

# 



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# W E L C O M E to the FRONT

A study by the Manufacturing Institute last year revealed that nearly 80 percent of us believe manufacturing is vital to the U.S. economy. Nearly two thirds believe manufacturing to be important to national security. Three quarters of respondents think we need a better strategic approach to our manufacturing base and 68 percent think strong manufacturing should be a national priority.

Name something else that gets that kind of support in a politically Balkanized nation. Name something our various levels of government have done about it lately. Our manufacturing base has been hit hard by the bad economy and even before that decline, companies were taking their jobs overseas because of a variety of advantages, not all of which have to do with making and spending money.

Manufacturers, which employ more than 265,000 people in Virginia and pay 22 percent of state and local business taxes, talk (in our cover story this month) of an attitude among those who regulate them that is counterintuitive, counterproductive and often insulting. We have regulation because we have crooks, but we have excessive regulation because of a basic misunderstanding of how business operates and what government's role should be. Regulators have little flexibility in enforcing truly incomprehensible and badly reasoned and structured laws. If they had that freedom to make exceptions for the illogical, there likely would be less complaint.

Still, the local, state and federal governments need to take a long look at the responsibility they have in the decline of manufacturing and do something about it in a hurry. We need to return to being a nation that makes things, not just one that thinks things.

Carv

**Tom Field** 

dan Smira

**Dan Smith** 

They are afraid of catching germs

—Page 19

there are neighborhood markets and then there's Hethwood







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# And the second





Kathy Bibb



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**Becky Hepler** 



Anne Piedmont



Dan Smith

Biographies and contact information on each contributor are provided on Page 68.

# **Editorial Advisory Board**

Valley Business FRONT has organized an Editorial Advisory Board in order to help direct coverage. FRONT selected a group of 16 diverse business professionals, who will serve as a sounding board throughout the 18 month rotational term that will turn over every year and a half.

The board will be given the task of helping FRONT understand the issues and develop coverage. "We're journalists," says Editor Dan Smith, "and not business experts. This group of distinguished business professionals—whose range in age, experience, level and specialty is impressive—will give us a solid handle on how business runs and what the primary issues and key players are in this region. My guess is that our coverage of business will be especially useful because of this group of people."

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Mary Miller IDD (Tech/Industry)
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John Williamson RGC (Tech/Industry)

You will note that the Board is comprised of experts in many different business / industry "fronts." This is intentional, as we are reporting on all the areas that affect our regional economy and are important to you. In keeping with our policy of being "the voice of business in the valleys" we ask each reader to join us as an editorial partner by calling or e-mailing us your ideas. You know more than we know about your business—or you certainly should—and that inside knowledge shared with our readers will make us all better at what we do.

Mother
Nature does
a great job
of selling
this area

— Page 47

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Tamea Woodward poses as the classic "Rosie the Riveter" icon of World War II, representing the American woman in manufacturing—serving as our FRONTcover model this edition.

# The battle to make things >

Executive Summary:
The United States has
traditionally been a country
where products were made.
These days that goal seems
much harder to achieve.
Here's some of what's
going on this region and
some of the people who
are trying to benefit the
economy in the traditional
manner.

by Rob Johnson



Ben Lawhorn runs his hands over a smooth, gold-colored piece of aluminum alloy that will eventually become part of a mechanism to detect improvised explosive devices intended to kill American troops in Afghanistan.

While inspecting the part, Lawhorn, a shop floor supervisor at East West DyeCom Inc., ponders the question of what's killing manufacturing in this nation and our region in the Virginia mountains, in particular.

He shrugs an expression of helplessness and says, "Sometimes it seems like manufacturers just aren't really wanted here." He can't immediately name a reliable source of help or support for employers like his who seek to expand.

Indeed, Tamea Franco Woodward, president and owner of East West DyeCom, says she has endured a series of setbacks, largely related to the permitting process in Roanoke, while trying to open a new plant (called Global Metalfinishing) that would double her payroll to 18.

"I tell people, 'You don't want to be me," Woodward says.

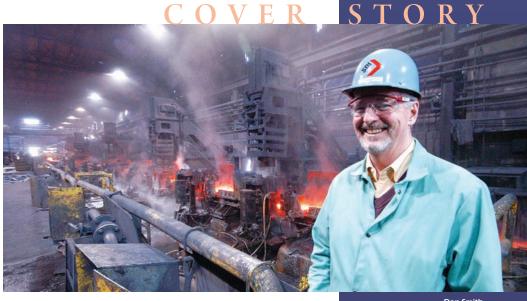
Based on reports from the region's industrial battlefields, few people would want to be invested in the kind of skirmishes Woodward has been fighting. Certainly, the mounting losses are daunting.

# Losing jobs

Consider that the four-county Roanoke metropolitan area has lost about 9,000 manufacturing jobs since 1990, and the pace of that employment erosion has increased during the economic malaise. According to the Virginia Employment Commission, the area saw about 1,000 manufacturing jobs disappear between mid-2009 and the second quarter of 2010. (The latest figures available.)

At that loss rate, the remaining 13,900 relatively remunerative manufacturing jobs here would disappear by 2025.

The back side of that, says Joe Crawford of Steel Dynamics in Roanoke, is a constant problem: "A challenge locally is finding good, qualified, employees who are interested in working in basic manufacturing. Although excellent wages and benefits are offered, the demands and conditions of the job are an



Steel Dynamics' Joe Crawford: "A challenge locally is finding good, qualified, employees who are interested in working in basic manufacturing."

Dan Smith

obstacle for many of our younger generation."

To be sure, there's plenty of political rhetoric about helping save and create manufacturing jobs. But sometimes there's more smoke than fire to the press releases that tout such efforts.

For example, a \$1.5-million grant from the U.S. Economic Development Administration announced last September is intended to enhance the local transportation sector. The money was to be used to "improve manufacturing processes and implement new manufacturing technologies that will make the businesses more competitive in today's economy ... [it would] help create new and retain existing high-wage manufacturing jobs ..."

As of late February, there were no specifics. John Provo, director of Virginia Tech's Office of Economic Development, which oversees disbursement of the grants, said the funding application was based on "hypothetical" projects.

About two-thirds, or \$1 million, of the original federal money will be available to manufacturers, who must apply for it, according to the Tech OED Web site.

Where will the other \$500,000 go? It will be used, says Provo, "to help the companies work up the ideas and fully develop them ... [it will help] market the opportunity and administer the process actually of getting potentially 20 different companies together with potentially 20 different faculty."

# In summary, 'Greed'

Joe Crawford of Steel Dynamics sees unfair regulation of our own manufacturers and unfair trade policies by our competition as "compounding the challenges of a weak

Legislators should consider the impact that new rules and regulations —Joe Crawford, Steel Dynamics, Roanoke

FRONT / MAY 2011



Dan Smith

economy. Steel producers compete on a global basis with countries and companies that do not have to deal with the additional costs of complying with environmental and other

the big furnace.

regulations faced by domestic companies. They have access to our markets through circumvention of trading rules and regulations.

Butch Patsell and Zach Witcher of Steel Dynamics in front of

Crawford believes that "holding violating countries accountable for illegal trade actions would spark job creation and help to solve the trade deficit. Legislators should consider the impact that new rules and regulations place upon our domestic industry when competing against under-regulated world economies and companies that are not subjected to such restrictions."

Swede McBroom of Natural Woodworking in Floyd, which manufactures made-to-order furniture from Appalachian hardwoods, says the economy has been hard on his high-end product. His customers "have been impacted as much by uncertainty and lack of credit access as anything else and are reluctant to extend beyond basic needs right now."

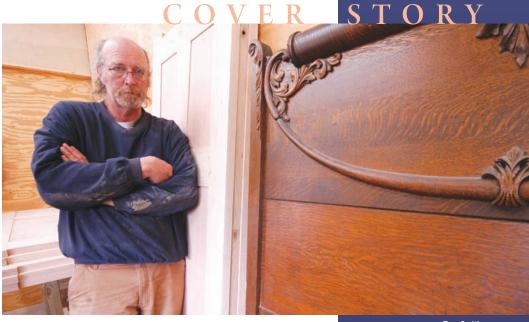
McBroom is facing the double impact of a slow housing market and "a potential energy cost spike in the immediate future. [Those do] not bode well for manufacturing in general. It could touch off inflation should it be extended for any period of time."

Jobs are going offshore, says McBroom, because "American companies don't want to pay Americans a living wage and thus are exporting jobs and expertise off-shore. I think 'greed' sums it up quite nicely.

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I am confident that the Roanoke-Blacksburg region has the ability to attract advance manufacturing jobsparticularly if we focus on continuing to develop the resources needed by advanced manufacturers: a technically educated workforce, adequate transportation systems, a high quality of life, and a pro-business environment (including regional cooperation).

–Neil Wilkin, CEO/President Optical Cable, Roanoke



The Natural Woodworking Company's Swede McBroom: "Most of the jobs in Floyd evaporated when NAFTA was enacted. There were between 2,000 and 3,000 sewing jobs here, which went virtually overnight, not a sewing machine in sight within three months."

"Most of the jobs in Floyd evaporated when [the North American Free Trade Agreement] was enacted. There were between 2,000 and 3,000 sewing jobs here, which went virtually overnight, not a sewing machine in sight within three months.

"This phenomenon is wide-spread, not just in Virginia but throughout the country. Now as a nation, we are faced with a workforce that is under-employed or un-employable, lacking skills useful to a manufacturing base. There will come a time when U.S. firms will have nowhere else to get cheap labor and we will be in a situation where we can't make it or be able to pay for it."

Robert Kuttner of The American Prospect recently wrote, "The outsourcing of so much production through extensive foreign supply chains, combined with lean and supposedly more efficient 'just in time' inventories, leaves companies ... vulnerable to supply disruptions half a world away. [Commentators] have been warning about risks of supply-chain fragility for more than a decade, but were paid little attention.

"Now, however, we not only have the wake-up call in the form of Japan's earthquake. Economists [and] corporate executives ... point out that it makes less and less economic sense to keep outsourcing production because labor represents a dwindling share of manufacturing costs."

# Government slowdown

Companies like East West DyeCom, Natural Woodworking and Steel Dynamics live in a world of contracts, not grants. Dan Smith

I think the ability to make things is fundamental to any economy.

—Swede McBroom, Natural Woodworkings, Floyd

The problems facing manufacturing workers aren't just in Roanoke or the U.S. China is starting to face the challenge of lower-cost competition too—from Vietnam and the Phillippines.

—Jaime Camelio, director, Center for Innovativebased Manufacturing at Virginia Tech



Neil Wilkin of Optical Cable: "U.S. manufacturing can be most successful in advanced manufacturing, and also in manufacturing products where proximity to the customer is essential."

# The manufacturing world according to Neil Wilkin >

Optical Cable Corporation, a Roanoke-based fiber optics manufacturer, has been quite the success story in recent years, following a period when bankruptcy didn't seem to be far away. The architect of that comeback has been CEO/Chairman of the Board and President Neil Wilkin. Wilkin was asked his assessment of the state of manufacturing in this region these days and here's what he had to say.

### 1. What are the primary impediments to manufacturing in this economy?

The primary impediments faced by manufacturers in today's economy are similar to those faced by other businesses: soft or uncertain demand for products, new federal laws and regulations, and tight capital markets.

Other longer term challenges for manufacturers continue to be: access to an adequate talent pool and international competition from companies in low cost labor markets.

First and foremost, manufacturers need demand for their products. While the economy is improving, individuals and businesses are still cautious about expenditures—making any business, including manufacturing, challenging in this economy.

I do believe the up and down cycles of the economy can be more difficult for manufacturers to navigate than for other businesses. As a manufacturer, we sit at the very beginning of the supply chain. When purchase demand changes, whether up or down, there often is a "bullwhip effect" experienced by manufacturers as demand for products works its way back through the supply chain to the manufacturer from the retail or end-user. Like a wave reaching the shore, the magnitude of demand swings is often more pronounced at the beginning of the supply chain.

Uncertainty created by new federal laws and regulations (whether adopted or proposed) has also been particularly challenging for manufacturers recently. Whether it is the new healthcare law or the expansion of regulations on publicly-traded companies, the government can impose significant additional costs on manufacturers. Those often occur without understanding the practical cost to the business and sometimes without apparent proportional benefits for the public, or the manufacturer's employees, shareholders or customers.

Further, the additional regulatory costs and uncertainty—coming at the same time as significant economic uncertainty—causes manufacturers (and their business customers) to slow spending on expansion and defer hiring new employees.

## 2. Where should the successes be coming and are they?

Manufacturing still is a vital part of the U.S. economy. I believe U.S. manufacturing can be most successful in advanced manufacturing, and also in manufacturing products where proximity to the customer is essential.



"I feel sorry for economic developers" in Roanoke.

—Tamea Woodward, president and CEO, East-West DyeCom Inc. Woodward, whose aluminum-coating products customers include original truck equipment manufacturers, doesn't see much future in government subsidies, notwithstanding the talk about job creation.

"Government can't create jobs, only businesses can do that," she says emphatically.

Government can impede, however. Woodward sought to expand from her 3,000-square-foot rented shop (\$1 million revenue) on Peters Creek Road in December 2009, when she bought a building in a Roanoke industrial park for the service side of her business, Global Metal Finishing Inc.

Advanced manufacturing often involves the integration of specialized technologies and know-how, and can involve the production of customizable products and the manufacture of precision products with high quality requirements. For such products, there is often a greater dependency on engineering and technical talent, and importantly, an advantage to having that talent located on site where the product is being manufactured. Often the dollar value of the product produced per labor hour is higher as well.

We can maintain a competitive advantage in manufacturing products that require creativity, innovation, and technological development. Highly standardized or commodity products with a high labor content are more suitable for lower cost labor markets.

As the U.S. economy has begun to improve, manufacturers are recovering in certain markets. At OCC, we began seeing improvement during the second half of fiscal 2010. And, I believe that overall trend will continue.

# 3. Why are we losing manufacturing jobs as a nation and is it as severe in this region as it is elsewhere? Why?

Manufacturing as a percentage of GDP has been decreasing in the U.S. in recent decades—and now stands in the mid-teens.

The manufacture of products requiring significant labor hours per dollar value of product produced, highly standardized and commoditized products, and products not requiring to be manufactured in close proximity to where they are used, continues to be at increased risk of being lost to countries with lower cost labor, such as India, China, and others.

However, there is more to it than simply labor costs

It has become a cliché, but the world really is flat. Increasingly, businesses (and even individuals) are competing with others from all over the world. The Internet and other communication tools

(made possible in large measure by fiber optics), and the increasing ease of worldwide travel and logistics, make it possible for manufacturers to assemble the most efficient mix of resources necessary to produce their products wherever in the world that may be.

Transportation costs for products, import duties and taxes, can also cause a manufacturer to locate close to where its products will be used.

Also noteworthy is that in the U.S. there seems to be fewer technically capable people interested in making manufacturing a career. It is just not thought to be as sexy as some other professions.

I don't know whether the Roanoke-Blacksburg region has been hit harder by a loss of manufacturing jobs than the nation as a whole. I am confident that the Roanoke-Blacksburg region has the ability to attract advance manufacturing jobs—particularly if we focus on continuing to develop the resources needed by advanced manufacturers: a technically educated workforce, adequate transportation systems, a high quality of life, and a pro-business environment (including regional cooperation).

# 4. How important is manufacturing to our basic economy?

I believe manufacturing is a core competence we need to maintain as a nation. It is of strategic importance. Those of us in advanced manufacturing understand that making products is not as simple as turning on a machine and having it produce quality products. There are significant technical capabilities that are developed, honed and renewed by continuing to manufacture products, improve those products and develop new products. Losing this hard earned knowledge and technological capabilities, and causing U.S. to be reliant on other countries to produce the products we need, would be as devastating to the U.S. as being dependent on other countries for any critical, strategic resource. It weakens U.S.

—Dan Smith

She hoped to open in mid-2010. Eight months later, she still had \$250,000 worth of new metal-coating equipment sitting idly on her plant floor as she tried to comply with city code. The details can be daunting. Consider: a new \$200 lock on an exterior door that she had decided to permanently seal. "Two hundred dollars for a new lock on a door that will never be used as an exit," she says in exasperation.

Bigger delays developed as the code inspector pointed out that Woodward would be storing and using drums of flammable sulfuric acid in the shop and great care would be needed. Still, the firewall must be able to prevent fire from crossing it for three hours. "There's a fire station right around the corner," says Woodward.





Dan Smith

Expansion delayed

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The poor business owner is doing what [she] should be, running the business.

—Rob Ledger, Roanoke City Economic Development Time hasn't recently been on the side of Woodward, a former watchmaker who discovered the craft of anodizing aluminum when she took a class in metal working. She started East West DyeCom in 1987 in her home with \$1,300 in capital.

East West's Alberto Martinez dries anodized parts.

That was a far less complicated time than today, when her expansion efforts are stalled. "I could have gone to Brazil and been up and running in six months with 20,000 square feet," she says.

Rob Ledger, manager of economic development for the City of Roanoke, expresses sympathy. "She's a model of the kind of entrepreneur we want," he says. Ledger says that in an effort to speed the permitting process for Woodward, he called a meeting a few months ago attended by the contractor she hired to refurbish her new building and the code inspector. "The poor business owner is doing what [she] should be, running the business," he says.

But Ledger's assistance wasn't enough. Well into the first quarter of 2011, Woodward's expansion wasn't ready and her production workers still labor in the rented building.

Not that permit requirements alone were slowing her down. Finding workers with the right training isn't a snap, either. For example, her efforts to hire a production manager for the expanded operation took 10 weeks. She retained a search firm that screened about 65 applicants and still had to settle for a skilled trainee.

# **Education lacking**

That's because technical schools in the region area, while offering a wide variety of industrial training courses, don't have the funds or faculty to specialize in some niches such as

# STORY



East West DyeCom's Jessica Worthington and Christian Garcia perform detail work.

Dan Smith

coating metal. For example, Virginia Western Community College's catalogue lists a wide variety of industrial specialties. They include such relatively broad-brush skills as welding and electrical wiring, but not metal coating, even though a production line job in the latter pays in the range of \$16 to \$19 an hour to those with six months or so of experience.

A broad spectrum of industry segments, from apparel to furniture to vehicle assembly to packaging, has been hit gradually and separately over decades. Some are near extinction in this country. Factory-killing fireballs have come in the form of lower wage scales in places like China, Mexico and Vietnam.

Gradually, as many of the bigger U.S. dinosaurs—those that made consumer products for customers by the millions disappeared, the manufacturing landscape has evolved into one populated mostly by small companies that supply other businesses. Many are like East West Dye or Steel Dynamics, whose customers are sometimes other subcontractors.

While the mission of helping small business generate jobs is a mantra of most politicians, the primary question is how to do so. Even prestigious institutions of higher learning, such as Virginia Tech, are relegated to beseeching the federal government for grant money to investigate hypothetical examples of improved industrial methods on the chance such research may lead to new jobs.

There is a law of behavior that says: "When you don't know what to do, you do what you know." We are accustomed to thinking about manufacturing. We know what those jobs look like and how they contribute to the economy. Therefore, in looking for economic development opportunities, it is natural to look towards manufacturing. Other kinds of jobs, such as knowledge creation, offer powerful economic rewards but are newer on our horizon. The Virginia Tech Carilion Research Institute is a great example of a success. As we gain experience, we will get better at conceptualizing and attracting, say, knowledge creation jobs. Our proximity to so many institutions of higher learning sets our area up for success.

—Dana C. Ackley, Ph.D. in psychology and president, EQ Leader Inc., Roanoke

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We have added several jobs over the past year and anticipate adding several more this year. Our hires have been production workers as well as engineers and managers.

—Victor Iannello, president and CEO of Synchrony Inc.



Victor lannello

Greg Vaughn Photography

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We must ensure that our youth are being prepared for the technical careers of the future. After a decade of youth constantly being told there is no future in manufacturing, certain skill sets are in danger of extinction.

—Beth Doughty, executive director, Roanoke Regional **Partnership** 

# Best hope: A solid economy

The best hope for manufacturers may not be in help from academia or congressional largesse, but in the old-fashioned ways of a healthy economy. For example, Volvo Trucks of America in Pulaski County, which has the largest heavy truck-making plant in North America, recalled 300 workers last September that were among more than 400 it laid off in 2009. Not that the recall restores Volvo Truck's total employment in Pulaski to anything like its former peak of about 3,000, reached in 2006. Today, it's about half of that.

There was no specialty strategy or new technical processes and procedures involved with the re-hirings. Instead, says Brandon Borgna, a Volvo Trucks spokesman, the added payroll represents "a gradual growth in market demand and the excellent experience our customers have been having with our engines."

At about the same time Volvo Trucks announced its callback of workers, the company said it agreed to contribute \$175,000 to the Virginia Tech-led research—which should raise the total funding to almost \$1.7 million. One aim of that project is to use environmentally-friendly technology in the quest for improved manufacturing methods.

The irony is that environmental standards are one measure by which Volvo Trucks is already a paragon of its industry, at least by its own description. "Volvo is delivering the cleanest trucks in the world and they're made right here in Dublin," says Borgna.

# COVER

Of course that research could still lead to the improvement of green methods in manufacturing by Volvo suppliers, among others, that will help make them and the truck company even more competitive.

# **Education** is vital

Collaboration among manufacturers and higher education is essential for the future of industrial America, says Victor lannello, president and chief executive officer of Salem-based Synchrony Inc. lannello, who holds a doctorate in engineering from the Massachusetts Institute of Technology, says cooperation between universities and manufacturers is the best way to generate "intellectual property," the new ideas that lead to product innovation and advances in plant efficiency. "This includes retraining alumni, licensing technology and cooperative research programs," he says.

And while lannello acknowledges that U.S. manufacturing has plenty of troubles, his company, which makes a range of products from magnetic bearings to custom automation systems, expects to expand soon. "We have added several jobs over the past year and anticipate adding more this year. Our hires have been production workers as well as engineers and managers."

Yet in the case of East West DyeCom, the solution that could have allowed Woodward to hire workers during recent months was simple. Shop Manager Lawhorn suggests that Roanoke building officials could have simply allowed her to open the expanded plant on a conditional basis while working on compliance.

If that had happened, he points out, East West Dyecom, with its new name, Global Metal Finishing, would have had twice as many workers for several months already. Woodward says. "I want to make sure my employees are safe. But there should be a faster path to getting there."

Joe Crawford says, "Some of the issues which need to be addressed to boost U.S. manufacturing back to its level of dominance are: reasonable environmental regulations which do not disadvantage domestic companies; the enforcement of existing trade laws; a massive infrastructure rebuilding effort; and a tax policy that encourages investment in the domestic economy."

"I think the ability to make things is fundamental to any economy," says Swede McBroom. "Both from a reliance and a skill standpoint, it is essential that we have a strong 'doing' to our society as a whole. We cannot continue as a service economy for long, and keep borrowing for our wants because we lack either the skill or the initiative for useful things."

(Editor Dan Smith contributed to this story.)

# STORY

The public and politicians love those announcements about a new factory, like an auto plant, with thousands of jobs. But there aren't many of those these days. What's more likely is more modest: A \$30 million investment in retooling a production line where there are just a few more workers who'll make higher wages.

—Brett Vassey, president and CEO, Virginia Manufacturers Association.



# Handshake: The ultimate greeting >

# Etiquette & Protocol

Kathleen Harvey Harshberger

### **Executive Summary:**

The venerable handshake is not only acceptable at a time when most touching isn't, but it is preferred.

Handshaking is considered to be the only acceptable form of touching in the professional world today. The ritual of hand shaking arose during the Roman Empire; not from courtesy, but from apprehension, because strangers were viewed with fear. To show nonbelligerent intentions towards an outsider, men displayed both palms. Then, because the left hand was considered evil, they grasped right hands. Thus the handshake was born.

Woman did not typically shake hands until the Edwardian era. Some might remember a time, when "the lady remains seated, and extends her hand to the gentlemen." While in the social arena an older woman may still offer her hand first, it is considered old etiquette.

Gender issues do not apply in the professional world. Today's businesswomen shake hands as often as the men, and the professional woman who does not stand and shake hands implies that she neither knows nor cares about the protocol. She gives away her professional power.

Some examples of handshakes and what they imply:

- A Correct Handshake: Smile, make eye contact, offer a firm grip with two or three strokes. This is a warm, genuine greeting and is acceptable worldwide.
- The Bone Crusher is an aggressive person who is insecure and trying to establish dominance.
- The Finger Tip Holder lacks self-confidence and wants to keep you at a distance.

# "Power To The People"

Wind turbines at the new William Fleming High School Stadium will generate a portion of the power required to run the stadium. When the turbines produce more power than the stadium uses, the excess power will flow backward through the meter into the APCO grid for use by other APCO customers. The Stadium's electric bill is in turn reduced by the amount of power returned to the APCO grid.

# Rife + Wood ARCHITECTS

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- The Dead Fish Shaker usually has a passive personality and very little self- esteem.
- The Gloved Handshake is a politician's, a minister's or a sympathy handshake. It's not appropriate in the professional world.

### At social business functions:

- Always be ready to initiate or receive a handshake.
- Keep your right hand free; don't carry anything in your right hand. Hold your glass in your left hand. You don't want to offer a cold, wet hand
- Shake from the elbow, not the wrist or shoulder.
- Two or three smooth pumps. Don't pump up and down.
- Avoid fragrance on your hands. Avoid large rings on the right hand; it can be painful if you encounter the Bone Crusher.

Although it is considered an insult to refuse to shake another's hand, some people (Donald Trump, for example) have a phobia about shaking hands. They are afraid of catching germs from others. If you have that concern, try to remember that almost everything you touch has been touched before by someone else—plates, glasses, cups, door handles, the list is endless. And think of all the hands that politicians shake.

What's their secret? In this modern day, it's anti-bacterial hand cleaner. W





# Remove those tags! >

Business Dress

By Kathy Surace

Executive Summary: Jobs are difficult to get. Look your best and use that as an advantage. We hear rumblings lately that more companies are hiring, and hopefully so, because students are preparing to graduate, scouring job fairs for jobs and internships.

Of course, the economy is still tight and competition is strong for the best jobs, so while they may have current skills and education, it's still important that they look their very best.

Jobseekers can give themselves an edge immediately by looking like the most professional candidate. Professional attire creates the impression that the candidate understands the profession, has a strong interest in working, and will hit the ground running. On the other hand, an unprofessional appearance creates doubt that the student is ready to do the job. This may not be true, but it requires effort to overcome a negative first impression.

Stuart Mease, director of undergraduate career services in the Pamplin College of Business at Virginia Tech, observes scores of students as they peruse job fairs and prepare for interviews.

Of appropriate attire, Mease says, "By and large our business students understand the importance of professional attire. However, at every fair there is a young man who has bought a new suit and has not cut the tags off the sleeves ... Also, the suit pieces do not match sometimes or they wear casual shoes with a suit. For females, [a common mistake is] wearing inappropriate clothing that is not professional."

Many colleges and universities in our region provide seminars and workshops for students where examples of professional attire are displayed. Guidelines for assembling a workplace wardrobe are provided so that all interested students have



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the right information about how to dress for their future career.

Employers rely on career services programs to put the finishing touches on the candidates they will eventually interview. However, human resources professionals often lament that many employees seem confused as to what business casual or professional attire really is.

Ragena Jordan, a human resources professional at the Western Virginia Water Authority, says, "We expect employees to learn what business casual attire means in school, but that is not always the case." Companies often must educate employees in proper workplace attire after they hire them.

Jobseekers who plan to take advantage of a recent increase in hiring should arrive for the interview looking like they could start the job right away. It will set them apart from the competition and, if their skills are solid, possibly seal the deal.



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# Workplace

Advice

By Anne Giles Clelland

**Executive Summary:** When the workers talk negatively about one of their own, what's the basis of the problem?

# Responsibility for morale >

Dear Getting a Grip: Our best salesperson—her sales are double those of second place—is an odd duck for a person in her field: she's a loner. This is causing quite a bit of resentment among other workers who see her as aloof and arrogant, which she is not. She is simply focused on what she does and has little room for anything else, including normal pleasantries. She is rarely in the office (a good thing), so there is no outward friction, but the other workers talk about her in disparaging terms. She is great for the bottom line, not so much for morale.

**Dear Bottom Line:** Don't you just love it when the top performer, the top producer or the rock star won't give us the time of day? Wouldn't it be nice if she were just nice? Acknowledged our existence? Valued us with her valuable self? Then we'd be valuable, too, right?

That's usually the cause of resentment in the workplace: It's not the way the rock star behaves that's the problem, but the way valuing is distributed by the company. Workers who feel valued for what they contribute may find the rock star's seeming snubs annoying, perhaps worth a gossiping session or two, but they're so engaged in their own work they don't have the time or motivation for more than passing interest.

Getting a Grip: When everyone's talking about someone else in a company, it's usually the company they really want to talk about. Every workplace has loners and clingers, rock stars and roadies, some more pleasant to work with than others. When each of their contributions is valued, they contribute generously to the bottom line. When a corporate culture tolerates disparaging remarks about any of its employees, it's time for that company to take a look in the mirror to see who's really responsible for low morale.

Need to start "Getting a Grip" on a personal problem at work? E-mail your question to grip@handshake20.com.

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# New rules on reporting >

### **Executive Summary:**

The federal bailout bill had some provisions that will affect ordinary investors and you need to know what they are.

### By Pete Krull

Most people know about the major provisions of the Emergency Economic Stabilization Act of 2008 (also known as the Bailout Bill,) especially the one authorizing the purchase of some \$700 billion in bad loans. At the same time, most investors do not know about a provision that hits closer to home: new cost basis reporting regulations.

In 2005, the IRS reported over \$11 billion dollars in underreported capital gains by taxpayers in their Tax Gap Study. The Government Accountability Office (GAO) estimates that 38 percent of individual taxpayers with securities transactions misreported their capital gains or losses in tax year 2001. Much of this is due to brokers not being required to keep and report this vital information to the IRS. With continued budget shortfalls, it's not surprising that we're seeing provisions such as this to help close the gap.

The new law took effect as of Jan. 1 and is being phased in over three years. Under the new legislation, brokers, banks and other financial services firms must report accurate adjusted cost basis information to both investors and the IRS for:

> Equities acquired on or after January 1, 2011

- Mutual fund and dividend reinvestment plan (DRiP) shares acquired on or after Jan. 1, 2012
- Financial instruments such as debt securities, options and private placements acquired on or after Jan. 1, 2013.

What's important to remember is that brokers are required to report cost basis on stocks purchased on or after Jan. 1 of this year. These are called "covered" securities. They are not obligated to report the cost basis on stock purchased before this date, which are called "uncovered" securities. You are still responsible for reporting the cost basis for all securities purchased before that date, even if your broker does not provide you with the cost basis amount.

The fines can be heavy for those caught fudging their cost basis information. As an individual investor, you are responsible for ensuring that the cost basis reported on your Schedule D form is correct, regardless of the cost basis provided by your broker.

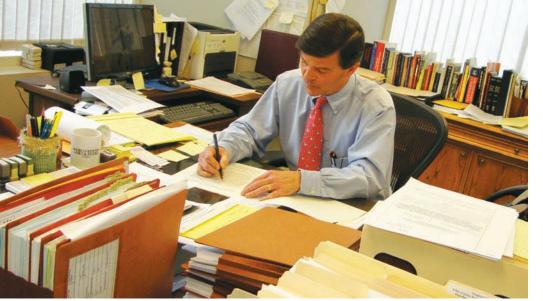
If the information is not correct, you may be subject to fines of up to \$1,000 for under reporting capital gains taxes and up to \$5,000 for willful disregard of the law or reckless conduct in reporting capital gains taxes.

Remember that this requirement only applies to taxable accounts. Your IRA, 401k and other retirement accounts are taxed differently when you make distributions, so cost basis information is not required.

The moral of the story is that disciplined, accurate recordkeeping is still important.



# Subscribe to the FRONT



Chip Magee: "The problem is that stuff happens."

Susan Avers

# Bankruptcies: Swinging in the economic wind >

### **Executive Summary:**

They're up a while, then they drop, then they soar again. What are we to make of this?

## By Susan M. Ayers

The swings in bankruptcy filings these days make a circus trapeze performer look stable.

The American Bankruptcy Institute says total bankruptcy filings in the U.S. increased 8 percent in 2010, moving to 1,593,081 from 1,473,675 in 2009.

The U.S. Bankruptcy Court for the Western District of Virginia says bankruptcies decreased 7 percent in 2010. Bankruptcy filings dropped from 9,595 in 2009 to 8,900 in 2010. That's effectively a 15 percent difference from the national numbers.

Chip Craig, Bankruptcy Clerk for the Western District of Virginia, is as puzzled as anybody else by the swings: "Bankruptcy filings in January and February were down. It was a huge drop-off and it really surprised me. The numbers for March are way back up."

There were 572 bankruptcy filings in January 2011 compared to 646 in January 2010, a decrease of 11.4 percent.

The 668 bankruptcy filings in February 2011

represented an increase from the previous month. But the number filings decreased by 7 percent over the 719 filings on record for the same month last year.

Approximately 70 percent of the bankruptcies filed in 2009, 2010 and February 2011 were filed under Chapter 7 of the Bankruptcy Code. In January 2011, 68 percent of all filings were Chapter 7. Chapter 7 can be filed by both individuals and businesses seeking "liquidation" bankruptcy, in which debts no longer require repayment.

"Credit reporting agencies prefer Chapter 7 because they can get [debtors] back in the economy sooner," says bankruptcy attorney Chip Magee of Magee Goldstein Laskey & Sayers in Roanoke. "If [debtors] make timely payments on the mortgage and car and wait one year from discharge, they can get a secured credit card, which in essence is a forced savings account. Then two or three years down the road, they may be able to get an unsecured credit card."

Magee worked closely with Wells Fargo regarding development of the secured credit card. Wells establishes the limit. "It's a great product for bank and consumer," says Magee.

The majority of the other bankruptcies were filed under Chapter 13 and they are "reorganization" bankruptcies that implement a payment plan for debts (usually a five-year plan in this area). Chapter 13, which is structured by the court, is available for individuals. The result from filing may be payment in full of some debts, partial payment of some

debts, and no payment for other debts.

"The real issue is that only 13-15 percent of those filing Chapter 13 make it through the five years," says Magee. "The problem is that stuff happens."

Most businesses file bankruptcies under Chapter 7. The majority of the remainder of business filings were filed under Chapter 11, which is available for business and consumer debt. Its purpose is to rehabilitate a business as a going concern or reorganize an individual's finances. The smallest number bankruptcies

was filed under Chapter 12, aimed at family farmers and fishermen.

The Western District is faring better than most of the rest of the country in bankruptcies. The Administrative Office of the U.S. Courts reports filings in 2010 rose in 73 of the 90 bankruptcy courts, remained steady in one court and fell in 16 courts.

Magee says, "We have a great mix of different services -technology, the railroad, construction, healthcare and it's the perfect opportunity to succeed."

# UNITED STATES BANKRUPTCY COURT WESTERN DISTRICT OF VIRGINIA

		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	2,210	20	4	812	3,046	
January - December 2010	Lynchburg:	2,245	15	0	1,481	3,741	
•	Harrisonburg:	1,806	5	0	302	2,113	
	Totals:	6,261	40	4	2,595	8,900	
		,			1555	15	
		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	2,452	20	1	850	3,323	
January - December 2009	Lynchburg:	2,403	8	1	1,753	4,165	
ŕ	Harrisonburg:	1,862	10	1	234	2,107	
	Totals:	6,717	38	3	2,837	9,595	
					, 3,	31333	
		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	136	2	cp.c	50	188	
January 2011	Lynchburg:	161	2		113	276	
5unoury 2022	Harrisonburg:	93	1		14	108	
	Totals:	390	5		177	572	
	rotais.	390	5		1//	5/2	
		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	168			53	221	
January 2010	Lynchburg:	143	1		124	268	
5uou.y 2020	Harrisonburg:	130	1		26	157	
	Totals:	441	2		203	646	
		44-					
		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	161	1	•	73	235	
February 2011	Lynchburg:	179	3		108	285	
	Harrisonburg:	126	3		22	148	
	Totals:	466	4		198	668	
		7	7		-5-		
		Chapter 7	Chapter 11	Chapter 12	Chapter 13	Totals	
Filings for Period:	Roanoke:	195	2		59	256	
February 2010	Lynchburg:	196			118	314	
	Harrisonburg:	127	1		21	149	
	Totals:	518	3		198	719	



Sherita Simpson: "They knew what I wanted in my career and helped me with it. They listened."

Susan Ayers

# A focus on law >

### **Executive Summary:**

Sherita Simpson of Gentry Locke knew what she wanted from the beginning and now she has it.

## By Susan M. Ayers

Most college students don't know what they want in terms of a career. But Sherita Simpson, an associate with Gentry Locke Rakes & Moore in Roanoke, decided when she was a freshman in high school that she wanted to be a lawyer. She never wavered.

The decision to practice law came about after Simpson played the role of an attorney in a mock trial while enrolled in a civil economics class. Every year the trial was about the same custody case involving three boys. Every year, custody of the youngest boy was awarded to the mother. Until Simpson argued the case. Her closing arguments were persuasive to the extent that custody of all three boys was awarded to the father.

Simpson says, "From that point forward, every step I took was working toward being an attorney. I have always had either a professional mentor or a spiritual mentor. I try to ensure that everything I do is purposefully done."

A native of LaGrange, Ga., she received her undergraduate degree cum laude from Georgia Southwestern State University in 2006. Simpson majored in political science and minored in sociology.

Simpson is an artist who enjoys sketching and etching. "I express my emotions through art," she says. "Being an attorney and planning a wedding are keeping me busy so I don't have time for art anymore." Her artwork has been on exhibit at the Capital Building in Atlanta.

Her first year of law school at West Virginia University taught her that she didn't want to be a criminal lawyer. She was drawn toward employment law. "I don't know why," she says. "I just knew it was what I wanted to do." She was an intern with a law firm in West Virginia at the time.

Simpson interned with Gentry Locke the summer after her second year in law school and found that "talking with them was so natural. I had this feeling I'd never had with previous interviewers ... They knew what I wanted in my career and helped me with it. They listened."

That summer, she worked with every partner at Gentry Locke who specialized in labor and employment law. There were a lot of outside activities and Simpson dreamed up a football game as a West End Center fundraiser that included staff from different law firms.

Simpson graduated from WVU College of Law in 2009 and joined Gentry Locke. Her first year as an associate included conducting research that would be helpful to the client in



some way and drafting opinions about complaints and discovery.

"At the beginning of my second year, I was assigned my first case," she says. "One of the partners walked me through the case and mentored me. The day before I was scheduled to appear before the judge for the bench trial, I was a little nervous. But the day of the trial, when the judge called the case, I was ready to go and I won."

Simpson works on more complex cases with other lawyers and she researches small cases. She concentrates on labor and employment law, but handles a few personal injury cases.

"I continue training here and I'm happy about it. The amount of support is tremendous and the firm is big on continuing education, which helps me achieve my goals. Work is not a means to an end. I want to do it. I'm living my childhood dream."

# In Brief

Names: Sherita D. Simpson

Age: 26

Company: Gentry Locke Rakes & Moore

Type of Law Firm

**Business:** 

Location: Roanoke

**Background:** Alternative Dispute Resolution

Society 2008-2009; Black Law Student Association 2008-2009: Virginia State Bar Southern Virginia Minority Pre-Law Conference 2010: Ted Dalton Inns of Court Executive Committee 2010-2011: Girl Scouts of Skyline Virginia; Roanoke Area Ministries. Recipient of the W.E.B. Du Bois Fellowship Award From West Virginia University. Engaged to Delvin Wallace, an engineer.

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# bankruptcy & creditors' rights

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Nancy Agee: "I am an implementer."

Dan Smith

# Finding a way >

# **Executive Summary:**

Nancy Agee brings a lot to the table at Carilion Clinic, the region's largest health care organization. A lot of it, you may not know.

### By Dan Smith

There are a few things you might not know about new Carilion CEO Nancy Howell Agee.

- The first child of teenage parents, she grew up poor in the Virginia Heights section of Roanoke. At one point, the two parents and three children lived in four rooms.
- She spent two of her mid-teen years either on crutches or in a wheelchair because of five surgeries for a bone tumor on her leg.
- She decided on a health care career at the age of 5. She also determined then that she would always have a pet. Her dog's name is Henry.

- She is a voracious reader and has been since she was a child.
- She can neither sing nor dance, but she twirls a mean baton.
- She is 58 years old, which makes her a good bit older than Ed Murphy, whom she replaces as CEO. Almost nobody would have guessed her to be older.
- · Her only child, Zach, was born in Roanoke Memorial.
- Quote: "I am an implementer."
- Quote 2: "At the end of the day, this is a lonely job. That definitely gave me pause" when the CEO position was offered.

Nancy's grandmother, a huge influence on her ("She felt women could and should do things. It was never if; it was when"), was manager of the downtown Roanoke A&P during World War II, but had to give that job up with World War II ended and the boys came home—to their old jobs. Her dad and gramdma worked for old

Roanoke grocer Mick-or-Mack for years.

She went to nursing school at Roanoke Memorial Hospital (part of the Carilion system), then to UVa and Emory University, combining scholarships, grants and a lot of work to get her degrees. "I borrowed a little from the government," she says, almost embarrassed. She strongly supports small government.

Her husband Steve, a federal judge and former state senator, was railroaded out of a potential nomination by the Gilmore machine in the Republican gubernatorial primary a few years ago in what many saw as an example of the lowest level of politics. No signs of bitterness linger. She and Steve remain loyal Republicans.

She helped establish Roanoke's first hospice and wrote the first National Institutes of Health grant for cancer work. (A headline in the old Roanoke World-News sang, "Comely nurse fights cancer death fears." At a time of more intense sexism, that meant she was pretty, but also had a brain.)

Her father died during the flood of 1985 while in Roanoke Memorial on one of the upper floors.

Nancy Agee is getting a lot of questions about policy these days and she patiently, authoritatively and dutifully answers them. Yes, she says, her goal is to continue

the recent trend of getting patients involved in their own wellness—"creating an empowering environment"—being transparent, and understanding that "if a patient comes to the hospital with a chronic illness, that is a failure." The success would be "everybody working together" to avoid preventable chronic illness. The "troubling issues," she says, ralate to chronic problems, preventive care and wellness."

She insists that "we have good medical care; what we need is health care." That would be total health, the kind that helps prevent the need for medical care.

If you ask her about a hospital maintenance worker named Bucky, though, she lights up and proceeds with a spellbinding story of a guy who sings "with the voice of an angel." She has a lot of stories about people like Bucky who work for Carilion. She knows the workers, their families, their challenges and she cares deeply about them. You see it in her eyes first. You hear it in your voice. You are told about the small, anonymous courtesies that are a constant for her.

Now she's in charge of it all the weight of all that is before her is not lost on her. The culture change, though, is what she's most concerned by. "It's something we have to find a way to do," she says.

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Janeson Keeley

# netFRONT

# E-commerce: Open 24/7 >

## **Executive Summary:**

Here are some suggestions from the expert class—the ones who own their own e-businesses.

## By Janeson Keeley

According to Forrester's Online Retail Forecast for 2010-2015, e-commerce sales grew 12.6 percent in 2011. The increase was from \$157 billion to \$176 billion, and the projection is \$279 billion by 2015. According to Customer Collective, "People are becoming familiar and friendly with the idea of buying online, saving time and money."

Five local e-commerce site owners offer the following tips on how to develop a successful and profitable on-line business.

Sell a unique product. "If you have a product that people want, you can be successful," says Shaun Stewart of Slingshot Cycles. Stewart operates www.slingshot-cycles.com, where he offers custom-made performance brake hoses for motorcycles.

## Know and interact with your customers.

"For many high-end products, where the market is specialized and distributed, you can approach your market at the grass roots level through social networking and online forums. There you can find out and tap into the buzz from key nodes in the social network. You can gain a reputation for quality information and authority and become one of those nodes in the social network," recommends Dan Dunlap, owner of Rocket Music (www.rocketmusic.net).

This approach helped make Rocket Music, which specializes in high-end guitar and bass gear made in the U.S., the number one John Suhr quitar dealer in the U.S. in 2010.



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# TECH/INDUS

Become an expert. Based in Roanoke, ShopFoodEx is an online grocery service offering 11,000 items for sale through its Web site (www.shopfoodex.com), with nationwide delivery via UPS and USPS. In 2009 it was named one of the top 10 grocery delivery companies in the world. Greg Land, founder, has this advice for anyone starting a business: "Go into it with sheer passion. Study the business and become an expert in your field."

Test and refine your marketing efforts. Ron Knuppel, owner of Hazard Communications Specialists (www.hazardcorp.com), sells products that aid companies in meeting OSHA, EPA, and Department of Transportation regulatory requirements. He suggests that e-commerce business owners "closely monitor [their] advertising results compared to costs on a regular basis. E-commerce allows competition to affect your sales in a

matter of seconds, so on-going monitoring of ads/costs is extremely important."

Focus on customer service. Judy Mick, owner of JJM Marketing, sells American-made RADA cutlery and college jewelry and gift items through her eBay store (www.jjm-marketing.com). Her motto? "I want to treat my customers the way that I want to be treated as a customer." For her this means keeping inventory on hand and shipping within 24 hours of receiving an order. She explains, "I don't use drop shippers because I don't trust other people who may not have the work ethic that I have with my customers."

In other words, running a successful e-business is very similar to running any type of business. It's just that it's open 24/7 to anyone with an Internet connection.



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Natural Woodworking's Swede McBroom: "The language will be spoken at the table.

# Spiritual artistry from Floyd >

## **Executive Summary:**

The Natural Woodworking Company recently completed an unusual order for a Native American tribe that blends many of the company's specialties into a spectacular piece of art.

# By Dan Smith

The order from the Menominee Native Indian tribe in Wisconsin had all the elements. It required a high level of craft, specific home-grown products, a spiritual commitment, an artistic bent. It returned both great satisfaction and a nice profit. It was one of those pieces an artisan photographs and puts up in his shop or features on his Web page.

Swede McBroom knows about those pieces, but this one occupies its own level.

McBroom owns The Natural Woodworking Company, a shop in Floyd that makes furniture, doors and other wood fixtures for homes. He cuts wood in his own stand of trees, hauls them out with draft horses, mills them, then forms them into what many consider to be pieces of functional artwork. His work has gained regional fame for its artistry and its overall quality.

The Menominee piece required a sizeable amount of expensive black walnut and a high level of craftsmanship in shaping a council table with considerable political and spiritual impact with the tribe.

McBroom explains the genesis of the project thusly: "In 1998, I helped found Model Forest Policy Program [and through it] I came to know the people at the Pioneer Forest in southern Missouri, 160,000 acres of sustainably managed hardwood forest, whose work we used as a shining example of good management. In 2008, the people at Pioneer Forest were invited to visit the Menominee Reservation to see their operation there, the oldest sustainable forestry operation in the world. I ... spent two days on the reservation, touring logging sites, the sawmill and the logging museum.

"We learned that the Menominees were in the process of building a cultural museum to





Natural Woodworking's tools.

house Menominee artifacts and sacred items that had been scattered across the country over the last 200 years and that they needed a council table as part of that mission. I said I could do that and spent additional time ... on the reservation, researching symbols and sacred images to go into the design of that table. They said, 'The language will be spoken at that table, you know."

The eight-foot diameter table, which comes in separate framed panels in arrow point shapes (and is shipped that way) represents the Five Clans of the Menominee tribe, which is located in the Michigan Upper Peninsula on 250,000 acres of timberland. The price tag "for a similar piece would be \$25,000," says McBroom. "They did not pay that much."

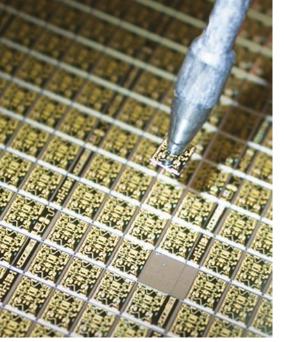
McBroom, who opened the small shop in

2007, is a Navy veteran (surgical scrub nurse) and former pre-med student ("I didn't want to work in hospitals for the rest of my life") who moved to Scotland in 1975 and learned furniture making while there. He settled in Floyd in 1984 and began making furniture (Hollins Univeristy and Roanoke College board rooms are examples of that work) "and raising children."

He established The Natural Woodworking Company "doing made-to-order furniture, entry doors and cutting, drying and selling Draftwood Appalachian hardwoods - drafthorse logged and solar kilned."

The care and craftsmanship exercised by the company over the years has evolved into a level of art that many—including the Menominee—admire.





Tiny vacuum chucks pick up the finished MMIC chips and move them to the packaging station.

Cobham

# Work Spaces

# A space that works >

### **Executive Summary:**

Cobham was faced with a dilemma, two of whose options were closing and moving. Neither would do.

# By Michael Miller

For those who thought the obituary of the ITT Electro-Optics Division was written long ago, might consider Cobham. It is the last remnant of the operation that put Roanoke on the Technology Map during the 1980s.

The company, which began life as the GaAsTek division of ITT, manufactures specialty integrated circuits, called MMICs, used mostly in military radar, communications and electronic warfare systems. The technology grew out of a Defense Advanced Research Projects Agency (DARPA) program in the 1980s, and was captive to ITT for many years.

When the ITT business focus changed in 2000, the GaAsTek subsidiary was sold off, although the lease on the manufacturing facility near Hollins was still in force. After a series of mergers and acquisitions left Cobham, a UK-based defense contractor, as the owner, it was discovered the lease could not be assigned. Since ITT needed the space for its expansion in Roanoke, Cobham Sensor Systems became a high tech manufacturer in search of a home.

Ken Conklin, who took over the Hollins facility as general manager in 2005, was faced with a crisis. "We were given three options," he says. "We could either shut down the division, transfer the work to Cobham facility in another state, or find a new space in this area." The space he needed was sitting on the hill in the Blacksburg Industrial Park.

In the high-tech heyday of the late 1990s, prior to the dotcom bubble burst, Montgomery County envisioned Virginia Tech as a magnet



Cobham exterior



Terry Reed checks the thickness of a film on a wafer of MMIC chips.

DEVELOP

that would inevitably draw a major technology manufacturing company to the area. In 2001 the county developed the last remaining large pad in the Blacksburg Industrial Park with a shell building.

For a while, economic realities made that optimism appear misquided, but eventually the facility was leased and developed by a succession of companies into a technology showcase. And that vision turned out to be the salvation of Cobham Sensor Systems.

Michael Miller Ken Conklin, General Manager, standing in

the anteroom of the clean manufacturing area, where employees don their bunny suits before going to work.

A 50,000 square foot portion of the original 110,000 square foot facility had just become available, and it already included much of the manufacturing equipment needed for the Cobham product line. In particular, it contained an 11,000 square foot clean room, an expensive necessity of the MMIC manufacturing process.

"We were fortunate to find such a space," says Conklin. "Building a new clean room and then moving and recertifying our production line would have been prohibitively expensive."

The additional clean room space allows room for future product line expansion. The space is oriented for manufacturing rather than research. The Ninety percent of the 55 employees live in Roanoke and

must make a 35-minute commute.

The building features simple lines with office areas and hallways decorated by customer logos. The production areas are kept ultra-clean by special air filtration.

The exterior features a clean, high-tech profile; a dazzling white superstructure dominating the south entrance to the town and visible from Interstate 81 in Christiansburg. A large and inviting break room with floor-to-ceiling windows looks out over the Ellett Valley vista, as does the adjoining landscaped patio where employees can lunch on sunny Blacksburg days.

On a clear day, they can almost see Roanoke from their new offices.





Light and airy, the windowed wall looks out over a landscaped patio and the vista across Ellett Valley toward Roanoke.



Aaron Forrester and Jeremy Pegg of Enigma Photography in Radford.

# Shooting reality >

### **Executive Summary:**

The two tall guys at Enigma Photography in Radford shoot weddings as they appear in real life.

### By Michael Miller

"Blend in. Know your subjects. Wait for the defining moment."

That's how to distinguish yourself in the crowded world of wedding photography, according to Jeremy Pegg, who, with Aaron Forrester, founded Enigma Photography in Radford in 2004.

Simple ceremonies in private homes, neighborhood churches and sometimes even visits to a magistrate once dominated, but today wedding planning has become a significant economic activity even in small communities. Whether a couple plans a high-society extravaganza or a quiet moment among friends, one element of the occasion is common: the photographer.

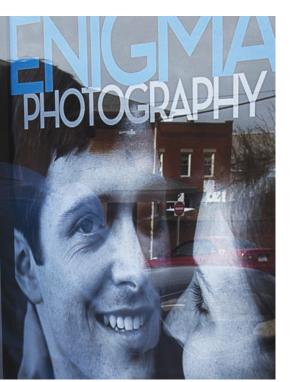
Professional photographers have seen their business eroded by an infestation of shutterbugs, and often must struggle to be seen above the crowd. The advent of high-quality, affordable digital cameras has created a class of amateurs who can ply their "trade" without the benefit of training or skill. Today, a bride searching for a wedding photographer is deluged with options, with no way to distinguish between amateurs and artists.

That's the space where Enigma Photography operates. These guys don't do snapshots; they capture moments. And from the testimonials of their happy customers, they must be doing something right.

Both are transplants from Oregon, who never meant to stay in the area, but found the charm of Radford appealing once they acclimated to it. They discussed setting up the business in Blacksburg, but decided that the slightly slower pace and small town feel of Radford suited their personalities better.

"When I first came here, I thought 'What have I done?" says Forrester. "I was used to a Starbucks on every corner, and here I couldn't even get a decent cup of coffee." But later, they both decided this was a great place to live and work.

They occupy about 800 square feet in the redeveloped Hudson Building on Third



Michael Miller

Street, which was once the site of a car dealership and then a furniture store, but now houses the River City Grill and a suite of offices. They don't actually have a "studio," since they normally shoot outdoors or on location, using existing light as much as possible to create a natural, informal feel even to their posed shots.

That natural, journalistic approach is exactly how they separate themselves from other wedding photographers. They typically show up at the rehearsal so they can get to know the couple and others in the wedding party. This allows them to establish a low-key,

# R E T A I L F R O N T

friendly atmosphere that helps reduce stress for the bride. At the same time, it helps them to know the subjects so they can anticipate activity during the festivities, where there is often only one chance to create that special memory.

"Our philosophy is to capture the defining moment," says Forrester. "We need to anticipate their actions so we can be in the right place to capture it."

They also have to blend in and become invisible, a talent at which the 6-foot-7-inch Forrester and 6-foot-4-inch Pegg are so proficient that often the bride will ask them where they were during the ceremony, and did they get any photos.

Pegg and Forrester shoot about 45 weddings a year, but would like to double that number. They generally work locally, but sometimes will be called to Richmond and other more metropolitan areas in northern Virginia. Their popularity, partially due to their relatively moderate pricing scheme but mostly due to their easygoing, fun personalities and beautiful, unretouched work, resulted in awards in 2010 and 2011 as the best of the mid-Atlantic region in The Knot magazine. The Knot's awards are given based on ratings provided by customers.

Forester says the philosophy is, "Do what you say you are going to do. Give them more than you promised. Always leave them happy."





Sue VanHousen: "We're seeing patients with more meds, more co-morbidities, and we're having to react."

# Change junkie and acute care for oldtimers >

#### **Executive Summay:**

Rehabilitation facilities are seeing far sicker patients and reacting by increasing the level of care and services provided.

By Alison Weaver

"I love change," says Sue VanHousen. "You've got to be ready to change and develop."

VanHousen's latest career change has brought her back to Roanoke as administrator of the 373-bed health and rehabilitation center at Friendship Retirement Community, the largest continuing care retirement community in Virginia.

VanHousen was living in Roanoke but commuting to Carrington Place of Wytheville when she saw an online posting for the position at Friendship. "This is the premiere job for a nursing home administrator," she says. "I knew the competition would be fierce. I was thrilled when I got the position."

VanHousen started her new job in January, in the midst of an extensive renovation at the four-floor facility which sometimes has only five beds open. "I'm still trying to catch my breath," she says.

She speculates that her nursing degree and experience as an acute care nurse, combined with her certification in nursing home administration, tipped the scale in her favor. "Being a nurse was a definite plus. We're moving more toward a medical model in rehab settings," she says.

Recent changes in Medicare/Medicaid reimbursement have led to a 20 percent increase in Friendship's rehab admissions in the past year. Where patients used to stay in the hospital for seven or eight days after a major surgery such as hip replacement, now they're being



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discharged on the third or fourth day.

"We're seeing patients with more meds, more co-morbidities, and we're having to react," VanHousen says. "We're just a step down from acute care."

Although patients arrive much sicker, about 60 percent get discharged home. "Everyone who's admitted, we treat them like it's going to be short-term. The mind-set has changed," VanHousen says. "From a nursing perspective, it's very exciting for me."

In addition to the rehab center, Friendship provides independent living, assisted living, hospice, skilled and long-term care, and home care. About 1,000 residents live on the sprawling campus.

"I've always worked for nursing home chains," VanHousen says. "This is a chain under one roof. We have it all and many people don't realize it."

#### In Brief

Names: Sue VanHousen, RN, LNHA

Friendship Retirement Company:

Community

Location: Roanoke

Title: Administrator, Health and

Rehab Center

Background: Two daughters, ages 19 and

22; two grandchildren

**Business** "If you're truly providing good Philosophy: customer service, people will

come back."

A native of upstate New York, VanHousen's career has taken her to Pennsylvania, Tennessee and numerous sites in Virginia. "I've moved around quite a bit. My daughters were in so many different schools," she says. "But I told them recently, if it got me here, it's been worth it."

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and much more (of course; hence, the name)



The mall entrance at Miller-Motte is as eye-catching as most of the stores.

Susan Ayers

#### Shortcut to the mall >

#### **Executive Summay:**

Tanglewood Mall has a new tenant that is drawing a lot of students. And it isn't a store.

#### By Susan Ayers

Miller-Motte Technical College (MMTC) moved into the former Goody's space on the top level of Tanglewood Mall recently, creating something of an interesting dynamic for its students. The school will ultimately use spaces previously occupied by Hayden Music and Crystal Cottage on the lower level, giving it 27,866 square feet of classrooms, labs, student lounge and offices.

Campus Director Danielle Apple says, "Normally, malls won't let you in. The mall needed tenants and relaxed its standards and brought us in. We do have a retail component" in the curriculum. Miller-Motte also brings in an age group malls often covet.

Other tenants at Tanglewood have welcomed the college. "We're more community based

and the college enhances that more," says Sharon Robb, Owner of Kim's 707. "In a business sense, it's good because we get more traffic in the mall."

"I've met several people over there including the campus director," says Tonia Williams, Store Manager at Belk. "They've been doing a good job at networking with us."

MMTC is accredited by the Accrediting Council for Independent Colleges and Schools and was originally formed in Wilmington, N.C., in 1916. The college has 16 campuses in Tennessee, North Carolina, South Carolina, Georgia and Virginia.

The winter quarter for the Roanoke campus began Jan. 19 and there was a later start Feb. 28. Students beginning classes at what is termed "mid-start" had to catch up on class material covered since the beginning of the winter quarter.

MMTC offers nine diploma and associate degree programs including cosmetology, massage therapy and medical billing and coding to its 120 students.

MMTC's goal involves helping students to



William Austin teaches his Miller-Motte class.

develop a professional attitude and awareness of contemporary business and technical practices through exposure to theoretical and hands-on knowledge and skills.

The college provides a support system that recognizes the individual needs of each student and employs instructors who are effective in the classroom and are familiar with current business and technical trends.

An enrollment of up to 700 students is eventually anticipated. Apple says Miller-Motte plans to keep student/teacher ratios small and 700 is a maximum.

"I love the school. It's been a great experience with small classes," says student Pervis Harris. "I've learned a lot quickly here," He is trained in physical therapy and is studying massage therapy.

Classes are held Monday-Thursday 8 a.m.

to 2 p.m. and 6-10 p.m. Flexible schedules allow students to fit education into their personal schedules.

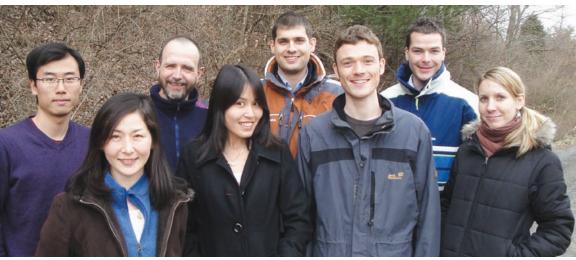
Apple says, "Most of MMTC's students come from challenging situations. They need more individual attention. We go out of our way to create a family environment. The schedule is pretty rigorous, but that's what the students want. They want to improve their lives and get on with their careers."

Because of the difficulties faced by many of the students, the college is serious about job placement, says Apple. Workplace needs are monitored regularly in order to be responsive with career training that will match those needs, Apple says.

"Employers tell us that when they receive a MMTC graduate that they are well groomed and trained to be successful," says Apple.



Betty Dagenhart interacts with her students.



The LeanTeam, a group portrait.

## From students, practical solutions for industry >

#### **Executive Summay:**

The LeanTeam at Virginia Tech is involved in a lot more than theory.

#### By Rachael Garrity

Assume you're attending a meeting at The Inn at Virginia Tech, and in the corridor you overhear two students talking. They're animated, eager, using words like "collaborative," "volunteer," "self-directed," and "student-driven."

Once you've moved out of earshot, you begin to wonder. New age? Pseudo or even real socialist organization? Students organizing to make their point?

If you've just overheard members of Tech's LeanTeam, think again. According to Urs Buehlmann, associate professor of wood science and forest products, the focus is on a simple, but transformative concept: to identify what is of value to a customer and eliminate any part of a process or business practice that does not provide that value. The LeanTeam allows students to learn and apply lean concepts in a setting that replicates con.ditions at work and teaches them to manage the organization

Buehlmann worked with graduate students Christian Fricke and Mathias Schmitt to set up the LeanTeam.

LeanTeam students, all volunteers, meet every Mondays 9 a.m. -noon. They operate under the aegis of the Department of Wood Sciences and Forest Products, with Buehlmann and Laszlo Horvath, assistant professor of practice, providing support. The team members generate their own financial support through staging training programs and seminars.

When they work on-site with a specific business, they receive only travel expense. Two of them serve as the management team for the group; four others are responsible for marketing, finance, operations and product development. Students recruit and select new team members, from undergraduate and graduate students studying in any field.

Buehlmann says: "We want to make sure they have the freedom to do what the students consider important and what they do quite often far exceeds any expectation we might have had."

A case in point is a project completed last spring with the Swan Corporation in St. Louis, which resulted in a 90 percent improvement in production lead time for the producer of solid surfaces for the kitchen and bath industry.

Founders Christian Fricke and Mathias Schmitt are involved in articulating the concept practically, Fricke as an applications engineer at Kollmorgen in Radford and Schmitt in graduate work on an MBA at Radford University and a Ph.D. at Tech. His dissertation will focus on lean leadership in hospital settings.

Adrienn Andersch, a second-year Ph.D. student in wood science and says she heard little about the concept before arriving in the United States from her home in Europe. In her marketing role, she worked on the development of a mission statement which, unlike all too many of such statements, is as practical as it is visionary:

- We create value for organizations, students, and faculties through knowledge and experience exchange.
- We achieve excellence through continuous improvement and people development.
- · We respect people, loyalty, and the spirit of a student driven, faculty supported organization.

Angela Zhou, a native of China, became interested in the LeanTeam when she changed her major from science to business. She says, "This is not just knowledge, it's practical application of a theory in a setting that creates real productivity - and it's fun."

Chao Wang, also from China and in charge of operations for the team, says, "We come from different backgrounds, different



Two of the LeanTeam students work on a problem together.

cultures, but we share ideas and are free to argue. Ultimately [we] find a way to learn and apply what we know so that there is long-term payout for businesses."

Akiko Nakata, from Japan, says, "This has totally exceeded my expectations," she explains. "It is truly business-oriented and focused."

Horvath sees great potential as the LeanTeam develops the other arm of the Tech organizational model. It is called the "LeanClub" and is an arena through which different companies can exchange ideas. "In many ways this is common sense," he says, "but it is important when a corporate leader says, 'Oh, yes! I should have seen that before."

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Canoe at McCoy Falls on the New River.

# The economy flows swiftly in Giles County >

#### **Executive Summay:**

The New River provides an economic lifeline to counties like Giles in Virginia because it creates a recreational heaven.

#### By Becky Hepler

The New River, always a source of food, water and transportation, is now a force for economic development in Giles County. The tiny hamlet of Pembroke harbors a raft—so to speak—of companies devoted to water recreation as well as ancillary businesses that play a supporting role to all this fun.

Pembroke's location as the nexus of all this fun makes perfect sense. John Copeland, aquatics biologist for the Virginia Department of Game and Inland Fisheries quoted a study that showed the 37-mile section of the New River flowing within Giles County is the most

heavily fished river in the state and in fact, the New River produces more trophy smallmouth bass than any other river in Virginia.

More importantly, the money generated by these recreational activities is not to be scoffed. Copeland says his research showed direct expenditures by people fishing the New River in Giles County of \$114,056 in 2002 and \$458.244 in 2007. While Copeland has collected the data

for 2010, it hasn't been aggregated yet, but it's trending to even higher levels of direct expenditures.

Splitting the Pembroke section of that pie are five businesses that, while linked by their love of the river, are as different as their size and markets served. New River Canoe Livery has been in business the longest. Started by Neal Tuggle in the 1970s, Dave Vincenzi took over and has been running the operation for the last 30-some years. His is strictly boat rental and shuttle service, though he will make suggestions to tailor the trip to a client's needs and abilities.

Tom Maynard, of New River Angler, wanted an even more stripped down operation. One boat, enough tackle for two anglers, lunch and his services as a guide are what he offers for a day of float fishing on the trophy waters of the New. "I'm a niche player," he says.

For Paul Moody, opening New River's Edge was a second career after retirement as a machinist and a chance to share a place and activities that he loves and maybe from that, spread the word about protecting natural





Beautiful New River views draw visitors from all over the country.

resources. He has a cabin on the river he rents to families or medium-sized groups, complete with lots of water toys like canoes, kayaks and tubes. He will also provide quided boating and fishing tours.

The New River Outdoor Company offers boat rentals, cabin rentals, guided fishing tours and even log home sales. Britt and Leigh Stoudenmire moved up from Charleston, S.C., learning of the area when Britt was an undergraduate at Virginia Tech. The final project for his MBA from The Citadel was the business plan, market research and analysis and marketing plans for this business.

The local universities are a prime market for New River Outdoors. On big college weekends, the Stoudenmires do a good business in cabin rental. In the summer, they are seeing an uptick in business from parents delivering children to camps. Instead of making two trips, the parents decide to stay in the area

#### Contacts >

#### **New River Angler**

Tom Maynard, 540-921-4407 www.newriverangler.com

#### New River Canoe Livery Service,

Dave Vincenzi, 540-626-7189 (phone) 540-599-2597 (cell) www.newrivercanoelivery.com

#### New River's Edge

Paul Moody, 540-599-8382 www.newriversedge.com/index.html

#### **New River Outdoor Company**

Britt and Leigh Stoudenmire, 540-921-7438 www.icanoethenew.com

www.icanoctriciiew.cor

#### **Tangent Outfitters**

Shawn Hash, 540-626-4567 www.newrivertrail.com

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Rafting is a popular activity on the new

and have a little vacation for themselves.

Shawn Hash originated Tangent Outfitters in Radford, thinking his business would be people biking and boating along the New River Trail, but the boating won out and he was tired of commuting between Radford and Giles County. Today, there are still a few bikes in the Pembroke store, but mostly Tangent is known for its solid business of canoe rental and shuttles service, guided fishing as well as the unique and offbeat trips, such as the History Bike Tour on the Colonial Parkway

through Williamsburg, the standing paddleboard tours, and Cast -N-Blast, bird hunting and fishing on the same trip.

Some would wonder if this is too much pressure on the river, and certainly Vincenzi and Maynard believe the river is more crowded these days. "Everyone says we need to market the area and our businesses, but I think Mother Nature does a great job of selling this area," says Hash. "What we need to do is be sure our plan for growth is sustainable."



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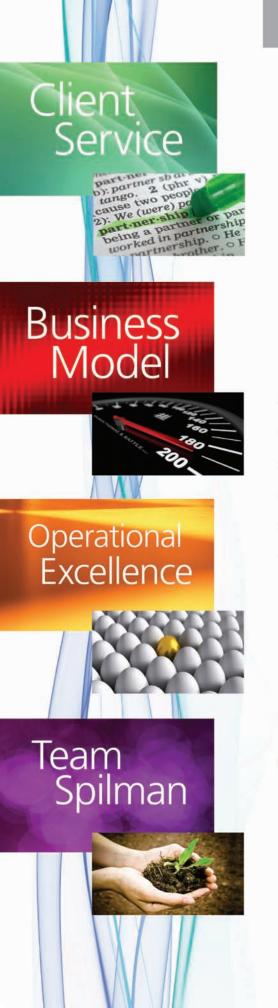


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Attorney Responsible For This Message: Webster Day

# Still smelling like a rose >

# My View

By Dan Smith Editor

BLOG: [fromtheeditr.blogspot.com

**Excutive Summary:** Sometimes leaving a job—even when the leaving is less than pleasant—is best for everybody.

Lora Katz was in a pickle. She'd been running the Roanoke office of regional architectural firm Clark-Nexsen for nearly two years and knew the job was not for her. Clark-Nexsen's upper-level execs knew it too. In this economy, though, losing a lucrative gig is not something to invite.

Clark-Nexsen did the inviting. Or the de-inviting, as it turned out. On the street was not where one of Roanoke's most respected architects wanted to be right now, but she understood the problem. She was running an office, not designing buildings and neither she nor her employer was thrilled with the result. "I'm not good at it," she says now. "I didn't enjoy it. I'm not a paperwork kind of person."

What happened next, though, is the kind of tale that seems to be growing to legend proportions in this economy. Lora's friend Jim Bohn, who is head of the Carilion Design Group, asked her to lunch as a friend in need. While there, they ran into Jill and Bill Hume, who own Interactive Design Group, a small architectural firm in Roanoke (which recently re-designed and occupied an old fire station downtown) and as the conversation progressed, it emerged that IDG needed a senior architect. The following Monday Lora had a job doing what she loves: architecture.

"I'm designing a custom home right now," she says, delight tinting her voice. "I'm working in a cool space for nice people."

The situation made her think. "I know a lot of people in the situation I was in," she says. "They go to school to be an architect, to design spaces. The further their career goes, the less they do what they want to do in the first place. A lot of these people wind up going to smaller firms and doing what they love to do."

As the head of architecture for C-N, says Lora, she lost touch with clients. "My favorite thing of all," she says, "is working with the clients ... Clark-Nexsen said, 'If you manage X, we'll give you the moon,' and they did. But you can get unhappy real quick that way. My job was management and marketing, neither of which I like to do. Cold calls on people who don't want to see me is not something I do well."

Lora's work in recent years—she's been with several firms—has included the design of the Dalhouse



continued to Page 50

# REVIEWS

# The importance of meeting needs >

By Tom Field **Publisher** 

# from the Pub

It's nice to be needed.

In the night's stillness, when a father hears his name called out, there's no sense of bother, of interruption, of disruption. You're just ready to respond. And though you're in that space between deep slumber and very deep slumber, you can distinguish between regular need and very urgent need in the voice when you hear "Dad!"—even though your slumber is so deep your brain didn't allow you to distinguish which child called your name.

> My three girls are at that age when not only their voices sound similar, but their needs are starting to crisscross. One pair is driving (though they never have guestions about their cars... perhaps the one and only area I know more about than they do). A different pair is active in sports (though currently it's track...and my coaching skill in that discipline doesn't extend beyond the useful advice to "make sure you put one foot in front of the other when you run"). All of them are heavily involved in their academics (though at this hour, the laptops and papers and 70 pound backpacks have been put away, or at least piled up in great heaps in their respective territories in the family room).

No, I'm thinking tonight's great beckoning has something to do with more important issues.

Lately, there have been boys. Slinking about our house. Floundering about our cars. In bowling, theatre, restaurant, and WalMart parking lots. Boys. Looking our way from across gas station pumps as I'm filling up. Fat boys, skinny boys, boys who climb on rocks. Tough boys, sissy boys, even boys with chicken pox. Preppie boys. Pierced boys. Boys with hats pulled down so low, I'm quite sure some law somewhere is being violated.

I don't know these boys. Or where they came from. If they're the boys who go to our schools, they're not the ones I remember... stinking, fidgeting, running around playgrounds, and borrowing our toys. Well, at least not fidgeting, running, and borrowing.

But alas, I'm up to the task. I am so thankful for my very deep connection and relationship with my daughters. A most sensitive and caring and nurturing environment. I'm glad each of them can turn to me in time of need. They still appreciate and benefit from my counsel—even if it is simply to get the male perspective.

> Tonight's great beckoning could come from any one of the three girls—it doesn't really matter, as I bumble

continued to Page 50



Lora Katz

#### Smith / My View

from Page 48

condominium downtown, Hometown Bank's downtown offices and the new floor at Gentry Locke Rakes & Moore's law firm, all high-profile jobs. The best gig she had for C-N was re-designing its own offices in the former Dominion Bank building.

"I would have looked for a job sooner if the economy had been better," Lora says.

"[The economy] had to get bad before it all fell apart. I was really nervous being let go in this economy, where 40 percent of architects nationally are out of work."

This is a story that turns out well for everybody. Not all of them end so well. But it sure is nice when they do.

#### Field / On Tap

from Page 49

my way up stairs.

"Yes?" I say, entering the room. Ready to sit on the edge of the bed, hold her hand, stroke her hair. Let her know that she is safe. Everything will be alright. She is loved. And daddy is here.

She looks up. Notices her loving father. Our eyes meet, and I can tell she really is thankful. Grateful. I have arrived in her time of need.

"Stinkbug," she announces, flatly, pointing at the far wall.

It's nice to be needed.

Especially today, in times of economic challenge, your ability to respond to your clients, employers, and associates is paramount. Of course, that response is always true in business; but there seems to be a fundamental and definitive shift occurring. What your market requires is not always (or hardly ever) an exact match to your existing product or service. The companies and individuals who move ahead will be those who are most adept and quick to adjust whatever it is they deliver to meet the needs of their audience at the specific time and place and objective. Needs that are unique and constantly changing. Whether you dance gracefully across the floor or bumble your way up stairs to deliver your product or service be prepared. The recipient may want something a little different than you always thought. W

We cannot continue as a service economy for long

— Page 17

# Letters

Instead of publishing submitted letters for this edition of FRONT, in the interest of illustrating the rapid changing landscape of new and social media, we invite our readers to visit our Facebook fanpage at any time. Here is where you will see the constant communication and chatter of what's going on the very FRONTlines of our region at any given second! Join up, "friend" us, make us a regular part of your online experience, or simply observe or absorb the energy. But don't forget to step out from behind that screen and keyboard and participate in the real world from time to time. (Oh, and yes... we still accept letters, emails, direct correspondence to our office and our people. Keep them coming!)



Legislators should consider the impact

— Page 10

Send letters to news@vbFRONT.com or any FRONT contact of your choosing (page 6). Submissions may be edited. You can see, read, print any current or back issue online at www.vbFRONT.com



nmigrants

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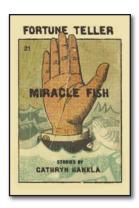
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#### Books @ the FRONT >

Following are book recommendations from our publishers and business people in the Roanoke and New River Valleys who are inveterate readers. Readers are invited to submit 125-word reviews of books you've read during the past six months. Our goal is to recommend good books on any topic and in any genre. Send reviews to Editor Dan Smith at dsmith@vbfront.com



#### A pro at work

Cathy Hankla, who directs the Jackson Center for Creative Writing at Hollins University, is back with yet another subtle and gripping contribution to our literature: Fortune Teller Miracle Fish (Michigan State University Press, \$24.95 paperback). This collection of short stories is vintage Hankla: thoughtful, probing, engaging and unexpected.

Whether she's writing about a military veteran and his core beliefs, a child's frightening experience with family friends or a strange tale of "intersexuality", this work by the poet and novelist is vivid and provocative.

Her students should take note of a mature professional at work.

—Dan Smith

#### Reading in the middle

Those of you with kids in middle school might want to take a look at Penhook author Becky Mushko's first middle grade novel, Stuck (Cedar Creek Press). It is a paranormal tale about a sixth-grade girl whose world turns upside down when her mother dies. Jacie's father sends her to summer horse camp to help her get over her grief. To Jacie's dismay, her least-favorite school mate, Nichole,

turns out to be in her cabin.

After camp, Jacie's father springs unwelcome news: he is going to marry an old sweetheart from high school and they are all going to move to the country. Jacie feels she's trapped. She's stuck in grief, with her soon-to-be stepmother, out in the country with no friends, and with no Internet access. Then a ghost shows up.

As with all good middle grade novels, the ending is pretty much "happily ever after."

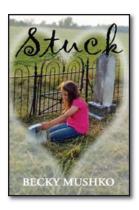
—Betsy Ashton

#### Comic opera

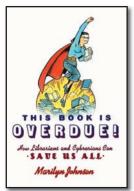
Carl Hiaasen's latest novel Star Island (Knopf, \$26.95) focuses on dim pop star and hard-core party animal Cherry Pye, her lovely double Ann (of whom Cherry is unaware), her parents/handlers, and a chubby paparazzo obsessed with getting an exclusive of Cherry's eventual melt-down. Think Britney, Lindsay, Nicole.

Fresh out of rehab, Cherry is about to release "Skantily Klad," her latest CD, and start a concert tour, if she doesn't overdose first. Helping keep Cherry sober and on track is Chemo, the bodyguard with the weed-whacker mounted on the stump that remains following the loss

## REVIEWS









of an arm to a barracuda. Chemo and ex-governor Skink, a frequent character in Hiaasen's novels, have an instant rapport; while they are the craziest characters in appearance, they share a practical, if cynical, worldview that the other characters lack. Place all the above in South Beach and you have a story that seems wildly improbable until you read in the tabloids and see it on the news.

—Bill Elliot

#### The new librarians

From "The Blog People" to "The Wizards of Odd," This Book Is Overdue! How Librarians and Cybrarians Can Save Us All (HarperCollins, \$14.99) explores frontiers both new and old in the profession. Her focus is mainly on proving that libraries and librarians are still relevant—cool, even—in this Information Age.

Each chapter serves to give a "slice of life" of what it means to be a 21st Century librarian, or "information professional." Some may find it overly adoring of young, quirky technophiles while giving short shrift to others. Readers' advisories, youth services and traditional reference librarians, as well as paraprofessional staff barely make an appearance. Still, Johnson weaves a compelling tale of the many facets of modern librarianship that should serve the public.

-Kalyca Schultz

#### Lot of class

As a guy who teaches writing classes on occasion, I know exactly what Jincy Willett is getting at with *The Writing Class* (Thomas Dunne Books, \$24.95). Her students are people I've known and in her hands the story is a riot. She hits all the predictable personalities in this truly funny murder mystery from a woman who understands comedy as well as anybody writing right now.

The teacher is Amy, a fat has-been whose only means of support is teaching unpublished (and mostly unpublishable) would-be novelists in an extension course that she hates. If you're interested in writing, pay attention to the class segments. If you're interested in murder ... well ... you're on your own. But, read the book. Jincy can write.

-Dan Smith

(The reviewers: Betsy Ashton is a writer at Smith Mountain Lake. Bill Elliot is president of Davis H. Elliot in Roanoke. Kalyca Schultz is a library specialist at Virginia Western Community College in Roanoke. Dan Smith is FRONT editor.)



Enterprise Center >

photo: Dan Smith

Roanoke Regional Chamber of Commerce President Joyce Waugh prepares to cut the ribbon March 29 on the new Enterprise Center at Chamber headquarters in downtown Roanoke. The center houses five businesses and this is Phase 1. Other phases are expected to be opened in other localities in the region. At Waugh's right is Lynda Foster and to her left are Mayor David Bowers, insurance executive Steve Musselwhite and Chuck Altice.





photos: Dan Smith

## Ferrum forum >

Jeffrey Lacker, president of the Federal Reserve Bank in Richmond, addressed a large crowd at the Ferrum Forum on Critical Thinking, Innovation & Leadership on April 7 at the Hotel Roanoke & Conference Center. He pointed out that one of the primary causes of the financial disgrace of the last few years came about because bankers wanted to "privatize profit and socialize risk."

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#### FRONT'N ABOUT



photo: Dan Smith

# Seniors gather >

The Salem Civic Center's annual Senior Expo April 12 drew thousands of the region's elderly for its annual Senior Expo. The huge crowds are a reflection of the entry of the Baby Boom generation into old age and all the services that are needed.





# Business Expo >

**Leslie Coty** (foreground) talks social media to a full house for her class at the Roanoke Regional Chamber of Commerce's Business and Technology Expo at the Roanoke Civic Center April 19. The expo drew a large, enthusiastic crowd, eager to learn the latest in technology. In the other photo, Virginia Tech freshman cross country runner Courtney Dobbs worked the Review Hound booth, creating a bar code that contained VB FRONT bar code that can be scanned on a Smart Phone in order to reach VBF's Facebook and Twitter pages.

photos: Dan Smith

Valley Business FRONT is FRONT'n About at many events each month. Check the blog links at www.vbFRONT.com for more coverage.

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# I N D I C A T O R

People in the Blacksburg and Roanoke Metropolitan Statistical Areas were working, buying and flying in February in greater numbers than they were last month. Unemployment is down, employment is up. Retail and home sales were up. Passenger and cargo volume continue to increase at Roanoke Regional Airport.

#### **Unemployment/Employment**

**Unemployment** was lower in February than both the previous month and the same month a year ago. The most dramatic drop came in the Blacksburg MSA, where the February to February 20.8 percent drop far outpaced the drop in unemployment for both Virginia (down 14.3 percent) and the United States (down 8.6 percent).



The number of people employed in the region rose 1.6 percent from January to February, but fell slightly from a year ago (0.25 percent). Roanoke MSA employment improved over the year by 0.3 percent, but employment fell by 1.3 percent in the Blacksburg MSA.

#### EMPLOYED

Feb. 2010	Jan. 2011	Feb. 2011
219,424	215,443	218,875

The number of people filing initial unemployment claims continues to drop locally and fell at twice the percentage of Virginia. From week 13, 2010 to the same week this year, initial unemployment claims in the Roanoke and Blacksburg MSAs fell by 27.9 percent, compared the state decline of 13.4 percent. The number of people filing initial claims in the Blacksburg MSA fell by 49.4 percent over the year—the sharpest drop for any metro area in Virginia.

#### INITIAL UNEMPLOYMENT CLAIMS

Week 13, 2010	Week 13, 2011
543	391

**Source:** Virginia Employment Commission

#### Real Estate

Real estate continues to recover in fits and starts. The average home price, according to the Roanoke Valley Association of REALTORS, was down over both the year and the month, following the national trends. Bucking the national trends, however, is the number of homes sold locally, which is up from the previous month (16.0 percent) and year (15.4 percent). National homes sales fell 9.6 percent from January and 2.8 percent from February 2010.

	HOME PRICES		
Feb. 2010	Jan. 2011	Feb. 2011	
\$170,783	\$161,195	\$161,195	
_			

#### **HOMES SOLD**

Feb. 2010	Jan. 2011	Feb. 2011
188	187	217

**Source:** Roanoke Valley Association of REALTORS, National Association of REALTORS

#### Air Travel

The number of **passengers** and pounds of cargo leaving the Roanoke Regional Airport both took off in February. Passenger boardings rose by 9.8 percent over the year, but fell 8.7 percent from January. The amount of cargo shipped from the airport increased 4.8 percent in February from the same month a year ago and by 7.2 percent from January.

Feb. 2010 Jan. 2011 Feb. 2011 Passengers 18,708 22,495 20,540	4		Α	IR TRAVEL
		Feb. 2010	Jan. 2011	Feb. 2011
	Passengers	18,708	22,495	20,540
Cargo (lbs.) 725,800 710,359 761,148	Cargo (lbs.)	725,800	710,359	761,148

Source: Roanoke Regional Airport

-By Anne Piedmont, Piedmont Research Associates

# CENSUS

#### How many of us live here? >

#### **Executive Summay:**

Following is a look at census figures for this region that will tell you, over time, exactly who we are and why we're that way.

#### By Anne Piedmont

Ask any economic developer in the Blacksburg and Roanoke Metropolitan Statistical Areas and they'll tell you one of their primary goals is bringing more people to the region. That's one of the two ways of increasing population: more people moving in than moving out. The other way—natural population growth—relies on more people being born than dying.

It's a good place to start a monthly look at the new census numbers that shape our region and its economy. Data from

the 2010 US Census is starting to trickle out. By April 1, data from all states should have been released. Virginia was one of the first.

First the good news: the combined area saw a population increase of 7.3 percent from 2000 to 2010, with all but one jurisdiction registering growth. The region's growth rate was below Virginia's 13 percent increase. Of the 10 cities and counties in the two MSAs, only Franklin County's growth outpaced the State's at 18.8 percent. Pulaski County lost population by 0.7 percent.

The bulk of the region's growth comes from migration—86.8 percent for the Roanoke MSA, 76.9 percent for Blacksburg. Only Roanoke City saw most growth come from births, and all 10 jurisdictions show positive growth from migration. As the population ages (another topic for another time) and deaths outnumber births, the key to population growth in the region lies in attracting more people to the area. Craig County, Giles County, Pulaski County and Salem City all registered more deaths than births in the current census.

	2000 Census	2010 Census	% Change	Migration	Natural
Virginia	7,079,030	8,001,024	13.0%	460,494	461,500
Combined MSAs	439,581	471,665	7.3%	26,705	5,379
Botetourt County	30,496	33,148	8.7%	2,568	84
Craig County	5,091	5,190	1.9%	114	-15
Franklin County	47,286	56,159	18.8%	8,109	764
Roanoke County	85,778	92,376	7.7%	6,115	483
Roanoke City	94,911	97,032	2.2%	150	1,971
Salem City	24,747	24,802	0.2%	653	-598
Roanoke MSA Total	288,309	308,707	7.1%	17,709	2,689
Giles County	16,657	17,286	3.8%	848	-219
Montgomery County	83,629	94,392	12.9%	7,494	3,269
Pulaski County	35,127	34,872	-0.7%	367	-622
Radford City	15,859	16,408	3.5%	287	262
Blacksburg MSA Total	151,272	162,958	7.7%	8,996	2,690

Source: 2010 US Census, Weldon Cooper Ceter for Public Service at UVA

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Ken Lanford with portrait of Stan and Jack Lanford

#### Family tradition >

#### **Executive Summary:**

Ken Lanford brings his own set of ideas and values to Lanford Brothers Company, one of the most respected construction firms in Virginia.

#### By Gene Marrano

Ken Lanford, president of Lanford Brothers Company since 2004, is a third generation family member in the highway business and he is filling some very large construction boots.

Stan Lanford Sr. built roads in West Virginia and pictures of him in action using steampowered heavy equipment adorn the walls at Lanford Bros. headquarters. In 1960 his sons Stan Jr. and Jack formed the company that bears their name today.

After LBC purchased a half share in Adams Construction (1985) Jack became the president of that company, while Stan Jr. remained as president at Lanford Bros. until his son Ken succeeded him. The elder Lanfords remain involved as company board members today and Stan Jr. is board

chairman. Both were named to the Transportation Development Association Hall of Fame last fall. "It's a good way to recognize them and what they gave back to the industry," says Ken Lanford.

Like father, like son: Stan had been appointed to state-level transportation committees in the past, while Ken is chairman of the board of the Roanoke Regional Chamber of Commerce and he is involved with the Virginia Transportation-Construction Alliance.

Rail improvements, especially in relation to the proposed Norfolk Southern intermodal facility in Elliston, are at the top of Ken Lanford's wish list, carrying on an emphasis Stan and Jack have expressed for years. Lanford refers to "Critical Commerce Corridors," as they are called by the National Highway Association – where roads, rail and air are looked at together. "What can we do to make it more efficient?" Lanford asks. "The common goal ... is to make us more competitive in the world market."

Over the years Lanford Brothers moved away from building new bridges and box culverts, deciding instead to focus on repairing existing bridges, dams, parking decks and other steel or concrete structures.

In 2003 the company began to install guardrails

#### V E P R O F I L E



Gene Marrano

and highway signs. "Probably 95 percent of our income is dependent on some type of public money," says Lansford.

He began working for his father and uncle as a teenager and joined the firm full time after graduating from Virginia Tech with a business degree in 1985. Lanford was a field crew superintendent, estimator and project manager before taking the job as president.

Ken hoped to bring continuity to that role, since his father, a civil engineer by trade, "did so much," for the company, often

#### In Brief

Name: Ken Lanford

Age: 49

Company: Lanford Brothers Company. The

> 51-year-old firm is a niche player in the construction market. focusing on roadway/bridge repairs, highway signs and parking decks. The company employs between 200-250 people. The Small Business Administration cited it as the Small Business of the Year for the Commonwealth in 2002.

Location: Roanoke County

President Title:

**Background:** Virginia Tech graduate joined the

company 25 years ago. Newlyelected Chairman of the Board of the Roanoke Regional Chamber of Commerce. Has three children.

Philosophy: "It really goes back to Dad and

> Jack: treat people the way you want to be treated; if you tell somebody you're going to do something you better do it."

wearing several hats. "He set in motion what happened after he left. I just tried to step it up a bit and grow [the business] some more." None of Ken's three children is involved with the business at this point.



## **Career FRONT**

#### **FINANCIAL FRONT**



Andrews

Insurance

Will Andrews has ioined the Roanoke office of Scott Insurance, where he will assist commercial clients with a full range of property and casualty risk management programs.

Angela Fair has been named manager of claims risk management at Charles Lunsford & Associates in Roanoke

#### WELLNESS FRONT



Caldwell

Eldercare

Delaine Caldwell. activities director for the Roanoke United Methodist Home, has been awarded the designation Activities Director Certified.

**Physicians** 

Dr. Edgar Weaver Jr. has opened Weaver



Weaver

Neurosurgical Spine, an independent practice offering surgical and non-surgical care of spinal disorders in Roanoke.



Karras

Veterinarians

Dr. Steven Karras of Cave Spring Veterinary Clinic in Roanoke, has been named the 2011 Virginia Distinguished Veterinarian Award by the Virginia Veterinary Medical Association.

#### TECH/INDUSTRY **FRONT**



Snyder

ISO Training

D'Ardenne Associates in Roanoke, an ISO training company, has named Susan Snyder vice president.

#### DEVELOPMENT **FRONT**



Matthews

Architecture/Engineering

SFCS Inc. in Roanoke has made the following staff changes and additions: Winston A. Matthews has been promoted to associate and Chelsea A. Follweiler. Rachel E. Shelton and Emily M. Webber, are new architectural interns.

Shelter Alternatives of Blacksburg's Chris **Hudson** has earned the Certified Aging in Place Specialist designation and Ed Tuchler is now a Certified Green Professional



Meyers

Housing

Tasha Meyers of Chasewood Downs Apartments/CMG Leasing in Blacksburg has earned her **Certified Apartment** Manager designation through the National Apartment Association.



Meredith



Taylor

Real estate

Tammy Meredith and **Emily Taylor** of CMG Leasing in Blacksburg have been named Certified Managers of Community Associations by the National Board of Certification for Community Association Managers.



Conley

Printing

Sir Speedy Printing and Marketing Services in Roanoke has named **Matthew Conley** account executive.

#### **EDUCATION FRONT**



Gunville

#### Colleges

Ken Gunville has been named vice president of finance for National College in Roanoke. He is a CPA.

**Maria Stallions** and Leslie Murrill. associate professors

#### Have a career announcement?

Send announcements to news@vbFRONT.com. Photos should be color, 300dpi. A contact / source must be provided. Inclusions are not guaranteed and all submissions are subject to editing.



Stallions

of education at Roanoke College, are taking part in an "Arts for Learning Literacy Lessons Project" funded by a five-year, \$4 million



Murrill

U. S. Department of **Education Investing** in Innovation grant.

Satish V. Kulkarni, a Virginia Tech



Kulkarni

alumnus who has led international and national collaborations related to energy, security, and the environment for more



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## **Career FRONT**

than three decades, has been named the director of energy initiatives for the university.

## OTHER FRONTS

Entertainment

Jonathan Carlin has joined the Roanoke Civic Center as marketing coordinator.

Hospitality

Tom Shaver has been named general manager at the Inn at Virginia Tech by Benchmark



Carlin



haver

Hospitality International, the Houston-based company that runs the hotel.



Quinley



Sherry Quinley and

Darin Britt have joined

Britt

the WDBJ7 advertising sales team.



Fletcher

Museums

The Virginia Museum of Transportation has named **Andy Fletcher** its first rail artist in residence.

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# **June 2011 Rec Sports**

Think "recreational sports" is just ... recreational? Think again. It's pretty big business. The June edition of FRONT will open your eyes to the business impact of rec sports in our region.

Coming Up.



Part of our current economy is the emergence or re-introduction of very small business operations. Meet them in July.

# FRONTguide

People are buzzing about FRONTguide! It's now available at vbFRONT.com. Not just a book-of-lists or directory. In classic and progressive FRONTstyle, we're presenting the businesses, products and services you need most at your fingertips. Compact and easy to use. It's like having your own little black book! An evergreen 24/7/365 directory, we continue to build lists and add sponsors. To be a part, contact Kathy or Judi below.

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## **FRONT Notes**

GVT takes award

Green Valley Builders of Blacksburg was named the Single Family Builder of the Year at the second annual EarthCraft Virginia awards in Richmond.

nTelos honored

The Alleghany Chamber of Commerce and Tourism has named nTelos its 2010 Business of the Year. nTelos was recognized for winning a broadband stimulus award from the U.S. Rural Utilities Service, and for building a fiber optic network in unserved and underserved areas of the Alleghany Highlands.

The project will add \$16 million and 40 jobs to the area economy. The chamber recognized nTelos' support as a small business advocate and a longtime corporate sponsor of community service organizations and events.

Ideal Cabinets expands

Ideal Cabinets, a
Roanoke-based custom
kitchen and bath designer
is the new owner of My
Dream Kitchen in
Greensboro. The new
location marks Ideal
Cabinets' first expansion
beyond Virginia. The
company operates stores
in Roanoke, Christiansburg
and Charlottesville.

According to Pat Rakes, co-president of Ideal Cabinets, the decision to expand into Greensboro was an opportunity offered by My Dream Kitchen owner, Tim Koehler, in anticipation of an upcoming retirement. "We've had a long standing friendship with Tim and were thrilled

when he approached us about taking over the business he's cultivated for the past 25 years," says Rakes.

ReBath, B2C team

Nick Falletta, owner of **ReBath** franchises in Southwest Virginia has hired advertising and business development agency of **B2C** 

Enterprises in Roanoke to help guide it through anticipated growth.
B2C Enterprises is a full-service business development, marketing, advertising, consulting firm led by President Bruce Bryan.

Local company bought

Texas-based Boon Group has bought Roanoke's Health & Welfare Benefit Systems and will retain Chris Caveness, the founder of the company. He will head contract sales. H&WBS has 12 employees and sells employee benefit plans to federal contractors.

Volvo recalls workers

Volvo Trucks, which manufactures heavy trucks in Dublin, has announced the recall of 700 laid off workers, restoring a total of nearly 1,000 jobs lost during 2007-2009. During that period nearly 2,300 people were furloughed.

Phoenix locates in Pulaski

Phoenix Packaging has opened a 108,000-squarefoot manufacturing facility in Dublin. Phoenix Packaging Operations, a subsidiary of Phoenix Packaging Group, will invest more than \$20 million to establish its first U.S. operation in Pulaski County. The company will manufacture thermoformed rigid plastic packaging for customers in the United States and also establish its North American headquarters in Pulaski. The project will create 240 new jobs.

Phoenix Packaging
Group, a family owned
Latin American company
dedicated to the creation,
design, and manufacturing
of plastic packaging and
food service disposable
products, is one of the
most important packaging
manufacturing
conglomerates in Latin
America with sales in
more than 30 countries.

Portagua provides trucks

Portaqua, which is in the VT KnowledgeWorks center in Blacksburg, has manufactured a truck that will be used by the FEMSA Foundation in its effort to provide clean, safe drinking water to populations impacted by natural disasters. The vehicle provides an advanced water purification system capable of supplying safe drinking water from many sources, including brackish water (sea water/fresh mix), surface water that may be contaminated with hydrocarbon and herbicides, and water containing high levels of solids.

Volvo names COO

Patrick Collignon will succeed Per Carlsso as chief operating officer at Volvo Trucks North America in Pulaski County and its sister Mack in Pennsylvania. He had been general manager of the Pulaski plant. He will continue to live in the New River Valley, although headquarters is in Greensboro.

ND&P recognized

Neathawk Dubuque and Packett (ND&P), a Roanoke advertising firm, took top honors at the recent District 3 ADDY awards. A poster campaign for "The Perfect Fix," a handyman shop in Forest, won both a Gold and the Best Of Show ADDY, beating out other entries from North Carolina, South Carolina and Virginia.

Boxley awarded

Boxley in Roanoke has received the Sterling Safety Award for medium sized companies from the National Stone, Sand & Gravel Association (NSSGA) at the organization's annual meeting in March.

Boxley employees worked 359,628 hours in 2009 without a lost time accident, earning them the prestigious award. The Sterling Safety Award was created in 1994 to recognize mining companies that have the lowest total accident incidence rate for the previous year in their category among NSSGA member companies.

Mall full

The District at Valley View Mall recently announced the opening of **A.T. Nails** 

& Spa, filling the final open space in the center. It joined Twist & Turns and Walkabout Outfitters.

Senior mover honored

**Crowning Touch Senior** Moving Services of Roanoke has won the inaugural Enterprise Award, presented by the American Moving & Storage Association (AMSA) to a small, independent mover. The Enterprise Award recognizes performance among small, independent movers, through community service. employee relations, innovative operations and/or exceptional customer service practices. It honors AMSA mover members with less than \$3 million in annual gross revenues and fewer than 25 employees.

No more babies

Carilion Clinic has removed the delivery of babies from the third of its rural hospitals, Franklin Memorial. Carilion earlier announced it was stopping the delivery of babies at Bedford Memorial and Stonewall Jackson Hospital in Lexington, a trend among major health care organizations that own rural hospitals.

Carilion will continue deliveries at Roanoke Memorial in Roanoke and New River Valley Medical Center in Christiansburg. Babies will no longer be delivered at Franklin Memorial after June 13

PixelOptics innvestment

Several venture capital firms have invested a total of \$45 in Roanoke-based PixelOptics which will allow growth that will require more than doubling employment. The company is expected to grow from 54 employees to 111 at its Valleypointe location by the end of 2011. At the heart of the investment is the product empower, electronic eyeglasses that are viewed as a hot commodity. The investment is \$35 million in equity and \$10 million in venture capital. Investors are Safeguard

#### Have an announcement about your business?

Send announcements to news@vbFRONT.com A contact / source must be provided. Inclusions are not guaranteed and all submissions are subject to editing.

Scientifics of Pennsylvania (\$25 million) and Delphi Ventures, The Carlyle Group, Longitude Capital and Stark Investments. Venture financing went through Horizon Technology Finance.

ACI spins MatWeb

**Automation Creations** Inc. (ACI) in Blacksburg has created a new spin-off from its MatWeb.com online materials resource to MatWeb LLC. MatWeb, LLC is owned by longtime ACI employee Dale Kipp. For ACI, MatWeb.com's spin-out accentuates exciting growth for both the ACI business model of custom software and Web site development, and the MatWeb.com business model of advertising,

premium-user subscribers, and content licensing.

ACI's owner and President Henry Bass, says, "MatWeb.com is now positioned to accelerate its new product and service offerings. ACI, in turn, will benefit from an increased ability to focus on its offerings of web-based software development and support and to innovate in mobile software development. The two business models have been steadily progressing toward this spin-out for several years."

MatWeb.com helps engineers and designers find material properties and identify materials that match their design specifications. Over 220,000 unique visitors



Henry Bass (left) with Dale Kipp of MatWeb

## CONTRIBUTORS

Susan M. Ayers is a Roanoke-based freelance writer who has written articles on a wide array of topics that have been published in various media. As a former mortgage banking executive, she has experience in technical writing and business correspondence including white papers, management briefings, systematic analyses, awards programs, performance standards and responses to correspondence of a sensitive and confidential nature. [susanmayers@cox.net]

Kathy Bibb is an Account Executive for FRONT, with extensive experience in publications (including Auto Trader) and real estate, and has a business degree from Averett University. [kbibb@aol.com]

Judi Billups is an Account Executive for FRONT, whose background includes sales and marketing for television, radio, print, and new media; with a business degree from Virginia Tech and a Masters from Bethel University.
[judibill@vt.edu]

#### Anne Giles Clelland

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Susan M. Ayers

APRIL 2011 > Contributor of the Month

Once again, Susan Ayers' dogged pursuit of the core of a good story has landed her in the Contributor of the Month chair. Her April cover story on customer service represented dozens of interviews and countless hours of research. Susan continues to give Valley Business FRONT the kind of in-depth look at business issues that readers have come to expect on a monthly basis. We want to extend our gratitude to her for excellent work.

Government can't create jobs, only business can do that

monthly view, on average, three to five of MatWeb.com's 80,000plus data sheets during each visit, for over eight million datasheets served in 2010. Most of MatWeb.com's revenue comes from advertisers who want to be in front of new product design teams, manufacturing, and R&D users.

#### Tourism kiosk

A new interactive. touch-screen kiosk in the gate area of the terminal at Roanoke Regional Airport features information about the region's outdoor recreation opportunities, whether on land, on water or with a guided trip. It's part of a broader marketing campaign from the Roanoke Regional Economic Development Partnership to remind visitors and residents alike - some of the region's best assets are found right outside the window.

#### Modea moving

Montgomery County and Blacksburg-based technology firm Modea have reached an agreement to expand Modea's operations to the site of the Old Blacksburg Middle School. The expansion would include construction of Modea's corporate headquarters and will allow for future growth and the creation of several hundred new jobs.

"This is wonderful news for Blacksburg and Montgomery County," said Blacksburg Mayor Ron Rordam. "Modea is an exemplary, locally grown company, and we couldn't be more excited about their commitment to remain in Blacksburg."

"For years the Town and County have discussed the best and most viable use for the Old Middle School property. Modea's interest couldn't have come at a better time.' said Blacksburg Town Manager Marc Verniel. "While the company has a contract on the parcel facing Main Street, our next step will be to work with Modea and the County to develop a master plan for the entire 20 acre property."

#### Luna hires CEO

Luna Innovations. the Roanoke-based company that has had a wild ride for the past few years, has a new CEO: My Chung, a former senior VP for worldwide sales at Sunrise Telecom. That company



Kiosk at Roanoke Regional Airport

tests equipment for broadband and telecommunications services

Luna, which lost a major lawsuit in 2009 and saw its CEO resign, has a broad list of development and manufacturing activities, including energy, defense, telecom and health care. It will retain its upper-level executives who had been serving in interim capacities before Chung's hire. Dale Messick will again be CFO and Scott Graeff will return to the chief

commercialization officer and treasurer position. Sunrise Telecom has had an up and down financial ride, as well, but made a profit in 2010.

Chung is 58 and will reportedly be paid \$305,000 in base salary with a beginning bonus of \$50,000. He will have an option to purchase 300.000 shares of stock. as well.

Compiled by Dan Smith

FRONT Notes posted daily online at moreFRONT.blogspot.com. Read extended versions of items listed above, plus photos and many more current listings each day on the moreFRONT blog, also available by link at vbFRONT.com.

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1. WALK - Loss of balance

2. TALK -Slurred speech or droopy face

3. **REACH** - Numbness or weakness of the face, arm or leg, especially on one side of the body

4. SEE - Impaired vision or difficulty seeing in one or both eyes

5. FEEL - Severe headache with no known cause

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