Tenn. Valley Industrial Association
East Tennessee Economic Development Association
BellSouth
Knoxville Chamber Partnership*

People On The Move...

Tony Grande

Tennessee Department of Economic & Community Development
Commissioner
312 8th Ave. North
WRS Tennessee Tower Bldg 11th Floor
Nashville, TN 37243
tgrande@mail.state.tn.us
Phone: 615-741-1888
Fax: 615-741-7306

Alex Fischer

Governor's Office
Chief of Staff
State Capitol
Nashville, TN 37243
afischer@mail.state.tn.us
Phone: 615-741-2001

New TIDC Members

Cassandra McGee

Bullock Smith and Partners
306 W. Depot Ave, Southern Station
Suite 201
Knoxville, Tennessee 37917
865/546-5772
865/546-0495
cmcgee@bullocksmith.com

Kenneth P. Ezell Jr.

Shareholder
Baker Donelson
211 Commerce Street
Nashville Tennessee 37201
615/726-5721
615/744-5721
pezell@home.com

Michael L. Smith

President & CEO
The Roane Alliance
P.O. Box 581
Kingston, Tennessee 37763
865/376-2093
865/376-4978
mlsmith@roanealliance.org

Michael Harvey

Vice President of Marketing
East TN Economic Development Agency
P.O. Box 23770
Knoxville, Tennessee 37933
865/694-6772
865/694-6429
mharvey@eteda.org

Steve White

Mgr., Business Development
S & S Building Group, Inc.
217 Ward Circle
Brentwood, Tennessee 37027
615/376-1110
615/376-5554
smwhite@ssbuildinggroup.com

Charlie Dyer

Tennessee ECD
Business Development Consultant
312 8th Ave. North, 11th Floor
Nashville, Tennessee 37243
615/532-9060
615/741-5829
cdyer@mail.state.Tennessee.us

Joseph Fortner

Tennessee ECD
Field Consultant
225 Martin Luther King Blvd., Suite 401
Jackson, Tennessee 38301
731/423-5765
731/423-6650
jfortner2@mail.state.Tennessee.us

Bob Grimes

Turner-Universal Construction
Business Development
5300 Virginia Way, Suite 200
Brentwood, Tennessee 37027
615/231-6343
615/231-6301
bgrimes@tcco.com

Anthony Argiro

The Walker Companies
Associate Broker
5700 Wheelis Drive, Suite 210
Memphis, Tennessee 38017
901/763-1650
901/767-9923
targiro@walkerco.com

Kimberly Neeb

Conway Data Inc., Site Selection
35 Technology Parkway
Suite 150
Norcross, GA 30092-2901
888/299-9707
770/263-8825
Kimberly.neeb@conway.com

Deborah Cameron

Douglas Cherokee Economic Authority
Economic Development Director
P.O. Box 1218
Morristown, Tennessee 37816
423/587-4500
423/587-4509
dcamerondcea@aol.com

Charley Poe

Tennessee ECD
Assistant Commissioner
312 8th Avenue North
William R. Snogross, 11th floor
615/532-9820
615/532-8715
cpoe@mail.state.Tennessee.us

Lynne Musick

JOSEPH Construction Company
203 Letterman Street
Knoxville, Tennessee 37919
865/584-3945
865/584-3120
musick@josephconst.com

Carl Mullis

The Walker Companies
600 West Peachtree Street, Suite 2350
Atlanta, GA 30308
404/892-1600
404/881-6833
cmullis@walkerco.com

Marty Quinn

ATC Associates Inc.
5217 Linbar Drive
Suite 306
Nashville, Tennessee 37211
615/331-5016
615/331-5032
Quinn36@atc-Enviro.com

Tonya Terrell

Obion Co Industrial Development Corp
P.O. Box 70
Union City, Tennessee 38281
731/885-0211
731/885-7155
tterrell@obioncountytennessee.com

John Fielden

Auburndale Co. Inc.
126 Wheeler Street
LaVergne, Tennessee 37086
615/287-7999
615/287-7998
jbfieelden@aol.com

John Birdwell

Hacker Brothers Inc
311 Barbourville Street
Corbin, KY 40701
606/528-3737
606/523-0263
hackerbros@tcnet.net

Holly Sears

JECDB of Wilson County
115 Castle Heights Ave N.
Suite 102
Lebanon, Tennessee 37087
615/443-1210
615/443-0277
hsears@charter.net

John Wharton

Lockwood Greene
10201 Parkside Drive, Suite 300
Knoxville, Tennessee 37922
865/777-1020
865/777-1021
jwharton@ig.com

REMINDER!

TIDC Requests Photographs and Address Changes

If your picture is not currently included in the TIDC photo directory, please forward a copy of your photograph to Suzie Lusk at 611 Commerce Street, Suite 3030, Nashville, TN 37203.

Also, please remember to forward any address changes to Suzie Lusk at suzie.lusk@tennbiz.org.