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To Our Members:

I am pleased to present this thirty-sixth annual report of the Salisbury-Wicomico Economic Development Corporation. The vision of business, government and community leaders in establishing SWED is as valid today as it was in 1968, as best illustrated by our accomplishments this past year.

New companies to our community include Cambrex Bio Science, Germane Tool, Filter Networks and Century Seals. SWED was instrumental in securing expansion funds for NavTrak and in securing land for Silverton Marine’s proposed new plant. We secured funding to renovate the former airport terminal building into a business incubator, continued our efforts to enhance development opportunities at the Air Business Center, and began discussions with developers regarding redevelopment of the Salisbury Mall property. In conjunction with the Maryland Technology Development Corporation and a host of research labs along the Eastern Shore, we held and promoted the Eastern Shore’s first “Technology Partnering Showcase” at Salisbury University. Furthermore, we added $100,000 in capitalization to our recently established revolving loan fund and completely updated our office computers, software and equipment.

It’s been my pleasure and honor to serve as your President these past two years. Thank you to all of our governmental supporters, businesses and the community at-large for your confidence and support of the organization. And as always, a special thank you to our staff for making our work look easy.

Sincerely,

Ed Urban
President

Salisbury-Wicomico Economic Development
One Plaza East, Suite 501
P.O. Box 4700
Salisbury, MD 21803

Ed Urban is an Executive Vice President for Harvard Custom Manufacturing.
Officers and Board of Directors

Mike Abercrombie
Cato Gas & Oil, Inc.

Scott Aja
McCrone, Inc.

Mike Bloxham
Bay National Bank

Rafael Correa
MaTech, Inc.

Eric Crouchley
The Peninsula Insurance Co.

Palmer Gillis
Gillis-Gilkerson, Inc.

Dawn Harcum
Filtronic Comtek

Janyne Katz
Bar None, Inc.

Craig McConnell
Shore Bank

George Mengason
Dennis Storage / Mayflower

Bob Moore
Moore & Company, P.A.

Dan Oliver
Conectiv

John Pick
City of Salisbury

Rick Pollitt
City of Fruitland

Bill Rinnier
Rinnier Development Corp.

Tony Sarbanes
Wicomico County

Mark Sewell
BB&T

Steve Smershust
Adkins, Potts & Smershust

Ed Thomas
The Bank of Delmarva

Ed Townsend
M&T Bank

Jeff Turner
Peninsula Bank

Mark Welsh
Trice, Geary & Myers

Bob Wheatley
The Whayland Company

Stephanie Willey
Salisbury Area Chamber

Tom Wisniewski
Avery W. Hall Insurance Co.

Ed Urban
President
Harvard
Custom Manufacturing

John Stern
Vice-President
Pigg, Krahl, Stern & Company

Pete Bozick
Secretary
George, Miles & Buhr

Monty Sayler
Treasurer
Bank of America

Henry Hanna
Immediate Past President
Long & Foster
Our Strategy

In 1967, Chris-Craft Corporation announced its closing, eliminating hundreds of jobs in Wicomico County. Business and government leaders shortly thereafter created the Salisbury-Wicomico Economic Development Corporation in an effort to mitigate future plant closings while attracting new and diverse industries to our region. This activity reduces reliance on few companies or industries while providing new job opportunities for all citizens. Our focus is three-fold:

1) Business Retention/Expansion:
   Most businesses derive seventy to eighty percent of revenue from existing customers. As a correlation, most new jobs in any community originate from resident businesses. A strong business base also helps to attract new firms to a growing area.

2) Business Attraction:
   New and diverse businesses mitigate adverse effects of economic downturns, reduce reliance on a few firms, increase the taxable base, and add jobs. Ancillary or indirect benefits are as great, if not greater, than direct benefits.

3) Strengthen SWED:
   Since its establishment in 1968, SWED has received financial and professional support from public and private sectors. Both sectors demonstrate an interest in economic development and both sectors possess unique resources. A combined public-private effort maximizes resources, leverages capital, and broadens expertise.
<table>
<thead>
<tr>
<th>Year Range</th>
<th>Events</th>
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| 1968-1970  | - SWED opens its corporate office and places its first ad in "Industrial Property Guide"  
- Firestone announces plans to build a plastics factory in Northwood Industrial Park  
- Salisbury "oversizes" water & sewer lines in Northwood Industrial Park to allow for future growth  
- Chris Craft closes its Salisbury plant  |
| 1970-1975  | - Crown, Cork & Seal expands its plant by 73,000 sq. ft.  
- A 3-phase Industrial Apartment concept is announced to provide “start-up” manufacturing space for new industry  
- K&L Microwave is founded  
- Open Roads Industries purchases the former Chris Craft plant  
- New factories planned for construction include: Burroughs Corp., Georgia Pacific, Central Supply, Shaw Warehousing, & Hoffman LaRoche  
- Manhattan Shirt Co. is sold to Salisbury Manufacturing Co., Inc.  
- Open Roads Industries announces its closing  |
| 1975-1980  | - D&F Shirt and Wootten Welding begin operations  
- Seven new companies move into the Industrial Apartment Complex, including Good Electronic Co., Salisbury Special Tool, & Maryland Clarklift, Inc.  
- K&L Microwave triples its manufacturing space  
- Roadway & AAA Trucking locate terminals in Salisbury  
- Condec Corp. acquires the former Chris Craft plant for its ConDiesel division  |
Work begins on the establishment of the 150 acre Air Business Center.

**Highlights (continued)**

1975-1980  
- Duo Sofa, Inc. announces plans to construct a plant in Northwood
- Mid-Atlantic Printing & Chilton Publishing begin plant construction in Northwood
- Gregg Shirt Makers expands its Fruitland plant
- Delmar Sportswear locates in Delmar
- Richard Bernstein, founder of K&L Microwave, wins Maryland’s Small Businessman of the Year award
- Henson Airlines locates to Wicomico County

1980-1985  
- SWED assists in site selection for Salisbury Pewter, Heinemann Electric, & Chesapeake Corporation
- Chesapeake Shipbuilding purchases Roberts Shipyard & begins constructing the “America” cruise ship
- Plymouth Tube begins construction on a specialty tubing plant in Northwood
- Perdue Farms doubles its corporate headquarters & expands its processing plant
- Henson Airlines adds ninety new jobs & is recognized as the “Regional Airline of the Year” by Air-Transport World.
- Viskon-Aire locates in Northwood
- SWED partners with Wicomico County & the City of Salisbury to obtain Maryland’s largest enterprise zone
- Heinemann triples its manufacturing space
- Governor Hughes announces a state office building to be built in downtown Salisbury
- Grumman Aerospace purchases the former Manhattan Shirt factory, projecting 300 new manufacturing jobs
- IPC Corporation announces the construction of two plants in Northwood
- Enterprise zone benefits are extended from five years to ten years
Highlights (continued)

1985-1990
- Standard Register purchases Burroughs Corporation’s business forms division
- Mardelva News begins plant construction in Northwood
- SWED received local & state approval for funds to construct an inventory building
- K&L Microwave, US Marine, & Coaxitube expand creating 250+ new jobs
- Federal Express constructs a plant at the new Air Business Center
- A new terminal building has been approved for funding at the airport
- Imperial Cup Corp. purchases Wicomico’s “inventory” building, creating 50 new jobs
- Ford Laboratories (Trinity Labs today) completes construction of its facility on W. Zion Rd.
- Machining Technologies, Toroid Corporation, & CallCenter Services are welcomed to our area
- Foot Management opens a facility in Pittsville
- Tishcon Corp. completes its Northwood plant
- The Regional State Office Building is under construction in downtown Salisbury
- SWED proposes a second inventory building

1990-1995
- US Marine builds its 1000th yacht
- MaTech doubles its workforce
- Northgate Development builds 66,000 sq ft of office/industrial/warehouse space
- CallCenter Services reaches 200 associates
- Eaton Corporation, formerly Heinemann Electric, employs 300
- Nanticoke Homes purchases the former Con-Diesel plant
- Wicomico County begins construction of its second inventory building
- Campbell’s Soup closes, eliminating nearly 800 positions
- Grumman Aerospace announces plans to close, eliminating over 500 jobs
SWED, in conjunction with Wicomico County, UMES, & the EDA establishes a $1 million revolving loan fund.

**Highlights (continued)**

1990-1995

- Filtronic Comtek locates in the former terminal building at the airport
- Field Container purchases Wicomico’s second “inventory” building
- Royal Quality Foods begins beef processing in the former Campbell’s Soup plant
- RelComm Technologies begins operations in Northwood
- Data Services, Inc. & CallCenter Services construct facilities in Winterplace Park
- Lorch Microwave relocates to Salisbury with 15 employees
- Salisbury Technologies (now Harvard Custom Manufacturing) purchases the former Grumman Aerospace plant, retaining 82 jobs
- MaTech renovates a former sweet potato plant into a state-of-the-art machine shop in Hebron
- The City of Fruitland establishes a 110 acre enterprise zone & begins planning a new industrial park

1995-2000

- Filtronic Comtek moves into its new headquarters, employing 150+
- Shoreland Freezers, Tishcon, & Trinity Labs commit millions of dollars for new warehouse & manufacturing space
- Piedmont/US Air Express opens its new engine testing facility at the airport
- Rafael Correa, President of MaTech, Inc., wins Maryland’s Small Businessman of the Year award
- ClearComm Technologies & Custom Cable Solutions begin operations in Wicomico
- Cape May Foods purchases Nanticoke Foods, retaining 75 jobs
- Tishcon Corp. relocates a division to the former Sears Warehouse building on Brown St.
- ThermoLyte Corp. begins operations in the old terminal building at the airport
### Highlights (continued)

#### 1995-2000

- **SWED along with 8 other Maryland Eastern Shore counties produces a CD-ROM highlighting business attributes of the Eastern Shore**
- **Interactive Marketing Services, Inc. enters into a lease with Mountaire Farms for a portion of the former Campbell Soup plant**
- **Millenium Microwave, LLC begins operations in Fruitland**
- **Arcon Welding, LLC begins operations in Northwood**
- **Rail service is retained along Mill St. due to a partnership between SWED, City of Salisbury, Norfolk-Southern, MDOT, & rail users**

#### 2000-2004

- **K&L Microwave purchases & renovates the former Eaton facility**
- **Lorch Microwave constructs an addition to its existing facility**
- **Eastern Wireless TeleComm begins manufacturing microwave filters in Northwood**
- **The former Chris Craft plant is sold for the fourth time in 33 years**
- **Helvoet Pharma purchases Wheaton Pharma-Tech, retaining 200 jobs**
- **Bar None, Inc. purchases the local assets of The Order People, retaining 150 jobs**
- **Silverton Marine announces plans to purchase the former Webcraft plant, creating 175 new jobs**
- **SWED creates a “schematic/vision” for the Air Business Center in conjunction with the Airport Commission & several SWED members**
- **Cambrex chooses Northwood for a bio-tech manufacturing facility**
- **SWED establishes a new $406,000 revolving loan fund for business development**
- **SWED secures $350,000 in funding (CDBG) for renovation of the former airport terminal building into a business incubator**

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*The Kiplinger Washington Letter mentions that Salisbury is “drawing smaller, high-tech businesses” in its February 20, 1998 edition.*
2000-2004 continued

- SWED assists Silverton Marine in securing the former “Hess” site for a new manufacturing plant expected to employ approximately 200 people
- Cambrex Bio Science opens its plant in Northwood Industrial Park
- Germane Tool, a precision machine shop, relocates from West Chester, PA
- SWED assists Filter Networks in its site search and other related “start-up” issues
- SWED initiates and promotes a “Technology Partnering Showcase” in conjunction with TEDCO at Salisbury University
- Through the Maryland Economic Adjustment Fund, SWED capitalizes an additional $100,000 to the SWED Business Expansion Fund
- SWED assists Century Seals in the firm’s acquisition of Finishing Technologies, Inc.
Director's Message

SWED marks its thirty-sixth year with further accomplishments in our core objectives of job retention, job attraction and the strengthening of our public-private partnership.

With the economy stabilizing somewhat after the early 2000 recession, Wicomico’s unemployment rate reached record lows and consistently fell below the national average while Wicomico’s labor force increased throughout the year.

This past year we promoted our community through various trade events and mediums including TechFest (Washington), Medical Design and Manufacturing (New York), and via print advertising with The Daily Record’s “Maryland Magazine.” We expanded and redesigned our “Business Resource Guide,” and updated our web site on a daily basis. We continued our company visitation program to firms within our community and to those with headquarters or decision-making authority elsewhere.

We welcomed Cambrex Bio Science, Germane Tool, and Filter Networks, all new entities to Wicomico County this past year. Cambrex Bio Science opened a biotech manufacturing plant in Northwood Industrial Park. The company is a global, diversified life science company providing products and services to accelerate drug discovery, development, and manufacturing processes for the prevention of disease. Germane Tool is a precision machine firm targeting pharmaceutical and electronics customers while Filter Networks is an electronics component manufacturer.

From a job retention standpoint, we were pleased to assist Century Seals in its acquisition of Finishing Technologies, a local plating company, and in securing venture funding for NavTrak, a local high tech producer of mobile GIS systems. Altogether,
these firms represent hundreds of thousands of dollars in new investment, approximately seventy-five jobs, and a foundation for future growth.

Four companies utilized more than $38,000 in Partnership for Workforce Quality training funds, a state-sponsored program designed to improve business competitiveness by upgrading worker skills for new technologies and processes. Internally, we responded to hundreds of requests for information from brokers, site consultants, students, citizens, businesses and others.

We were pleased to again assist Silverton Marine. Silverton purchased the former 66,000 square foot Webcraft plant in 2002. Anticipating future expansion in Northwood, the company is in the process of securing an adjacent two and one half acre parcel. Silverton now employs approximately seventy-five associates at its Northwood location.

Also, we are pleased to announce that Silverton has acquired a twenty-acre site along Marine Road in Salisbury for a new boat manufacturing plant. The company acquired the parcel from Amerada Hess Corporation (parcel 261) and seeks to acquire an adjacent parcel of approximately ten acres (parcel 254) as well. Silverton plans to construct a new facility to manufacture fifty-three
to sixty-foot boats at the facility and projects employment to reach approximately two hundred people. Altogether, this project requires capital investment in excess of six million dollars and will generate economic benefits in the millions of dollars on a direct and indirect basis.

In partnership with the Salisbury/Ocean City: Wicomico County Regional Airport Commission, SWED secured $350,000 in Community Development Block Grant funding for renovations to the former airport terminal building. Along with funds from the Maryland Aviation Administration and the airport, the building will serve as a business incubator for new, technology-oriented companies. In addition and also regarding airport development, SWED along with Wicomico’s Department of Planning and Zoning, designated a forest mitigation area on airport grounds and is working with Delta Consultants to mitigate wetlands within the Air Business Center. These efforts will make development less time-consuming and more attractive to prospects.

In an effort to identify new industries and businesses, SWED, in conjunction with Maryland’s Technology Development Corporation (T.E.D.C.O.), held the Eastern Shore’s first “Technology Partnering Showcase” at Salisbury University. More than twenty-five researchers from NASA, Salisbury University, University of Maryland Eastern Shore, University of Maryland Center for Environmental Science, and the USDA’s Beltsville Agricultural Research Center presented current research efforts that have potential for commercialization. More than one hundred fifty people attended the event.

Internally, and through a grant from the Maryland Economic Development Corporation, we replaced our eight-year old computers with new systems and various peripherals. We also added, via funding from Maryland’s Economic Adjustment Fund, $100,000 to our recently established revolving loan fund.

More than two hundred twenty members and guests attended our annual and semi-annual meetings, featuring keynote presentations by Jim Roberson, President of Research Triangle Park and Tony Sarbanes, President of the Wicomico County Council, respectively.

On a fiscal note, SWED remained prudent in expenditures, capitalizing on opportunities and yet, operating within our budget.
Director's Message  (continued)

For the five years ending August 2003, our budget has increased 4.29%, or put another way, an average annual increase of .86%.

Economic diversification, job retention and job attraction efforts have long been key strategies of SWED to mitigate the impact of economic downturns, to reduce reliance on a few firms or industries for our economic viability, and to capitalize on opportunities within the marketplace at given points in time. We will continue to improve, refine and pursue our strategy in the year to come.

Our success this past year, and for the last thirty-six years, is the result of hard work, vision and teamwork. Thank you to all members for your confidence, financial support and partnership. With an emphasis on our core objectives, our achievements in the years to come will be measurable, meaningful and of value to our community.
Recent Programs

The Poultry Industry
Jim Perdue – Chairman, Perdue Farms, Inc.

Moving Maryland Forward
James T. Brady – Secretary, Maryland DBED

The State of the State
Governor Paris Glendening – State of Maryland

Looking Ahead: The Wireless Industry
Lou Abbagnaro – President, K&L Microwave

Why Jobs Come and Go
A.B. (Buzzy) Krongard – Director, BT Alex Brown, Inc.

Marketing Maryland
David Iannucci – Secretary, Maryland DBED

The Current & Future Impact of the Microwave Industry on the Lower Shore
Charles Schaub – President, K&L Microwave
John Tinkler – President, RelComm Technologies
David Chambers – President, Filtronic Comtek
Kevin Bernstein – President, Lorch Microwave
Wayne Barbely – President, Salisbury Engineering
Jeff Evans – President, ClearComm Technologies

Healthcare & PRMC
Alan Newberry – President & CEO, Peninsula Regional Medical Center

Business Taxes in Maryland
William Donald Schaefer – Comptroller, State of Maryland

What to Expect Next
Kevin Hassett – Senior Economist, Board of Governors
Federal Reserve System

Research Triangle Park, NC
James Roberson – President, Research Triangle Foundation

The State of the County
Anthony Sarbanes – President, Wicomico County Council
Mission Statement
Enhance the socio-economic environment of Salisbury, Wicomico County and region through the preservation and creation of productive employment opportunities.

Past Presidents

1968 – 1969
Robert M. Lawrence

1969 – 1970
Robert A. Deacon

1970 – 1971
A.L. Fleming

1971 – 1972
Frank P. Maher

1972 – 1973
H. Gray Reeves, M.D.

1973 – 1974
William J. Ahtes, Jr.

1974 – 1975
W. Howard Hayman

1975 – 1976
Robert M. Lawrence

1976 – 1977
William C. Bicknell

1977 – 1978
W. Thomas Hershey

1978 – 1979
Daniel E. Ulm

1979 – 1980
William G. Carey

John Lerch

1981 – 1983
Fulton Jeffers

1983 – 1984
William J. Ahtes, Jr.

1984 – 1986
Gordon D. Gladden

1986 – 1988
Edward J. Kremer

1988 – 1990
Hugh McLaughlin

1990 – 1992
W. Bill Rinner

1992 – 1994
Robert C. Wheatley

1994 – 1996
Roger Vandegrift

1996 – 1998
Edward M. Thomas

1998 – 2000
Rafael Correa

2000 – 2002
Henry H. Hanna, III

2002 – 2004
Edward Urban
SWED Members

Accountants

Moore & Company, P.A.
Bob Moore

Pigg, Krahl, Stern & Co., P.A.
John Stern, Jr.

Trice, Geary & Myers, LLC
Mark Welsh

Attorneys

Adkins, Potts & Smethurst
Steve Smethurst

Webb, Burnett, Combrooks, Wilber, Vorhis, Douse & Mason, LLP
K. King Burnett

Banks

1st Mariner Bank
Audrey Orr

Bank of America
Monty Sayler

Bay National Bank
Mike Bloxham

BB&T
Mark Sewell

First Shore Federal S&L
Marty Neat

M&T Bank
Ed Townsend

Peninsula Bank
Jeff Turner

Shore Bank
Craig McConnell

The Bank of Delmarva
Ed Thomas

Construction

Concrete Building Systems
Viren Sharma

Gillis-Gilkerson, Inc.
Palmer Gillis

Nason Construction, Inc.
Mike Dashiel

Rinnier Development Corporation
Bill Rinnier

The Whayland Company
Bob Wheatley

Engineers / Architects

Davis, Bowen & Friedel
Jerry Friedel

George, Miles & Buhr, LLP
Peter Bozick

McCrone, Inc.
Scott Aja

Government / Chamber

City of Fruitland
Rick Pollitt

City of Salisbury
John Pick

Salisbury Area Chamber of Commerce
Stephanie Willey

Town of Delmar
Sara Bynum-King

Wicomico County
Tony Sarbanes
SWED Members (continued)

Insurance
Avery Hall Insurance Group
Tom Wisniewski
Hanna, Kremer, & Tilghman
Ed Kremer
The Peninsula Insurance Company
Eric Crouchley
Tri-State General Insurance
Ed Dickerson

Manufacturing
Atlantic & Hastings Printers
Brian Twilley
Delmarva Recycling
Greg Stein
Filtronic Comtek
Dawn Harcum
Germane Tool Corp.
Fred Hoeffken
Harvard Custom Manufacturing
Ed Urban
Helvoet Pharma
Stany Maris
K&L Microwave
Lou Abbagnaro
Lorch Microwave
Kevin Bernstein
Lower Shore Enterprises
Mike Purkey
MaTech, Inc.
Rafael Correa
Pepsi-Cola Bottling Company
Morgan Hazel
Plymouth Tube
Joey Clardy
RelComm Technologies
John Tinkler
Standard Register
Randy Merritt
Tishcon Corporation
Arun Chopra
Toroid Corporation
Gunnar Ennerfelt
VPI
Otto Peters

Real Estate/Development
E.S. Adkins & Company
Bill Turner
HTL, Inc.
Henry Hanna, III
Long & Foster Commercial
John McClellan, Chris Peek
Miller Property Management
Brent Miller
Mr. Square Feet
Mark McIver
PCS Homes
Michael Thomasson

Retail
Brew River Restaurant / Hanna Systems
Frank Hanna
Centre at Salisbury
Jim Biggs
SWED Members (continued)

Services
Bar None, Inc.
Janyne Katz

Beacon Technologies
Dana Seiler

Data Services, Inc.
Kathy Geary

Go-Glass Corporation
Doug Linderer

Navtrak, Inc.
Ron Hodges

Peninsula Regional Medical Center
Alan Newberry

Perdue School of Business at Salisbury University
Dr. William Moore

Piedmont / USAirways Express
John Presburg

Private Network Services
Rich Schreiber

Quality Staffing Services
Maria Waller

Utilities
Cato Gas & Oil, Inc.
Mike Abercrombie

Conectiv
Dan Oliver

Delmarva Oil
Brian Schneck

Eastern Shore Natural Gas
Elaine Bittner

Verizon
Tony Marva

Wholesale / Distribution
Dennis Storage / Mayflower
George Mengason

Eastern Shore Distributing
Robert Burke

Shore Distributors
Jim Morris

Shoreland Freezers
Art Cooley
Thank you for
supporting our program
of economic development
for the past thirty-six years.