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Roane County



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T H E R O A N E C O U N T Y C H A M B E R O F C O M M E R C E

T H E R O A N E C O U N T Y V I S I T O R S B U R E A U

Roane County



Whether we're working on bringing a new industry to Roane County, helping an existing business expand or promoting an event or attraction in the community, at The Roane Alliance, We Mean Business!

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Letter from the President / CEO

Dear Friends,

Two years ago, I joined the staff of The Roane Alliance with a great sense of excitement – a feeling that I was coming into a community that was on the verge of explosive growth and pleased that I was going to have a hand in fashioning that growth. In many ways I was reminded of our next-door neighbor, Knoxville, which was in that same position – poised for growth – in its downtown just a few years ago. All the players were there and the pieces of the development puzzle were just starting to fall into place. Now they are enjoying a grand prosperity the likes of which no one could have foreseen at the time.

In 2004, I felt that same type of momentum gathering strength here in Roane County – but in 2005, the lid quite simply popped off.

Here are just a few indicators:

- The latest per capita income report put Roane County in the top 12 counties in the state, according to figures which show a 20 percent increase over a five year period.
- Building permits increased 18 percent in just one year, from 2004 to 2005.
- Eighty percent of the Roane County industries surveyed last year said they have plans to expand and nearly 90 percent reported that they had introduced new products and/or services in the past five years.
- One of the county's largest employers – Chase Scientific Instruments – added more than 100 new jobs, bumping their workforce up to nearly 600. Another major industry – formerly Fortafil Fiber, now Toho Tenax America – also began investing \$14 million into retooling the entire plant.
- A total of more than 615 jobs have been created last year alone and more than \$40 million has been invested in industrial projects.



As the leader of the organization that leads the county's economic development efforts, I am very proud of the part that The Roane Alliance has had in making this happen. I have no doubt that the many initiatives that the Alliance and our partners – The Roane County Chamber; the Industrial Development Board and the Visitors Bureau – have launched this year have played a great part in reaching many of the benchmarks listed above. Some of these include: the launching of a major existing industry visitation program; a retail recruitment training program; the launching of a speculative building program; as well as the approval of the county's first tax abatement agreement.

Of course, none of this would have been possible without The Roane Alliance staff, our dedicated boards of directors and the numerous volunteers that keep our organization going on a day-to-day basis. Making sure this organization runs smoothly, professionally and cost-effectively has been a primary goal again this past year and one that I am proud to say that we met and in some ways even exceeded.

The year 2005 saw continued improvement to our financial position and saw record levels of private, as well as public contributions to our efforts. Our staff also saw increased benefits this year, as we adopted a new, much more beneficial retirement plan that was adopted at no additional cost to the Alliance. And I am proud to say that our efforts continued in 2005 to make every dollar that we handle be used in the most efficient way possible and in ways that provide the most benefit to Roane County residents and businesses. The year 2005 held so many great things for Roane County and reflecting on the events of the year makes me proud. Roane County and The Roane Alliance accomplished so much in 2005, and I hope this report gives you a small glimpse into some of our successes and shows you that at The Roane Alliance, and in Roane County, "We Mean Business!"

Sincerely,

A handwritten signature in black ink, appearing to read "Leslie Henderson". The signature is fluid and cursive.

Leslie Henderson

The Roane Alliance Board of Directors

CHAIRMAN:

Jim Gann

VICE CHAIRMAN:

Jerry Duncan

**SECRETARY/
TREASURER:**

Keith Uselton

MEMBERS:

Julian Ahler

Troy Beets

Ron Berry

Bill Biloski

Steve Buckley

Jerry Davis

Tim Duff

Dean Ethridge

James "Dub" Harmon

Jim Henry

Greg Hill

Charles Holiway

Sonny Hunter

Edwin Kelley

Steve Kirkham

Robert Kyker

Mike Miller

Jim O'Connor

Darrell Richardson

Jerry Stephens

Fred Tedder

George Wilson

Ken Yager



Gala a Record-Setting Success for The Roane Alliance

Nearly 400 East Tennesseans attended The Roane Alliance's Fourth Annual Gala this year as records were set again for both funds raised and numbers of participants. This year's Gala reported a gross total of more than \$140,000 – all of which is used to support The Roane Alliance and its programming throughout the year.

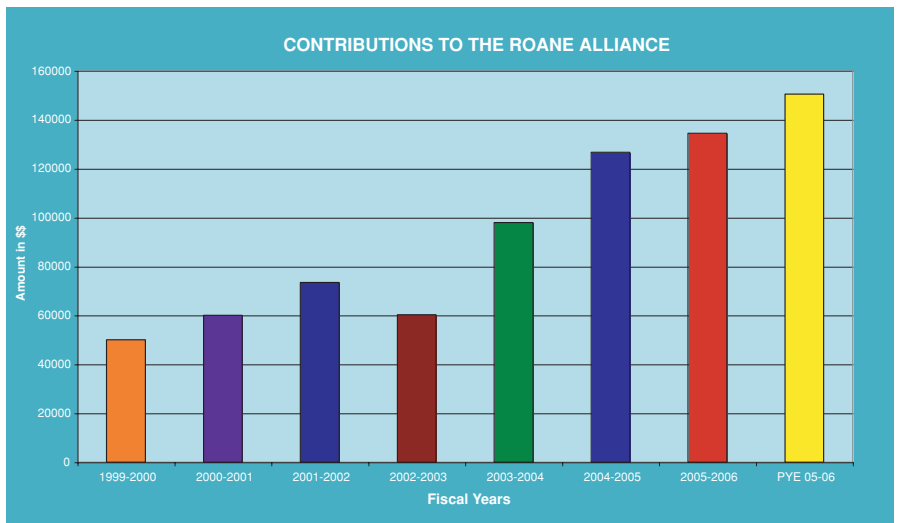


“The Alliance relies exclusively on private donations to operate,” said Leslie Henderson, president and CEO of The Roane Alliance, “so events like this are extremely important, and we were overwhelmed with the support we received.”

The gala was held at Rothchild's in Knoxville, and the event included a wine reception, dinner, music and both a live and silent auction with items ranging from luxury cruises, weekend getaways, a four-wheeler, pedigreed puppies, a grandfather clock, sports memorabilia and original artwork. The Roane Alliance Gala has become a regional social event with more than half of the attendees coming from outside Roane County. Roane County Mayor Ken Yager was the master of ceremonies for the event and he used his remarks to point out some of the Alliance's major

accomplishments for the year – from increases in industrial recruitment and residential development activity to the implementation of a privately-funded spec building program.

The Gala was sponsored by a number of regional businesses that make the event possible. The platinum sponsors were Baptist Health Systems of East Tennessee, Grande Vista Bay, Methodist Medical Center, United Community Bank, Roane Medical Center, Regions Bank and WATE-TV 6. The gold sponsors were AGA Insurance; Coca Cola; Jim Henry and Associates; Cherokee Distributing; CROET; DEKD Development; Daniels, Uselton & Clay; Eagle Distributing; Morgan County Medical Center; Roane County News; Jay-Ell Vending; Jefferson Federal Bank; Jerry Duncan Ford Lincoln Mercury; The Plateau Group; Tennessee Asphalt; First Bank of Tennessee; Omni Visions, Inc.; Roane County Government; Rocky Top Markets; R&R Excavating;



Team Health; Site Incorporated; Toho Tenax America; Oak Ridge Utility District; The H.T. Hackney Co.; Glenn's Auto Parts; Food City and the Roane County Industrial Development Board.

Teaming Up to Target Retail

The Roane Alliance partnered with the Tennessee Valley Authority in a new program in 2005 which brought a series of three retail retention/recruitment workshops to Roane County. The workshops, which began in September, were geared toward training local business and community leaders to be more effective in retail recruitment and retention.

The three half-day workshops, which were facilitated by TVA's economic development staff, focused on helping local leaders increase their understanding of retail and commercial development opportunities and determine what options may be appropriate for their community. Demographic data was provided to help the community analyze its consumer potential and develop a marketing strategy.

Topics for the program – which TVA calls the Consumer Connection – included developing a community vision for retail, determining retail needs, analyzing retail markets and preparing marketing materials.

“The Consumer Connection program will help us enhance retail development in our community, adding jobs and boosting the local economy,” said Leslie Henderson President/CEO of the Roane Alliance. “Armed with this valuable information, we will be able to develop strategies to enhance local shopping in our community.”

“Each of our towns within Roane County was asked by the Alliance to send representatives to these workshops,” Henderson said, “so we could be sure that all of our county – from Kingston to Harriman to Rockwood – can become more effective in developing the retail they want and need.”

Ground Breaking for Six New Shops

Federal, local officials and guests celebrated more exciting growth for Roane County with a ground-breaking ceremony for the Shops at Pinnacle Pointe in late 2005. Construction began on a 12,000 square-foot structure that will house six new businesses, including a UPS Store and at least two restaurants.

According to developer Steve Kirkham, the building should be complete and the businesses open by March 1 of 2006. Roane Alliance President Leslie Henderson announced that Phase 3 of the Pinnacle Pointe development is 100% rented, and that Phase 4 already has several confirmed tenants. She praised the developers, Steve Kirkham and Jerry Duncan, for their foresight in seeing the growth potential at the site in Roane County.

Henderson also thanked Mayor Jerry Davis and the Harriman City Council for their support. “Harriman City Council had to make a major decision on investing in the development,” Henderson said. “Their courage in casting that critical vote has paid off. They are already seeing the results with a 25% increase in sales tax collections in Harriman and can expect future announcements from the new businesses.”



Roane County
Industrial Development
Board of Directors

CHAIRMAN: Steve Kirkham

VICE-CHAIRMAN: Bob Kyker

SECRETARY/

TREASURER: Tony Mason

MEMBERS: Kyle Agee, Jr.

Ron Berry

Jane Long

Bob Lunsford

Jerry Stephens

David Webb

Roane County Industries Report Prosperous Times

Roane County industries are in a “good position for continued growth,” with the majority of the industries surveyed in 2005 reporting increased sales and plans for expansions, according to an existing industry report released by The Roane Alliance.

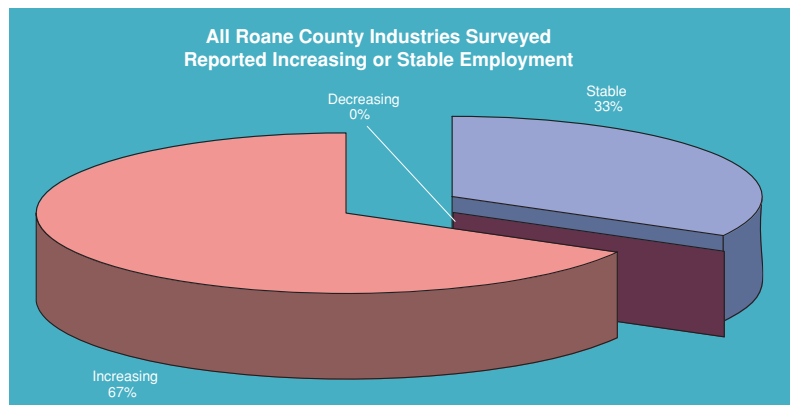
The campaign was geared toward getting a current snapshot of the health and needs of Roane County’s economic portfolio. Over the last several months, the volunteers met with company officials in teams to learn more about their companies; the trends in their industries; how they felt about the community as a place to do business, and many other issues. Approximately half of the county’s industries participated in the survey visits.

Key Findings of 2005 Industry Survey

- 80% of Roane County industries surveyed are planning expansions
- Nearly 90 percent reported in 2005 that they had introduced new products and/or services in the past five years.
- 79% of the industries surveyed reported increasing company sales
- 67% of the industries interviewed expect to introduce new products or services in the next two years

“This report shows that Roane County industries are reporting prosperous times and reflecting optimism about the future,” said Leslie Henderson, President and CEO of The Roane Alliance. “Bottom line is that the overall business climate for manufacturers in our area is excellent.”

The Roane Alliance partnered with the Tennessee Valley Authority earlier this year to conduct surveys of its industries as part of its existing industry visitation program. The visits and surveys were conducted by a team of business and community volunteers working under the leadership of Dr. Terry Payne, Chair-Elect of the Roane County Chamber of Commerce.



New Jobs, New Industries, New Buildings

Three new industries moved into Roane County's new industrial park (Roane Regional Business and Technology Park) in East Roane County at Buttermilk Road in 2005:

- The **H. T. Hackney** company's new regional facility, which has more than 330,000 square feet under roof and employs nearly 400 people.



- **Dienamic Tooling Systems** – a tool and die maker that owns the largest press in the Southeast
- **Pegasus Technologies** – a home-grown firm that custom-designs wireless technology systems for companies all over the world



Roane Regional Business and Technology Park

Industry	Capital	Jobs
Dienamic Tooling Systems (DTS)	\$3,500,000	48
Pegasus Technologies	\$400,000	7
Protean Instruments Corp.	\$475,000	13
The H.T. Hackney Co.	\$19,000,000	386
Totals	\$23,375,000	454

New Jobs, New Industries, New Buildings

(continued)

At the same time, major expansions occurred at the Roane County Industrial Park, between Rockwood and Harriman:

- One of the county's largest employers – Chase Scientific Instruments – added more than 100 new jobs, bumping their workforce up to nearly 600.

- Another major industry – formerly Fortafil Fiber, now Toho Tenax America – also began investing \$14 million into retooling the entire plant.

A total of 618 new jobs were created in 2005 and more than \$40 million has been invested in industrial projects.

New Jobs Created in Roane County in 2006

Company	Jan. 2005	Dec. 2005	New Jobs
Bayou Steel	70	80	10
Chase Scientific Glass Inc.	460	594	134
Day Cab	4	15	11
Dienamic Tooling Systems (DTS)	41	48	7
The H.T. Hackney Co.	–	386	386
Pegasus Technologies	–	7	7
Oldcastle Big Rock Building Products	37	42	5
Protean Instruments	10	13	3
Sauter Timber	4	7	3
TOHO Tenax America	119	140	21
USEC Inc.	56	87	31
Total			618

Industrial Spec Building Project Launched in Roane County

The Roane County Industrial Development Board launched in 2005 a privately-funded industrial speculative building project that will produce a series of three buildings to attract industry to Roane County. The series of three industrial buildings is to be financed and built by the private sector with the county agreeing to cover the costs of an additional sewer line needed to serve the buildings.

“One of the most exciting parts about this project is that it *truly* is a public-private partnership,” Roane County Mayor Ken Yager. “Thanks need to go to the County Commission for their support in appropriating the funding for the infrastructure needed and to the Roane County Industrial Development Board for its tenacity in making sure this spec building project got off the ground.”

“Nearly 80 percent of the industrial prospects looking to relocate today are looking for existing buildings,” Henderson said at the ground-breaking.

“The good news is that we have filled up practically all the existing industrial buildings in Roane County, but the bad news is that we have been missing out on a lot of the prospect activity because we don’t have any buildings to show. This will put us back into the game in a big way.”

East Tennessee developer Gerry Eastman is building the buildings. Eastman, who is with Joseph Construction, has done a

number of spec buildings in industrial parks in East Tennessee, most recently in Blount County. “Typically,” Henderson said, “Gerry’s buildings have been either leased or sold before they are even completed. And this, of course, is what we hope to see here at Roane Regional.”

Each of the three buildings is to be built on five-acres and they are scheduled to be roughly 46,000 square feet, expandable to 100,000 square feet. However, the contract between Eastman’s partnership of local investors and the Industrial Board is flexible enough so that the buildings and parcel sizes can be adjusted to fit the requirements of a prospect and be built to suit, Henderson explained.



“All the signs are pointing to Roane County as being the next Blount County as far as industrial growth,” Eastman said. “And the prime industrial site in this region right now is right here at the Roane Regional Business and Technology Park.”

The first of three 46,000-square-foot industrial buildings came out of the ground a few weeks before the year end.

Roane County Tourism Committee

Copper Bacon

Troy Beets

Kent Calfee

James “Dub” Harmon

Dr. Terry Meece

Visitor’s Bureau Increases Overnight Stays, Multi-Day Events

The Roane County Visitors Bureau places a high emphasis on providing exceptional hospitality towards visitors to the county. They go beyond meeting the basic needs of the visitor by providing brochures that spotlight the attractions and the many exciting events that take place in the county. In addition, they provide specialty brochures such as the “*Roane County Historic Treasure*”

that provides a driving/walking tour of the counties historic treasures, a “restaurant guide” that lists the many restaurants, and an “*Antique Guide*” that spotlight the antique shops in the county. The monthly events in the county are posted on their website: www.roanealliance.org.

The exciting addition to Roane County tourism was the arrival of the Watts Bar Belle Riverboat. Many older residents remember a time when riverboat travel was common in Roane County, and they, along with many others, welcomed the riverboat that is now available for cruises. The riverboat provides the ideal setting for corporate events, weddings and receptions, reunions, theme cruises and anniversaries.

The goals of the Visitors Bureau are to increase overnight stays and multi-day events in Roane County. Through an advertising program that included Touch & Go Kiosk Systems in the Welcome Centers, ads in *In and Around Tennessee*, *Family Circle Magazine*, *Tennessee Vacation Guide*, *Tennessee Festivals Publication*, *Roane County News*, *Knoxville News Sentinel* and *Chattanooga Times*, the Visitors Bureau works on achieving the goals. In addition, the Visitors Bureau has a presence in the *East Tennessee Guide to the Smoky Mountain Region Brochure* produced by the Middle East Tennessee Tourism Council and on the website of the East Tennessee Marketing Partnership.



Visitor's Bureau Increases Overnight Stays, Multi-Day Events

(continued)

New *Roane County Visitors Guides* were introduced in 2005 with an emphasis on the attractions of Roane County such as Watts Bar Lake that offers camping, fishing and boating, and historic points of interest such as the museums and downtown districts. The unique characteristics and rich history of the different towns in Roane County are also highlighted in the new brochures with attractive photos of scenic landscapes. Visitors are easily guided through the area with a map locating the attractions and accommodations.

In 2005, Roane County increased the number of events over the previous year. The Roane State Expo Center had a full schedule with 60 events held including professional rodeos, team roping, cutting horse, barrel racing, reining, and quarter horse shows with many lasting 3-5 days. In addition, there were dog

shows, llama shows, STAR/Special Olympics Show and an antique tractor show and pull.

The Expo Center has increased the number of events for 2006 with 63 events currently scheduled. The Roane State Theatre also hosted exciting events such as plays, musicals, an illusionist, and ballet productions including the classic holiday production of "Nutcracker."

Several annual events in 2005 that attracted visitors to Roane County include: holiday home tours in Rockwood and Harriman, antique shopping weekends, monthly Cruisin' in downtown Harriman with antique and classic cars and trucks, Kingston's Fireworks on the Fourth, Harriman Labor Day Street Festival, Rockwood's Fall Festival and Oliver Springs' Christmas in the City. The Visitors Bureau helps to attract visitors to these events through email distribution, listings on the calendar of events, website and by distributing news releases.



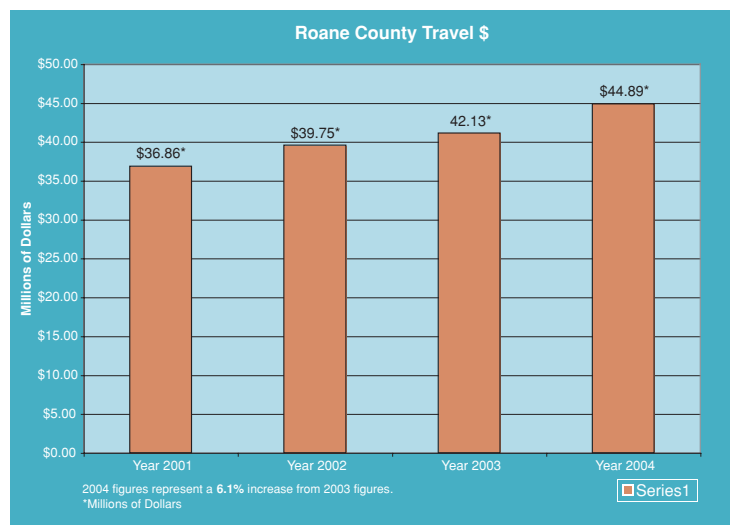
Tourism is Big Business in Tennessee and Roane County

Tourism is big business in Tennessee. The tourism industry employs more than 175,000 individuals and generated \$11.4 billion in revenues last year. Tennessee's tourism industry economic impact jumped 6.25 percent over the previous year. In Roane County alone, in the latest year figures available, visitors spent \$44.89 million. This was a substantial increase from the \$39.57 million spent in the previous year.

"These figures only encourage the Roane Alliance to see how much further we can boost Roane County tourism in 2006 and for many years to come," said Leslie Henderson, President/CEO of the Roane Alliance.

The Roane County Visitors Bureau is closely monitoring traveling trends to ensure Roane County continues to increase its hotel/motel tax collections, overnight stays, visitor spending and multi-day events. According to surveys of the Travel Industry Association of America, travel trends include: driving vacations that are closer to home, trips that are shorter than seven nights, more small town and rural destinations, an increase in recreational vehicle travel, visiting national and state parks and visiting historical sites.

"By looking at the trends, Roane County has a lot to offer visitors, and we think tourism will only continue to increase in our community," said Henderson. "With proper planning, the right marketing and community support, Roane County will be one of the premier destinations in the region."



Travel Dollars Spent	Up 6.1%
Payroll	Up 2.3%
Local Tax Receipts	Up 4.7%

Roane County Chamber of Commerce Board of Directors 2005-2006

CHAIR: Earl Deskins

CHAIR-ELECT: Terry Payne

VICE CHAIRS:

Ken Beauchamp	Membership
Beth Sublett	Public Affairs / Legislative
Paul Cowell	Tourism
Sonny Hunter	Educational Affairs
Pat Lett	Small Business/Retail
Jerry Duncan	Economic Development
Terry Payne	

TREASURER: Penelope Uselton

DIRECTORS:

- Darrell Richardson
- Wade Creswell
- Steve Byerly
- Gary Goff
- Greg Hill
- Jane Ollis
- Larry Byrkit
- Elizabeth DeWitt
- Marc Verbruggen
- Johnny Teglas
- David Webb
- Lynne Spires
- Chris Mason

Chamber Hosts First Annual Business Expo

The Roane County Chamber of Commerce Small Business and Retail Committee hosted a Business Expo at the Roane State Expo Center, and 20 area businesses participated. The businesses used the opportunity to display and showcase their products and services, and remind shoppers to “Shop Roane First.”

As visitors walked through the Expo Center, they were able to learn more about area businesses. The **Career Center** representatives talked about the free training services they provide to assist employers. **Roane Medical Center** displayed their wide assortment of medical equipment. The **Logo Shoppe** showed examples of how businesses can advertise by including their name and logo on various promotional items.

Representatives from **Countrywide Home Loans** talked about how quickly they can process loans. **Downhill Plumbing** representatives were able to demonstrate the latest computer technology in clearing septic lines. Other participants included: **Alzheimer Association, Griffin Insurance Agency, Knoxville TVA Employees Credit Union, Oak Ridge Utility District, Page and Associates, Pool Furniture Services, Regions Bank, Rosemary’s Florist, Victorian Square and Wellington Place of Kingston.** Visitors were able to pick up information on the companies and several businesses provided door prizes.

An area business, **Rockin’ L Rentals**, provided inflatable play equipment for the children as their parents browsed through the businesses’ booths. Steve Dowker from Kingston was the lucky winner of the flat screen television donated by the Chamber of Commerce and **Pattersons Home Appliance Center**. Paul Woodward of **Central City Heating and Air Conditioning** served hotdogs and drinks to the visitors.

Chamber Small Business and Retail Committee Chair Pat Lett expressed his appreciation to the businesses that participated and reminded visitors to “Shop Roane First.” Several of the participants expressed an interest in another business expo in the future. Plans for a Home and Garden Expo and Business-to-Business Expo for 2006 are in the works.

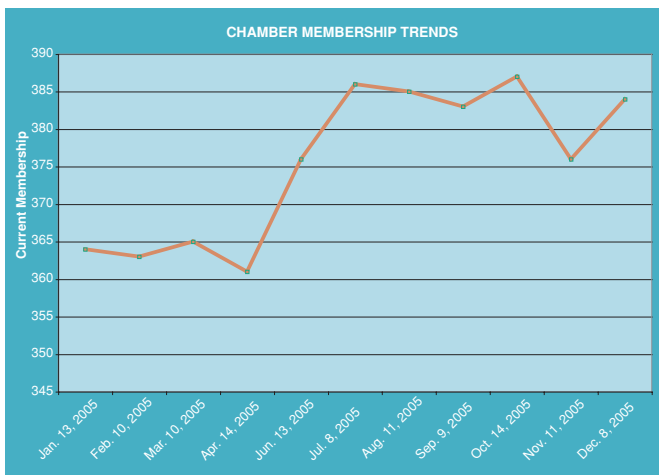
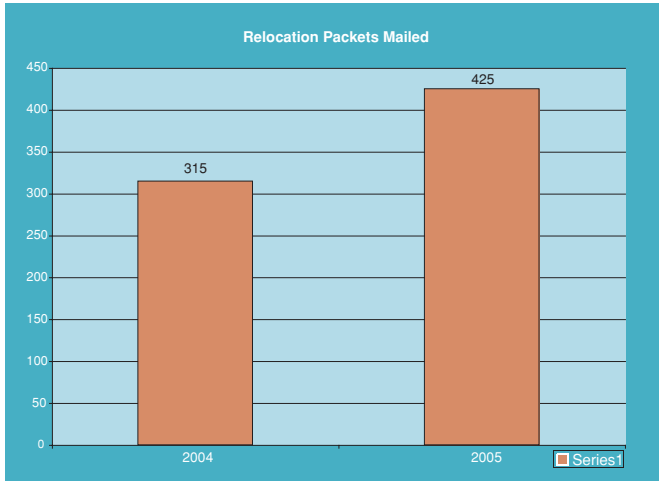
ALLIANCE PARTNER SCORES AGAIN!

Quarter	Clients	Sessions	Hours
1	13	24	61
2	9	23	66
3	13	28	57
4	10	23	61
Totals	32	98	245

SCORE’s second year partnering with the Alliance was a very valuable one for Roane County area businesses. SCORE counselors are all executives in major companies who volunteer their time to assist in the growth and development of local businesses.

Relocation Package Requests Continue to Soar

Requests for relocation packages quadrupled from 2003 to 2004 and from 2004 to 2005, they still climbed another 35%.



Chamber Helping to Celebrate and Build Relationships

The Roane County Chamber of Commerce works to enhance the lifestyle and business climate of Roane County. The year 2005 was a very exciting year filled with lots of happenings. With 13 ribbon cuttings/ground-breakings, an equal number of chamber coffees, two Business After Hours and eight open houses, Chamber members had plenty of opportunity to mix mingle and grow their businesses.

Here are just a few of the events from 2005:

- Kroger's ribbon cutting at their new store in Harriman
- Historic Highway Patrol Office dedicated in Rockwood
- Shops at Pinnacle Pointe groundbreaking
- Daniels, Uselton & Clay, PC, CPA groundbreaking
- Rocky Top Markets 25th anniversary celebration
- David Webb Riverfront Park ribbon cutting
- Y-12 Federal Credit Union ribbon cutting
- Roane Eye Center opens satellite office in Kingston
- U.S. Title Corporation opens new branch in Kingston
- Fowlers Furniture Store holds grand opening in Rockwood
- Gray Knob Kennel ribbon cutting at their new facility
- Clean-N-Press ribbon cutting
- Roane County Farm Bureau Insurance ribbon cutting

Committees Help Chamber Focus Its Goals

The Roane County Chamber of Commerce has seven committees that help focus the chamber's goals:

The Economic and Community Development Committee is responsible for promoting economic development activities in the county and working with new business and industries looking at the area.

The Educational Affairs Committee works to improve the quality of education in the county thereby enhancing the labor force and overall community livability.

The Finance/Organizational Affairs Committee ensures that the chamber executes its internal affairs in a business-like manner, guaranteeing the most efficient uses of members, staff and financial resources.

The Membership Committee markets the chamber by stimulating membership growth and support of the ambassador program.

The Public Affairs/Legislative Committee monitors legislative issues effecting the chamber on a local, state and federal level. They also represent the chamber membership and keep them informed of pertinent legislation.

The Small Business/Retail Committee provides technical assistance, information and markets the chamber membership. This committee leads the "Shop Roane First" campaign, which encourages doing business with chamber members and within Roane County.

The Tourism Committee promotes tourism activities in Roane County and stimulates cooperation between businesses and visitors.

Roane County, Tennessee A Three Star Community

For the 17th consecutive year, Roane County has been awarded the designation of a Three Star Community. Roane County was designated a Level II Community for 2005 and anticipates achieving the highest Level III status for 2006.

The Three Star Program is designed to help communities take full advantage of economic development opportunities. The goals are to preserve existing employment, create new employment opportunities, increase Tennessee family income, improve quality of life and create a strong leadership base.

The Roane Alliance is the official designated contact to obtain the Three Star rating for Roane County.



Roane County

THE ROANEALLIANCE

WWW.ROANEALLIANCE.ORG