
Salisbury-Wicomico Economic Development

Celebrating 36 Years

Annual Report
2003-2004

SWED Annual Report: 2003 – 2004

Celebrating 36
Years

SWED
Est. 1968

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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.*

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

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 Smethurst
Adkins, Potts & Smethurst

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 Saylor
Treasurer
*Bank of
America*

Henry Hanna
**Immediate
Past President**
Long & Foster

*Business
Retention /
Expansion*

*Business
Attraction*

*Strengthen
SWED*

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.

Highlights of 36 Years

- 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

"Business Week"
publishes a feature article entitled "Business Discovers a Tri-State Peninsula", 1973.

Work begins on the establishment of the 150 acre Air Business Center.

Highlights *(continued)*

1975-1980
continued

- 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

*Wicomico
County
constructs its
second
"inventory"
building;
100,000 sq. ft.,
1993.*

SWED, in conjunction with Wicomico County, UMES, & the EDA establishes a \$1 million revolving loan fund.

Highlights (continued)

1990-1995
continued

- 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
continued

- 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

The Kiplinger Washington Letter mentions that Salisbury is "drawing smaller, high-tech businesses" in its February 20, 1998 edition.

Highlights *(continued)*

Partnerships

2000-2004
continued

Technology

- 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.

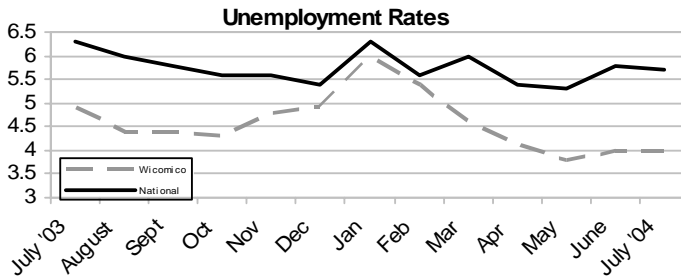
Director's Message

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.



David Ryan
Executive Director



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,

Director's Message *(continued)*

Strategic Approach

these firms represent hundreds of thousands of dollars in new investment, approximately seventy-five jobs, and a foundation for future growth.

Responsive

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



Silverton Marine recently purchased parcel 261 for a new manufacturing plant.

Director's Message *(continued)*

*Coordinated
Efforts*

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.

Proactive

Creative

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)*

Job Retention

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

Job Attraction

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

*Quality
Meetings*

*Expert
Speakers*

*Relevant
Issues*

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	1981 – 1983 Fulton Jeffers
1969 – 1970 Robert A. Deacon	1983 – 1984 William J. Ahtes, Jr.
1970 – 1971 A.L. Fleming	1984 – 1986 Gordon D. Gladden
1971 – 1972 Frank P. Maher	1986 – 1988 Edward J. Kremer
1972 – 1973 H. Gray Reeves, M.D.	1988 – 1990 Hugh McLaughlin
1973 – 1974 William J. Ahtes, Jr.	1990 – 1992 W. Bill Rinnier
1974 – 1975 W. Howard Hayman	1992 – 1994 Robert C. Wheatley
1975 – 1976 Robert M. Lawrence	1994 – 1996 Roger Vandegrift
1976 – 1977 William C. Bicknell	1996 – 1998 Edward M. Thomas
1977 – 1978 W. Thomas Hershey	1998 – 2000 Rafael Correa
1978 – 1979 Daniel E. Ulm	2000 – 2002 Henry H. Hanna, III
1979 – 1980 William G. Carey	2002 – 2004 Edward Urban
1980 – 1981 John Lerch	

SWED Members

SWED

Est. 1968

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, Cornbrooks,
Wilber, Vorhis, Douse &
Mason, LLP
K. King Burnett

Banks

1st Mariner Bank
Audrey Orr

Bank of America
Monty Saylor

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 Dashiell

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)*

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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.