

Submitted to: Vermont House Commerce & Economic Development Committee
Submitted by: Greg Morgan, Chair, Essex Economic Development Commission
Date Submitted: January 20, 2015

Economic Development in Essex, Vermont

Vermont's 2nd Largest Municipality /
VT Leader in Advanced
Manufacturing & Technology Jobs

Essex Economic Development Commission (EDC)

- ▶ 5 volunteer members appointed by Essex Town Selectboard – and advises SB through written advisories.
- ▶ Staffed by Ass't Town Manager and Planner.
- ▶ Regular Participation from Essex Junction Planner, Selectboard Member, Village Trustee and GBIC Representative
- ▶ Meet twice per month (2nd & 4th Mondays) at Town Offices (12:00 PM – 1:30 PM)

New Essex Commercial / Industrial Locations in Pipeline

- ▶ **1.5 million sf ++ of potential space with master plan approval or permits:**
 1. “The North 60” part of Champlain Valley (CV) Innovation & Technology Park (on IBM campus). Site off Maple Street in Essex Junction (300,000 sf)
 2. 30 Allen Martin Drive being developed by REM. 3 buildings total (420,000 sf). One building of 180,000 sf constructed in 2014.
 3. Forestdale Industrial Area (750,000 sf ++): 750 acres with 40% of acreage available for development.

TOP Essex Employers

	<u>Company</u>	<u># Employees</u>
1.	IBM Microelectronics	4,000
2.	Keurig Green Mountain	800
3.	USCIS – Dept. Homeland Security	700
4.	Autumn Harp	248
5.	Revision Military	170
6.	FoodScience Corporation	155
7.	The Essex Resort & Spa	100
8.	Catamount Color	85
9.	Vermont Systems	85
10.	Harmony Information Systems	80
11.	Flex-a-Seal	78



GLOBALFOUNDRIES®

- ▶ Agreement with IBM (Oct. 2014) expected to transfer IBM's Microelectronics Div. to GF in 2015.
- ▶ *"Full-service semiconductor foundry with global manufacturing & technology footprint, working to reshape the semiconductor industry through collaboration & innovation."*
- ▶ 13,000 employees and 160 customers.
- ▶ CHQ in Silicon Valley – with foundries in Germany, Singapore and USA.
- ▶ *Tech Valley* – term GF uses for region around its 3 facilities in Malta, Fishkill & Essex.
- ▶ Essex & Essex Junction forming Business Liaison Committee & serving on Governor's Task Force.
- ▶ www.globalfoundries.com

Keeping Essex Economically Viable

The Essex Economic Development Commission has recommended following strategies for inclusion in the revised Town Plan:

Improve & Invest in Infrastructure

- ▶ Upgrades to RT 117 – connecting Essex to I-89
- ▶ Extend the Amtrak's Vermonter to Montreal and upgrade Essex Amtrak Station

Increase & Diversify Essex Tax Base

- ▶ Consider using Vermont Enterprise Fund (\$3.5M) to develop "North 60"
- ▶ Plan for Loss of Strategic Employer (KGM, GF)

Back Up Information

Industrial Area #1: Champlain Valley Innovation & Technology Park – “North 60”

- ▶ In Feb. 2013, Essex Jct. Planning Commission approved IBM request for Master Plan to build commercial/industrial space.
- ▶ About 60 Acres – Potential for 300,000 sf.
- ▶ Final site plan needs review by Essex Jct. Planning Commission.
- ▶ “North 60” will transfer to GlobalFoundries. Future of site to be determined by new owner.

Industrial Area #2:

30 Allen Martin Dr.

- ▶ State of Vermont sold Building 617 and adjacent lot (52 acres) to REM in May 2013.
- ▶ REM announced plans to build 420,000 sf of commercial/industrial space in 3 buildings.
- ▶ Essex Planning Commission and Act 250 approvals in 2013 to build 420,000 sf of commercial/industrial space in 3 buildings.
- ▶ 180,000 sf building completed and seeking occupants.
- ▶ Property returned to Essex tax rolls.
- ▶ www.rem-development.com/property-listings/54/30-42-allen-martin-dr

IBM Microelectronics – #1

- ▶ 4,000 (est.) employees in Essex Junction / approximately 4% of IBM's US workforce of 100,000 (est.)
- ▶ VT's largest private employer
- ▶ 1 of 2 IBM Fabs in US (other in East Fishkill)
- ▶ “One of the world's largest producers of semiconductor technology”
- ▶ IBMers in Vermont registered 482 patents in 2011
- ▶ In 2014, agreed to sell Microelectronics Division to Global Foundries.
- ▶ In 2011 named Essex Jct. campus
CV Technology & Innovation Park.
- ▶ Proposing 300,000 sf of commercial development off Maple Street.



Keurig Green Mountain – #2

- ▶ Formerly GMCR
- ▶ 800 Employee in Essex Town off Kellogg Rd.
- ▶ Added 350,000 sf in 2012 for total of 578,000 sf.
- ▶ Roasts coffee and fills Keurig Vue Packs & K-Cups at Essex site.
- ▶ \$1.2B deal with Coke to produce Keurig Cold.
- ▶ www.gmcr.com



US Citizenship & Immigration Services – #3

- ▶ 700 employees in Essex Town on River Road
- ▶ Opened new building in 2014 / world-class facility with state-of-the-art technology.
- ▶ Located in Essex for over a decade.
- ▶ Part of Div. of U.S. Dept. of Homeland Security
- ▶ Work funded primarily by fees.
- ▶ Process applications from around the country, with no face-to-face client interaction on site.

Source: Essex Reporter: Jan 3, 2013



**U.S. Citizenship
and Immigration
Services**

Autumn Harp – #4

- ▶ 248 Employees in Essex Town – Forestdale Ind. Park
- ▶ Moved from Bristol, VT in 2008
- ▶ 115,000 sf state-of-the-art campus on Thompson Drive
- ▶ 57,000 sf warehouse expansion added in 2013 with addition of 5 – 10 jobs
- ▶ A specialized R&D and manufacturing for cosmetics and skin care industry focused on natural & organic formulations and water-based technologies
- ▶ Products sold in over 60 countries
- ▶ www.autumnharp.com



Revision Military Ltd. – #5

- ▶ 170 Employees in Essex Town on Corporate Drive and Newport, VT
- ▶ Subsidiary of Canadian company with CHQ in Montreal
- ▶ Develops and delivers protective equipment for military use worldwide.
- ▶ Main Products: eyewear and “head systems” (helmets).
- ▶ Expanded in June 2012 thru purchase of MSA’s helmet business.
- ▶ www.revisionmilitary.com



FoodScience Corporation – #6

- ▶ 155 Employees in Essex Town's Gauthier Park
- ▶ Over a quarter century of producing nutritional supplements.
- ▶ Private labeling, custom formulations, & company products.
- ▶ 3 “Human” Divisions: Mountain Naturals of VT, FoodScience of VT, & DaVinci Labs; and
- ▶ 3 “Animal” Divisions: Pet Naturals of VT, U.S. Animal of VT, Vetri-Science Labs.
- ▶ www.foodsciencecorp.com



The Essex Culinary Resort & Spa – #7

- ▶ 100 employees in Town
- ▶ Located on 18 acres, area's only AAA 4 Diamond hotel.
- ▶ A full-service spa, cooking classes, 2 restaurants, 120 rms.
- ▶ Gemstone Hotels & Resorts assumed management in Jan 2014 – adds The Essex to portfolio of 18 unique resorts – “One-of-a-kind” – “Brand-of-One”. Includes Topnotch of Stowe.
- ▶ www.essexresortspa.com



Catamount Color – #8

- ▶ 85 Employees in Essex Town's Forestdale Park
- ▶ Leader in offset, digital & large format printing for business, personal & community use.
- ▶ Specializes in printing & mailing services, including catalogs, brochures, postcards, & large format items.
- ▶ Formerly *The Offset House*.
- ▶ Great LOGO!!!
- ▶ www.catamountcolor.com



Vermont Systems Inc. – #9

- ▶ 85 Employees in Essex Town adjacent to the Town Market Place.
- ▶ Develops software to manage recreation programs.
- ▶ Over 1,100 customers, including 900 municipal agencies and all US military bases worldwide.
- ▶ Founded in Essex in 1985 by Willey family. Employee-owned.
- ▶ www.vermontsystems.com



Harmony Information Systems – #10

- ▶ 80 employees in Essex Town off Kellogg Road in Gauthier Park – adjacent to KGM.
- ▶ CHQ in Reston, VA – www.harmonyis.com
- ▶ Harmony's “off the shelf” software suite helps more than 1,000 human services organizations, including 35 state-level agencies, provide home- and community-based long-term care.
- ▶ Vermont Agency of Human Services is client.



Flex-A-Seal – #11

- ▶ 76 Employees in Essex Jct. off Maple Street founded 1983
- ▶ Sister plant in Sao Paulo, Brazil with 40 more employees
- ▶ International designer & manufacturer of mechanical seals & non-metallic equipment for waste water treatment.
- ▶ Awarded 2015 \$188,000 VEGI incentive for expansion.
- ▶ 5x5x5 Award for 2012: Mfg – 87% growth.
- ▶ www.flexaseal.com



Other Important Employers

1. Reinhart Food Services
(Thompson Drive)
2. ASK-int TAG (IBM campus)
3. ALPLA (River Road)
4. Blodgett Oven – Market Forge
(Thompson Drive)

Reinhart Food Service

- ▶ Building 137,000 sf distribution facility at 32 Thompson Dr. – next to Autumn Harp.
- ▶ New building consolidates two VT facilities (Burlington & Colchester) into one.
- ▶ 5th largest food distribution company in US – based in LaCrosse, WI.
- ▶ www.rfsdelivers.com



ASK-int TAG



- ▶ 40 Employees in Essex Junction at the CV Technology & Innovation Park (IBM)
- ▶ French company with operations in China, India, Mexico, Brazil, So. Africa and USA
- ▶ Designs, manufactures and markets a range of contactless cards, tickets, RFID tags, & contactless readers for public transport, object & people identification, payment & electronic documents such as e-drivers' licenses, e-identity cards, or electronic passports.

- ▶ www.ask-rfid.com



ALPLA – Other Manufacturers

- ▶ 20 Employees (estimated) in Essex Town off River Road on rail siding started here in 2011.
- ▶ Global plastics company based in Austria.
- ▶ 148 production plants (11 in USA) in 39 countries with 13,000 employees.
- ▶ Making Keurig K-Cups & Vue Packs for KGM.
- ▶ www.alpla.com



Blodgett Ovens – Market Forge

- ▶ Blodgett Oven Division of Middleby Corporation purchased Market Forge of Everett, MA.
- ▶ Blodgett moves Market Forge's steam equipment manufacturing, sales and engineering operations into 100,000 sf at the Thompson Drive complex as part of its Blodgett Oven Division.
- ▶ Awarded 2015 \$754,000 VEGI incentive for creating jobs.

Start-Up / Emerging Businesses in Essex

- ▶ Dodge Ski Boots
- ▶ The Orange Owl
- ▶ Heco Engineering
- ▶ Rex's Outrageous

Principal Data Source

- ▶ Information based on Vermont Business & Manufacturers Directory 2013–14, a publication of the Vermont Business Magazine (VBM).
- ▶ EDC makes adjustments to data, including addition of Town and Junction locations.
- ▶ EDC encourages Essex businesses to contact VMB for inclusion in Directory.
- ▶ EDC posts database of Essex businesses on Town website.