

AGRACEL, INC

Industrial Developers

Development Quarterly

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Front Page News - United Launch Alliance

Agracel, Inc. is pleased to announce its latest venture. In mid 2008, Agracel was contacted by Jeremy Nails, Vice President of the



Morgan County Economic Development

Association in Alabama, about a project that made perfect sense for our company. Agracel entered into an agreement with United Launch Alliance (ULA) to build and lease-back a 40,000 SF facility in Morgan County, Alabama, near Decatur.

United Launch Alliance, based in Colorado, is a joint venture between Boeing and Lockheed Martin that operates space launch systems. ULA offers its launch services to U.S. customers. The company's operations include a 1.5



million square foot production facility in Morgan

County, Alabama, with engineering operations also located in Texas, Florida and California.

Kenneth Bryan, Manager, Real Estate and Facilities Operations for ULA, recently commented, "The project looks good! You have been what we were hoping to get from a developer. Thanks for all the hard work!"

In addition to the 40,000 SF project with Agracel, ULA announced in October, a \$159 million expansion of their existing facility in Morgan County that will create 66 jobs over

three years.



Featured Client - AmSan/Interline Brands, Inc.

AmSan/Interline Brands, Inc. is the newest client in Agracel's Herrin Manufacturing Facility. The Herrin, Illinois, location allows AmSan to warehouse janitorial and sanitation products for convenient distribution to the Southern Illinois region. Twelve employees work in 20,000 SF at the Herrin operation.

Prior to joining Interline Brands, AmSan was the largest national distributor dedicated exclusively to the janitorial and sanitation industry. The company was created in 1997 by uniting 41 of the nation's premier sanitary supply organizations into one company. AmSan provides more than 40,000 cleaning and maintenance products nationwide to its customers. Its customer base includes universities, schools, and hospitals, to name a few. AmSan has over 3,700 employees in 46 locations throughout the United States.



In 2006, AmSan became part of Interline Brands, Inc. Interline Brands is a leading direct marketer and distributor of maintenance, repair and operations (MRO) products. These products include plumbing, electrical, hardware, security hardware, HVAC and other related items. Interline Brands' diverse customer base crosses many markets, such as multi-family housing, educational, lodging and health care facilities, professional contractors, hardware stores and other distributors.

Ed Hahn, Operations Manager for Interline Brands' Southern Illinois region, commented, "With the purchase of Cannon Distribution in Herrin, Illinois, we now have more opportunities in the southern part of the state. We market and sell our products through ten targeted brands, each of which is nationally recognized in the markets we serve for providing premium products at competitive prices with reliable delivery."

To learn more about AmSan and Interline Brands, Inc., visit www.amsan.com and www.interlinebrands.com.

Community Profile - Columbus, MS

Columbus, Mississippi, is a town that thrives on its rich heritage and southern charm. Chartered in 1821, Columbus is a gathering place for anyone who appreciates classic southern architecture, good food, a friendly atmosphere or just a down-home way of living. Columbus is the birthplace of Tennessee Williams. The 1875 Victorian home in Columbus where he spent his early years was moved to Main Street and restored in 1993. It now serves as a Welcome Center for the city of Columbus.



Mississippi's first public school, Franklin Academy, opened in Columbus in 1821, and is still going strong today. America's first state-funded college, Mississippi University for Women, is also located in Columbus.

Columbus is located in east central Lowndes County and today has a population of 25,944. Lowndes County has a population of 60,232. U.S. Highway 82 runs east and west through Columbus, while U.S. Highway 45 runs from Tennessee to the Gulf Coast through Columbus. In addition, State Highways 12 and 69 also serve Columbus. Three Class I railroads serve the Columbus area, the Burlington Northern, Kansas City Southern and Norfolk Southern; along with three regional/short line railroads. The Golden Triangle Regional Airport, located 15 miles from Columbus, serves the area with passenger and air freight service. Columbus also has a unique advantage in that it is the largest town on the Tennessee-

Tombigbee Waterway, a 234-mile long waterway running from the Tennessee River to the Gulf of Mexico. The Lowndes County Port, located in the Riverside Industrial Park, offers barge services to area manufacturers.

The Columbus area's largest employer is the Columbus Air Force Base (CAFB), where the nation's best and brightest come to train as pilots for the U.S. Air Force. Because of its outstanding support facilities, CAFB was chosen as a reception base for NASA's space shuttle on its return journey from California to the Kennedy Space Center in Florida. NASA's astronauts also use CAFB flight simulators for annual emergency procedures training. In addition, Columbus' largest manufacturing employers are Weyerhaeuser Company, a maker of printing paper, with 600 workers; Severstal, a new business that manufactures rolled steel, with 450 employees; Baldor Electric, a maker of large industrial electrical motors, with 350 workers; and Omnova,



which makes vinyl wall coverings, with 350 employees.

Agracel recently teamed up with the Lowndes County Partners to build a 100,000 SF spec building in the Golden

Triangle Industrial Park. Now under construction, the building is scheduled for completion by February 1, 2009. To inquire about availability in the new spec building, contact Agracel's Director of Business Development, Todd Thoman.

TQW - Changing Transportation Logistics in Today's Economy

In today's economy, companies are carefully examining their processes to reduce costs, especially freight, handling, and cost of inventory. Peerless of America, a manufacturer of extruded aluminum shapes for heat transfer and fabricator of all-aluminum and aluminum/copper heat transfer coils, was facing price increases earlier this year from a Canadian supplier because of rising transportation costs. David Eskew, purchasing manager for Peerless, connected their supplier with TQW to explore the possibility of moving product via rail rather than truck.

Rio Tinto/Alcan of Canada, a global leader in the aluminum business, produces extruded aluminum billets for Peerless. The aluminum billets are heavy, not easily damaged, and travel a long distance from Alcan in Quebec to Peerless in Effingham, IL - a perfect fit for rail traffic. The first of many railcars shipped from Alcan to TQW in August 2008.

TQW's current logistics role for these two companies is as a transloader from rail to semi so that Peerless can unload at their facility, which isn't rail-served. TQW recognizes that companies' needs are changing and has expanded its storage services to fill many other client needs, whether it's transloading product, piece-picking fulfillment orders, quality control, assembly, vendor managed inventory, or emergency cross-docks.

Learn more about how TQW's services can help your company by contacting TQW at 217-342-5400.



Park Activity - Yellowbook USA

Yellowbook USA, a tenant in Agracel's Network Centre Business and Technology Park, recently signed a long term lease renewal for their 56,520 SF office space in Effingham, Illinois. Yellowbook USA has resided in the facility since 2004 when the company merged with McLeod Publishing.

The new lease begins in April 2009. As part of the lease renewal Agracel added two dock doors to the facility as well as completed minor upfit to the interior of the building.

Yellowbook USA is the nation's #1 independent publisher of yellow pages and is a single source for multi-media directional advertising. The company maintains a common-sense business approach:



create a cost-efficient link between buyers and sellers through a platform of media solutions including Internet search and print.

Ranked among the top 50 media companies in the United States by Advertising Age, Yellowbook publishes approximately 1000 directories in 48 states plus Washington, D.C., offers Internet search options, including Yellowbook.com, has over 400 offices across the US, and employs more than 7,700 people.

Economic Update - What I'd Do in Every Town

by Jack Schultz

It's now been five years since I published BoomtownUSA. I've had the opportunity to travel around this great country of ours sharing my message of great things going on in towns all over the USA. During that time I've toured over 400 towns in 44 states and have seen some really incredible sights. With this being my last year of doing talks, I wanted to share with you those things that I would do in every town, if I had a magic wand to be able to do so.

Community Foundation: A Community Foundation allows a community, whether it be a single town, county or even a region, to marshal small donations and funds into the efficiency of a large foundation, altering the fabric of that community for the long term.

Brain Bank: Many of our small towns have seen a tremendous brain drain of their best and brightest. However, that drain could be converted into a tremendous asset and several towns have started to cultivate those ex-residents into ambassadors for their communities.

Entrepreneurial Education: The new paradigm in economic development is to cultivate your own entrepreneurs. Those towns that want to be part of the new economy are developing entrepreneurial educational initiatives into their high schools and grade schools.



Young Professional Organizations: Gen X and Gen Y needs to be nurtured. They are the leaders of the future and those leadership skills need to be developed now.

Arts: Quality of life issues are going to be more important in the decision of where to live and develop a career. Baby boomers went to where the jobs were. Gen X & Y young people are more focused upon quality of life for that decision.

Tourism: Find the inexpensive ways to promote visits to your town. Use videos on your cable system, motel keys with info and very inexpensive ezines to let people know why they should come, visit and stay.

Downtowns: They are going through resurgence with the upstairs being fixed up into apartments and condos. Having people living in the downtown area encourages more restaurants, bars, coffee shops, etc. That in turn encourages more to live downtown.

Mentoring: Many options are available for mentoring. Pair up your area college students with local CEOs during the summer. Also, start a grade school program aimed at matching community volunteers with at-risk grade-schoolers in one-on-one sessions.

Downtown Signs: You can't have enough signs that show visitors how to get to your downtown. If they can't find it, how are they going to shop there?

Angel Investor Network: Local banks can help to provide most of the start-up funds for new businesses, but having an angel investor network can provide the equity to help get the new entrepreneurs into operation.



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**Jane (Janie) K. Oldfield,
Chandler Russ, EFRR**
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Peerless of America

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Current Activity - **Eliason Corp.**

Agracel recently acquired Eliason Corporation's existing 57,314 SF light industrial building located in suburban Kalamazoo, (Portage) Michigan. In addition, Agracel has begun construction of an expansion to the facility to consolidate nearby operations. Once completed, the facility will total 107,939 SF. Agracel will be managing the construction build-out of the facility, which is scheduled to be complete by the end of February 2009. Ninety two employees will be working in the facility.

Eliason Corporation has entered into a 15 year leaseback agreement with Agracel on the entire facility. With the acquisition of the Eliason facility, Agracel now has projects in 14 states.

Founded in 1952, Eliason Corporation is the leading brand name in the impact door industry. Eliason is the original and only manufacturer of Easy Swing double action impact traffic doors commonly used by industrial plants, hospitals, grocery stores, restaurants, department stores and government facilities.

To learn more about Eliason Corporation, visit www.eliason-corp.com. To inquire about Agracel's Acquisition/Leaseback services, contact any member of Agracel's Business Development Team.

Covering Your World - **Jane (Janie) K. Oldfield, Chandler Russ, EFRR**

- The Rosebud Theatre is pleased to announce the addition of Jane Oldfield to the Rosebud team. Jane has accepted the position as President & CEO of The Rosebud Theatre. Ms. Oldfield comes to Effingham from Baton Rouge, Louisiana, and brings with her a wealth of knowledge in performing arts and theatre management. Jane officially joined the Rosebud on January 5th. Welcome aboard Jane!

- Chandler Russ has joined the Mississippi Development Authority as director of the agency's Existing Industry and Business Division. Russ joins MDA from his previous role as one of Tennessee Valley Authority's Economic Development project managers for the Mississippi region. Russ was instrumental in helping Agracel enter the northern Mississippi region while he was still with TVA. Congratulations, Chandler!

- Congratulations to Effingham Railroad on their 15,000th rail car delivery in Effingham, Illinois. Shown L to R, Jack Schultz, CEO, Agracel; Josh Stork, Superintendent, EFRR; Charlie Barenfanger, President, EFRR; Luke Perkins, Asst. Superintendent, EFRR; Dean Bingham, President, Agracel.

