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Subject: ED LS: Business Facilities 2013 Metro Rankings

I have not included Global Rankings below

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COVER STORY: 2013 Business Facilities Rankings Report – Metro And Global Rankings

Posted by: **BF Staff** | Posted date: **August 05, 2013** | comment : 0



By Business Facilities Staff

From the July/August 2013 issue

Baton Rouge, LA has been named our top-ranked metro for Economic Growth Potential. Louisiana's capital has had great success in executing the state's strategy of bringing together business and higher education in innovative public-private partnerships that spur initiatives in new high-growth sectors.

In March, IBM announced a new 800-job technology center in downtown Baton Rouge that will provide software development and software maintenance services to clients in the U.S.

The rapid and widespread adoption of mobile and social technologies within the last three years has changed the way customers and companies interact with one another—driving fundamental transformations to business processes and applications. The new Baton Rouge center will provide IBM's clients in the U.S. with services that address the increasing demand for flexible software to keep up with Big Data, cloud and mobile requirements they are facing. IBM Services Center: Baton Rouge will deliver technology services including application development, application management and system integration.



“Baton Rouge has put itself in the forefront of a burgeoning software sector that is being driven by the compelling need of businesses to avoid getting overwhelmed with Big Data,” said Editor in Chief Jack Rogers. “We expect this sector to grow exponentially in coming years.”

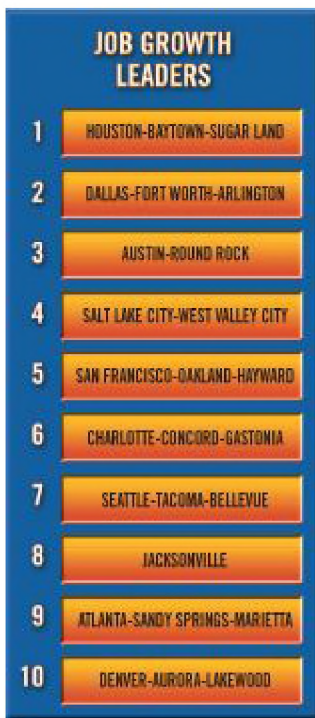
In addition to the 800 jobs that will be created at the Baton Rouge facility over the next four years, LSU estimates the project will result in approximately 542 new indirect jobs, for a total of approximately 1,342 new, permanent jobs in the Capital Region.

“This project will continue to position Louisiana as a leader in the global technology sector as we are bringing in one of the largest, most successful, most innovative companies to create a first-of-its-kind software development center in Louisiana,” Gov. Bobby Jindal said at the announcement of the IBM project.

“This historic partnership will help drive major economic activity and extraordinary professional and student achievement. Indeed, this investment is a big win for LSU, Baton Rouge and our entire state because it means we can make sure our students can find good-paying jobs here at home,” Jindal added.

“This center exemplifies IBM’s longtime commitment to partner with local communities and academic institutions to develop the capabilities our clients need,” said Colleen Arnold, Senior Vice President, Application Management Services, IBM.

Louisiana will provide \$14 million in funding over 10 years for expanded higher-education programs designed primarily to increase the number of annual computer science graduates. At least 65 percent of these funds will be provided for expansion of the Computer Science Division of the School of Electrical Engineering and Computer Science at LSU. LSU plans to double its computer science faculty and triple the number of computer science graduates in five years, which will place the LSU Computer Science program in the top 10-15 nationally for the number of B.S. degrees in computer science awarded annually.



To fast-track program growth, LSU's College of Engineering will launch the "Geaux Digital Louisiana" consortium. This unique initiative represents a statewide partnership with high schools, community and technical colleges and other universities to promote interest in computer science related career fields and enhance student recruitment.

Additionally, IBM will work closely with local professors at LSU to create coursework focused on technology, math and software development, and equip students to meet the growing demand for business services including advanced analytics, process innovation and application development.

"This public-private partnership with Louisiana Economic Development, IBM and LSU is a powerful example of the triangulation between industry, government and academia that elevates the state's role as a national leader in economic development," said Koubek. "LSU's College of Engineering is committed to developing a mutually beneficial partnership with IBM and LED that stimulates economic growth and helps to meet the workforce development needs of the state."

A central element of the public-private partnership involved in securing the IBM center is the construction of a mixed-use, riverfront complex that will be developed by Commercial Properties Realty Trust (CPRT), a real estate investment trust that manages and develops property holdings of the Baton Rouge Area Foundation (BRAf). Inspired by New Urbanism design principles, the complex will include an office building that will house the new IBM Services Center, as well as a separate, 11-story residential building with 95 river-view apartments and nine separate town homes.

The riverfront complex is being built on the old Advocate newspaper site bordered by Main, North, Lafayette Street and River Road. Total investment for the combined development is estimated to be \$55 million. The approximately \$30.5 million office building will be funded by the State of Louisiana (\$14.8 million) and the City of Baton Rouge/Parish of East Baton Rouge

RECOVERY EMPLOYMENT LEADERS	
1	AUSTIN, TX
2	EL PASO, TX
3	MCCALLEN, TX
4	HOUSTON, TX
5	OKLAHOMA CITY, OK
6	SAN ANTONIO, TX
7	PITTSBURGH, PA
8	DALLAS, TX
9	WASHINGTON, DC
10	SALT LAKE CITY, UT

(\$3.0 million), as well as \$12.7 million in Community Development Block Grant funds.

The BRAF-affiliated Wilbur Marvin Foundation (WMF) will own the office building. CPRT will secure private financing for the residential building, which will also be an asset of the WMF. The office building is scheduled for completion by spring 2015 with the residential complex following in the summer. During construction of the new riverfront complex, IBM will be temporarily lease space at the Essen Centre office complex in Baton Rouge. CPRT estimates that the new complex will result in the creation of approximately 600 construction jobs.

“We have partnered successfully with the state to build The Shaw Center for the Arts in downtown,” said John G. Davies, Baton Rouge Area Foundation president and CEO. “This latest collaboration will provide space for 800 professional technology jobs, and apartments for hundreds to live in the city center, an important piece of continuing the revival of downtown.”

LED offered IBM a customized, performance-based incentive package that also includes grants totaling \$29.5 million over 12 years, including a \$1.5 million contribution from the City of Baton Rouge/Parish of East Baton Rouge, to reimburse costs related to personnel recruitment, relocation, and other workforce-related costs; internal training; and facility operating expenses. The company also will utilize LED FastStart® for recruitment support, as well as Louisiana’s Quality Jobs program. LED Economic Development Secretary Stephen Moret terms the arrangement “a comprehensive talent pipeline solution” (see Snapshots interview with Dr. Moret, also from the July/August 2013 issue of *Business Facilities*).

“The IBM Services Center: Baton Rouge is a game changer for our city, putting us at the forefront nationally of producing a technology-based workforce and new jobs,” said Baton Rouge Mayor Kip Holden. “In a very short period of time, this project will bring development to our downtown and riverfront that will have a ripple effect on further private investment. This [project] sends a strong message to our next generation that Baton Rouge is a great place to study, work and build an exciting future in what is truly becoming America’s next great city.”



Honeywell Performance Materials and Technologies recently announced a \$208-million investment in new manufacturing at its four production sites in Louisiana. The projects include two sites in Baton Rouge, as well as facilities in Shreveport (our ninth-ranked metro for Economic Growth Potential) and Geismar. LED estimates all four projects will result in 148 new indirect jobs, for a total of 190 new jobs in Louisiana. Additionally, Honeywell estimates that construction for the projects will support 469 additional construction jobs. Gov. Jindal said the company is examining the feasibility of additional Louisiana projects that would bring the total new capital investment at its sites in the state to \$1.2 billion over 10 years.

Jindal said, “Two years ago, we announced Honeywell’s \$33 million investment to manufacture new environmentally preferable products in Baton Rouge because the company took notice of the work we were doing to improve Louisiana’s business climate.”

Honeywell is expanding product offerings into catalysts, refrigerants and adsorbents while improving the competitiveness of sites in Caddo, East Baton Rouge and Ascension parishes. Specifically, the projects will be at Honeywell Performance Materials and Technologies facilities that include fluorine products production operations in Baton Rouge and Geismar; a catalyst production facility in Shreveport; and an adsorbent production facility in Baton Rouge for the UOP business unit of Performance Materials and Technologies.

Two of our top 10 metros in growth potential—Baton Rouge and Shreveport—also have establish themselves as hubs for the hot growth sector of digital media. As we detailed in our [March/April 2012 cover story](#), Baton Rouge (known as the Creative Capital of the South) has attracted development studios including Electronic Arts, Firebrand Games, Crawfish Games and the international Academy Award-winning visual effects studio Pixomondo. Louisiana Technology Park in Baton Rouge recently announced the opening of a new digital media studio called Level Up Lab. Level Up will be the first of its kind in the South and will provide qualified, pre-screened companies the chance to create games, mobile apps and other digital content in the 1800 square foot studio inside the Tech Park. Moonbot, an animation and visual effects studio, helped put its hometown of Shreveport, LA on the global digital media map. At the 84th Academy Awards™, Moonbot won an Oscar for Best Animated Short for its digital interactive storybook for children, The Fantastic Flying Books of Mr. Morris Lessmore.



Moonbot was founded in Shreveport in 2009 by William Joyce, a Shreveport-native who has worked for Disney/Pixar; Brandon Oldenburg of Reel; FX Studios, an award-winning design, visual effects, animation and entertainment studio; and Lampton Enoch of GWave Productions, a company which produced a slate of television movies for the Disney Channel and ABC Family. The company credits LED’s FastStart training program and digital media incentives for helping get their story off of the shelves and onto the screen.

“Much of what has allowed Moonbot to flourish creatively can be attributed to the company’s strong local support, including LED’s FastStart program,” said Oldenburg. “We can’t emphasize enough how much the support of LED and the Shreveport community has helped to get Moonbot where it is in such a short time. With the support of State incentives and workforce training programs, we’ve been able to build a strong team of talented artists and storytellers and have far exceeded our expectations for what we could accomplish in our first months of business.”

The company was in the middle of production on Mr. Lessmore when Apple introduced its iPad. Moonbot used FastStart to help quickly train their programmers to learn the new technology in order to turn the children’s tale into an iPad App. Within weeks after they released the App, Mr. Lessmore soared to the top tier of Apple’s most popular apps for iPad.

AIRBUS: POWERFUL ENGINE FOR GROWTH IN MOBILE REGION

Airbus’s new North American assembly hub will be the engine that drives growth in Mobile, AL for years to come. The European commercial aircraft giant announced its choice of Mobile last year.



Airbus will use the facility at the Brookley Aeroplex in Mobile to assemble its A319, A320, and A321 aircraft. The project represents a \$600-million investment that will create up to 1,000 jobs when the plant reaches full capacity; building the facility will create nearly 3,200 construction-related jobs over a three-year period.

A supplier network already is queuing up to put down roots in Alabama to service Airbus. A subsidiary of Labinal, Safran Engineering Services, announced in December that it will operate an engineering supporting facility in Mobile, creating up to 50 jobs. Labinal is part of the French aerospace conglomerate, Safran Group. Gov. Robert Bentley met with Labinal officials during a visit to the Farnborough International Air Show in England last year and encouraged the company to locate in Alabama.

The Airbus plant is expected to anchor a huge expansion in Alabama’s already thriving aerospace sector and some analysts are predicting it may move the center of gravity for this industry in the state from Huntsville—ground zero of NASA’s legendary rocket program (including the Saturn V that carried men to the moon)—down to Mobile.

But Huntsville, our no. 4 metro in Economic Growth Potential, has signaled it intends to defend its turf as a leading national center in aerospace.

This month, Moon Express, Inc., a lunar resource company, announced the opening of a Propulsion Development Facility in Huntsville, that will be key to landing the world’s first commercial spacecraft on the Moon. The announcement was made by rocket pioneer Tim Pickens, who joined Moon Express as the company’s chief propulsion engineer earlier this year.

Pickens revealed the company has already successfully met several milestones in its propulsion development plans, including: Successfully test firing a “green” 400 pound demo rocket engine, demonstrating the new test facility checkout, as well as testing engine performance, deep throttling, and efficiency; Developing new mono-prop and bi-prop propulsion systems for the Moon Express lander that range in thrust classes from 0.1-1000 pound thrust; and Investments into new local capabilities including design, fabrication, and remote hot fire test capabilities for “Green” propulsion systems.



Pickens reached public acclaim as the lead propulsion designer for SpaceShipOne, the world’s

first private manned spaceship that won the \$10 million Ansari X PRIZE in 2004 and led to Richard Branson's Virgin Galactic enterprise. The Moon Express Propulsion Development Facility will build on his 20 years of experience in the aerospace industry, specializing in design, fabrication and testing of propulsion hardware systems that earned him a reputation as a leading innovator of the commercial space industry.

Moon Express will benefit from the proximity to the NASA Marshall Space Flight Center and the historic Redstone Arsenal. The company's Propulsion Development Facility will bring new jobs and innovation to Huntsville, known as "Rocket City" because of its core contributions of rocket technology to the U.S. space program.

YOUNGSTOWN, OH IS CREATING JOBS IN THREE DIMENSIONS

Youngstown, OH also made our top 10 in Economic Growth Potential, coming in at no. 6. The long-time Rust Belt manufacturing center impressed us with its success in cementing its position as the nation's leading location for the development of 3D printing.



As we detailed in our [May/June cover story](#), Youngstown is now the home to NNM's first pilot institute, the National Additive Manufacturing Innovation Institute (NAMII). NAMII was established in Youngstown to research how cutting-edge 3D printing technology can be moved from the research phase to day-to-day use. 3D printing allows businesses to download designs from the Internet and transform the printouts, layer by layer, into three-dimensional physical objects. The applications are seemingly endless. Small firms are creating custom objects and spare parts for everything from toys to artificial limbs, all at a fraction of the cost of traditional manufacturing.

Since the start of the 21st century, 3D technology has primarily been used for both prototyping and distributed manufacturing in consumer goods, industrial design, dental and medical industries, and engineering, but now NAMII researchers are working to scale up the technology and transition it to the mainstream U.S. manufacturing sector.

"The big question is how can 3D printing change the future of manufacturing in America and how can you scale it up so you can actually produce products in assembly fashion," said Eric Planey, Vice President for International Business Attraction for the Youngstown/ Warren Regional Chamber and chair of Ohio's TechBelt Initiative, which has worked to position the region to accelerate growth of 3D printing.

The TechBelt Initiative competed against other regions to receive \$30 million in federal funding for NAMII. The federal grant, plus a \$39 million match from the many partners whose joint effort helped to win the project, promises to establish the mega-region as the U.S. leader in 3D printing.

"We're very happy that last summer the announcement was made that we won the first innovation center," said Planey. "We beat Ohio State, MIT and Georgia Tech, which is a big deal for us."

According to Planey, the number one reason why Youngstown was picked as the location for the new pilot institute was due to the existing strength of the TechBelt, which has close to 11,000 manufacturing operations in the Cleveland-to-Pittsburgh region.

"When the application was submitted the responders immediately told us that our consortium did not feel forced and that they sensed our partnership and track record," said Mr. Planey. "They felt that the ability for 3D printing to take off and be successful was greater because the lines of communication and working order were already in place."

The NAMII consortium is led by the National Center for Defense Manufacturing and Machining and consists of leading research universities like Carnegie Mellon and Case Western Reserve University; world-class companies like Honeywell, Boeing, and IBM; innovative small manufacturers like M7 and ExOne; and community colleges spread across Eastern Ohio and Western Pennsylvania.

MANUFACTURING EMPLOYMENT LEADERS (Small MSAs)		MANUFACTURING EMPLOYMENT LEADERS (Medium MSAs)		MANUFACTURING EMPLOYMENT LEADERS (Large MSAs)	
1	COLUMBUS, IN	1	MOBILE, AL	1	HOUSTON - SUGAR LAND - BAYTOWN, TX
2	KENNEWICK - PASCO-RICHLAND, WA	2	SAVANNAH, GA	2	LOUISVILLE - JEFFERSON COUNTY, KY - IN
3	FLORENCE - MUSCLE SHOALS, AL	3	LAFAYETTE, LA	3	SEATTLE - BELLEVUE - EVERETT, WA
4	ODESSA, TX	4	ALBANY - SCHENECTADY - TROY, NY	4	OKLAHOMA CITY, OK
5	GREENVILLE, NC	5	TULSA, OK	5	WARREN - TROY - FARMINGTON HILLS, MI

“So now an abandoned furniture warehouse in Youngstown is being converted into an advanced center for manufacturing,” said Planey. “It’s great to know that Youngstown, which is an old metal bending city, now has access to all the great things that are coming out of this additive manufacturing institute.”

At the end of March, NAMII announced the recipients of its first round of funding—\$4.5 million for seven teams of universities and manufacturers that will soon be working hand-in-hand to develop new tools, new uses and new understanding of 3D printing processes.

One of these winning projects, awarded to Cleveland’s Case Western Reserve University, links together the minds and assets of Case Western Reserve and Pittsburgh’s Carnegie Mellon University as well as manufacturing giants Pratt & Whitney (IW 500/24), GE Aviation (IW 500/5) and Lockheed Martin (IW 500/30), among others—all competitors on the traditional market—in order to develop a way to qualify 3D printed parts for aerospace, medical and other highly-regulated fields.

NOLA, MEMPHIS ARE LOGISTICS LEADERS

LOGISTICS LEADERS (Ports)	
1	NEW ORLEANS, LA
2	NEWPORT NEWS, VA
3	BALTIMORE, MD
4	PHILADELPHIA, PA
5	BROOKLYN, NY
6	JACKSONVILLE, FL
7	TACOMA, WA
8	SAVANNAH, GA
9	NORFOLK, VA
10	SEATTLE, WA

The Port of New Orleans, at the center of the world’s busiest port complex, took first place in *Business Facilities’* Logistics Leaders (Ports) ranking in the magazine’s 2013 Metro Rankings Report.

NOLA was followed by Newport News (VA), Baltimore and Philadelphia, respectively, in the annual logistics assessment from BF, a national publication focused on site selection and economic development.

“With its proximity to the center of the U.S. via a 14,500-mile inland waterway system, six Class One railroads and a nexus of

interstate highways, New Orleans is the port of choice for the movement of everything from steel, rubber and manufactured goods to commodities like coffee,” said Editor in Chief Jack Rogers.

In 2012, the Port of New Orleans completed more than \$100 million in new infrastructure projects port-wide in order to grow its facilities to handle rising trade volumes tied to the Panama Canal expansion. Two new post-Panamax gantry cranes able to reach across 19 container widths went to work, along with a new 40,000-square-foot Riverfront Cold Storage Facility and expanded and improved marshaling yards at several wharfs.

Also in 2012, Gov. Jindal cut the ribbon on a \$36.4-million investment in the Napoleon Avenue Container

Terminal, which added two new gantry cranes and 4.5 acres of container marshaling yard—bringing the terminal’s capacity to 640,000 TEU units per year.

“We’ve grown our container volumes significantly over the last few years by focusing on the needs of the shippers and by making smart investments in our capacity,” Gary P. LaGrange, President and CEO of the Port of New Orleans, told BF in a recent interview. “We’re proud of what we have accomplished, but know that we will have to continue to work hard to reach our goal of handling 1 million containers per year at the Napoleon Avenue Container Terminal.”

“We’re impressed with the state’s commitment to its premier port,” Rogers said, noting that Louisiana recently modified its

TOP FTZs (Merchandise Received)	TOP FTZs (Exports)
1 HOUSTON, TX (ZONE 84)	1 BROWARD COUNTY, FL (ZONE 25)
2 EL PASO, TX (ZONE 68)	2 EL PASO, TX (ZONE 68)
3 BALTIMORE, MD (ZONE 74)	3 ATLANTA, GA (ZONE 26)
4 DALLAS/FORT WORTH, TX (ZONE 168)	4 BROWNSVILLE, TX (ZONE 62)
5 SPARTANBURG COUNTY, SC (ZONE 38)	5 PEORIA, IL (ZONE 114)
6 BROWARD COUNTY, FL (ZONE 25)	6 SPARTANBURG COUNTY, SC (ZONE 38)
7 ATLANTA, GA (ZONE 26)	7 LAREDO, TX (ZONE 94)
8 NEWARK/ELIZABETH, NJ (ZONE 49)	8 HOUSTON, TX (ZONE 84)
9 LOUISVILLE, KY (ZONE 29)	9 HONOLULU, HI (ZONE 9)
10 BRUNSWICK, GA (ZONE 144)	10 KNOXVILLE, TN (ZONE 148)

tax incentives to expand their coverage to include warehousing and storage, port operations, marine cargo handling, ship building and repairs, and oil and gas activities.

Memphis, home to the global hub for FedEx, continued to command the top spot in BF’s Logistics Leaders (Air Cargo Hubs) metro ranking. Anchorage, AK held onto second place, followed by Louisville, KY, the North American hub for UPS.

San Jose, CA, San Francisco and New Orleans took the top three places, respectively, in BF’s new Information Technology Employment Leaders metro ranking.

The Crescent City continues to grow as a leading IT/software development hub. In 2012, GE Capital announced that it would locate its new GE Capital Technology Center in New Orleans to provide software development and IT support for the company’s financial services business.

Louisiana Economic Development crafted a customized incentive package for the GE deal, including a \$107-million performance grant and \$500,000 per year for 10 years to fund enhanced software development curricula at NOLA’s institutions of higher education.

“NOLA’s success in attracting GE’s IT Center of Excellence and Louisiana’s commitment to back this growth sector with an

innovative partnership between business and higher education gives us confidence that New Orleans will be a national leader in IT for years to come,” Rogers said.

TEXAS CITIES SURGE AS RECOVERY EMPLOYMENT LEADERS

No less than six Texas cities appear in *Business Facilities*’ new top 10 ranking of Recovery Employment Leaders. This new rankings category cites the large metros that have exceeded their pre-Recession employment levels. Austin, TX tops the list, followed by El Paso, McCallen and Houston. San Antonio appears in sixth place while Dallas grabbed eighth.



“It shouldn’t surprise anyone to see Texas dominate our Recovery Employment Leaders category, since the Lone Star State as a whole recovered faster than anywhere else in the nation,” Rogers said.

The Houston, Dallas-Fort Worth and Austin-Round Rock MSAs also took the top three places, respectively, in our Job Growth Leaders category, based on government statistics showing the largest percentage increase in employment.

Houston (Zone 84) and El Paso (Zone 68) also shined in *BF*’s new ranking of top Foreign Trade Zones. The two Texas cities finished first and second, respectively, in our Top FTZs (Merchandise Received) ranking. Broward County, FL (Zone 25) and El Paso (Zone 68) took top honors in the Top FTZs (Exports) category.

Chicago, Toronto, Los Angeles, Genesee County (NY) and Sioux City (IA) were the top five finishers in *BF*’s Food Processing Industry Leaders metro ranking. Raleigh, NC, Austin and Las Vegas topped our list of Fastest Growing Cities, while Ann Arbor, MI, Green Bay, WI and Bakersfield, CA were cited as Emerging Financial Centers.

Harlingen TX, McCallen TX, Norman OK, Ardmore OK and Memphis TN were the top five metros in our annual ranking for the Lowest Cost of Living

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