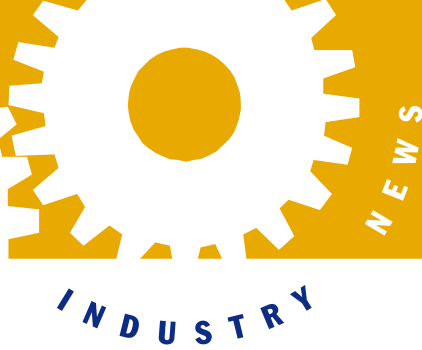


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HERBISON NAMED TIDC PROFESSIONAL OF THE YEAR

Mark Herbison, Director of Economic Development for the Rutherford County Chamber of Commerce, was selected the state's economic development "Professional of the Year" at the Tennessee Industrial Development Council's (TIDC) Spring Conference in Gatlinburg.

The Professional of the Year award is granted to a member of TIDC for leadership in the field of economic development by demonstrating a significant and measurable contribution to economic development in their community. TIDC members submitted nominations and the winner was selected by the TIDC board of directors.

Herbison has been working in the field of economic development for six years and his background includes Director of Economic Development for Paris/Henry County, automotive marketing consultant for the Tennessee Dept. of Economic & Community Development and Director of Economic Development for the Nashville Area Chamber of Commerce.

In his current position since October 2002, Herbison has assisted with the relocation and/or expansion of a host of companies in Rutherford County including the Verizon Wireless call center, the relocation of Southern Container Corp., Cinram Corp., Estes Truck Lines, Jet III B Corp., the expansion of Nissan to include production of the Pathfinder, Asurion Corp., and the expansion of General Mills.

These projects and others brought 3,375 new jobs to Rutherford County in 2003.

Herbison also directed the implementation of a new marketing program for the community, the development of a new economic development web site and several new databases to assist in the tracking of contacts, available properties and projects. In 2003, Rutherford County was listed as fourth in the nation for new job growth by a Bureau of Labor Statistics study. The Verizon Wireless and Nissan projects were highlighted in the Dec. 2003 issue of Business Facilities magazine.

"We're gratified that Mark's hard work and accomplishments have been recognized by his peers in TIDC," said Rutherford County Chamber President Steve Benefield. "Rutherford County has seen tremendous growth, increase in income and the availability of jobs. Mark's experience, professionalism and

foresight in marketing have played a key role in our success." Founded in 1967, TIDC has grown to a membership of more than 330 economic development professionals. They represent both the public and the private sectors and work to promote economic development across Tennessee.

The Tennessee Industrial Development Council is a statewide, non-profit organization created to unite the efforts of its members in furthering industrial development in the state of Tennessee. TIDC promotes cooperation and understanding among the individual members of the council and the varied interests they represent.



TIDC Professional of the Year Mark Herbison, center, is congratulated by outgoing TIDC President Randy Brewer and TIDC Vice President Kim Denton. Herbison was honored during the spring conference in Gatlinburg.



Tapping Into Tennessee's Technology Resources

**Commissioner
Matthew Kisber**

Great things are happening in Tennessee and the technology sector is expanding throughout the state to create new research, development and commerce opportunities.

Presently, ECD is working on building our partnerships with a diverse group of organizations that have a vested interest in technology business development. In addition, we are also collaborating with our state's technology councils in Memphis, Nashville, Knoxville/Oak Ridge, Chattanooga, and the Tri-Cities in an effort to develop a targeted strategy and promote technology business development statewide. We are also currently evaluating state sponsored technology economic development programs, spending in other states and the subsequent effectiveness of specific initiatives.

There is an impressive base of existing technology resources throughout the state, and those resources present some encouraging opportunities for us to expand on.

One of the strengths we have found in those resources is that they span across each grand division of the state. From Oak Ridge National Laboratory in East Tennessee to St. Jude Children's Research Hospital in West Tennessee, and Vanderbilt University Medical Center in Middle Tennessee, there are a variety of valuable organizations and initiatives that have the potential to put Tennessee in a healthy position for economic growth and development in the technology sector.

A few of the successes and opportunities we can tout is the Memphis Biotech Foundation, a non-profit organization created to help build the infrastructure and partnerships required to foster entrepreneurial undertakings in the fast-growing biomedical field. There is also GTX, a biopharmaceutical company that was created around the technology and expertise of scientists at the University of Tennessee Medical School in Memphis.

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Additionally, Tennessee has strong resources in the logistics and transportation industries in both Nashville and Chattanooga. Also, several biotechnology and life science companies are also finding success in Middle and East Tennessee. The SimCenter in Chattanooga at the University of Tennessee, Chattanooga has computation expertise, specifically related to engineering applications, and this team performs outstanding work for both government and industry clients and partners. A project to support the development of life science companies in Middle Tennessee is progressing in Williamson County. The Cool Springs Life Science Center there has already attracted emerging companies like BioMemetic Pharmaceuticals, Virtual Drug Development, and has also led to a partnership with Vanderbilt University.

Finally, a true Tennessee success story in technology business development is happening right in Oak Ridge. There are new projects underway at the Oak Ridge National Laboratory that will make them the foremost destination in the world for the study of neutron sciences, and the most powerful non-classified computational laboratory. The completion of the Spallation Neutron Source in Tennessee will provide scientists with the most powerful tools to research neutron sciences. The completion of the computation lab will result in a computer that can perform between 40-50 trillion operations a second on a sustained basis.

Our slogan at ECD is "tomorrow starts today." We realize that we must begin identifying and embracing the existing technology resources we have in the state now to facilitate the economic growth opportunities associated with this rapidly changing and growing industry. Certainly, Tennessee is in a position to become a leader in growing and supporting technology development with the ultimate goal of being a creating higher-paying, better-skilled jobs for Tennesseans.

2004-2005 TIDC Officers Named During Spring Conference



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By Deb Woolley
President
Tennessee Chamber of Commerce & Industry

If success can be measured in smiles of relief, the state's business and economic development community considered the year successful when the final gavel came down on the 103rd Session of the Tennessee General Assembly.

Without a doubt, the top priority of the business and industry community this year was reforming our state's worker's compensation system. It was a massive effort that was hard fought.

Even with the leadership of the Governor, the support and endorsement of local chambers, economic development groups, statewide trade associations, local governments and hundreds of business leaders, the road to passage was riddled with potholes.

The final votes on a bill that remained clean and uncompromised – referred to by some pundits as landslides – are deceptive. The key House vote to defeat an attempt to increase the multiplier – which led up to the 82-14 victory – only passed by a 54-41 vote. The Senate vote was delayed by a week as key Senate leaders stalled and then fought the bill.

But in the end, the state ended up with a positive reform bill – passed with strong bipartisan support – that will make significant changes in our workers' comp law. The bill is a careful balance between taking enough costs out of the system to let our companies be competitive and create jobs while ensuring there are enough resources in the system to care for our injured employees.

Some of the key components of the bill include:

- Reduction of the multiplier to 1.5 and extension of the multiplier to certain scheduled member injuries.
- Development of an independent medical examiner registry for use in disputes.
- Mandatory benefit review conferences.
- Medical fee schedules.
- Penalties for untimely benefits payments.
- Increased benefits for individual with temporary total disabilities.

What it all means is that significant costs are removed from the system ... in lawyer's fees, unrestrained medical fees, lengthy court cases, delayed settlements. The result makes Tennessee more competitive in retaining and attracting new jobs. And it means that our employees will be able to settle their workers' comp claims in a timelier, less adversarial, manner without sharing part of his or her settlement with a trial attorney.

"the top priority of the business and industry community this year was reforming our state's worker's compensation system"

While **Workers' Comp Reform** commanded much of the attention, the state's **Business Climate** benefited from other **Legislative Actions**.

A few of those include:

- Passage of a bill which requires the state to study the impact of health care insurance mandates on the cost of the insurance and the preparation of a cost analysis with each legislative proposal.
- Passage of a reform package to begin addressing costs in TennCare.
- Passage of a balanced budget that placed an emphasis on education.
- Defeat of a bill that would have required companies to bear the responsibility of providing health insurance to the spouse and children of an employee who has divorced or died.
- Defeat of a bill that would have required employers to provide notice – with the threat of a state fine – to employees of any change of benefit, regardless of who pays for the benefit.
- Defeat of two bills that would have strengthened organized labor by granting increased power to firefighter unions and by requiring a company with a state contract to be neutral in any labor campaign.
- Passage of positive, technical corrections to the Streamlined Sales Tax Act.
- Passage of a bill providing for the election of consolidated filing for franchise and excise taxes.
- Passage of a bill providing for a limited special assessments for petroleum underground storage tanks and creation of a committee to provide a long-term solution.
- Passage of a bill concerning emission testing of certain vehicles to improve the quality of our air and to meet federal Clean Air requirements.
- Defeat of a bill allowing for regional air authorities with regulatory powers.
- Defeat of a bill adding additional environmental representatives on state regulatory boards.
- Defeat of several bills mandating insurance coverage for HIV/AIDS vaccines, physician assistants, voluntary breast removal and experimental procedures.

Welcome new TIDC members...

Since November, we've gained the following new TIDC members:

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Thanks again to the spring conference sponsors for your continued support.

Tennessee Department of Economic & Community Development

Tennessee Valley Authority

CSX Corporation

Lauderdale County Economic & Community Development

Barge, Waggoner, Sumner & Cannon
Gresham, Smith & Partners

Rose Integrated Services, Inc.

Matteson Hudson Construction

Kingsport Area Chamber of Commerce

Rutherford County Chamber of Commerce

CN Railway

Memphis Regional Chamber

Middle Tennessee Industrial Development Association

East Tennessee Economic Development Agency

Sevier County Economic Development

Knoxville Area Chamber Partnership

Nashville Area Chamber of Commerce

Lawrence County Chamber of Commerce

Oak Ridge Economic Partnership

Forward Sumner

Jackson Energy Authority

JESCO/Blaine Construction

Tellico Reservoir

T.W. Frierson

Rentenbach Construction

Calendar of Events 2 0 0 4

July 28-30

SEDC Automotive Conference

Nashville

Sept. 26-29

IAMC Forum

Memphis

Sept. 28-30

Governor's Conference

Nashville

Oct. 6-8

TIDC Fall Conference

Destin

Oct. 16-19

SEDC Fall Conference

New Orleans

Nov. 6-10

CoreNet

San Antonio