



LUBBOCK
ECONOMIC
DEVELOPMENT
ALLIANCE







THE LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE IS YOUR RESOURCE FOR SUCCESS.

Lubbock is the economic center of a 26-county region that has a population of over 500,000, with a strong, diverse economy that is based on manufacturing, agriculture, wholesale and retail trade services, as well as government, education and healthcare. Within a 15-county region, the South Plains Workforce Development Area has a labor force of over 207,000, including approximately 26,000 graduates each year. The Lubbock Economic Development Alliance (LEDA) offers economic development incentives and services that will assist in business growth and prosperity.

Lubbock's cost of doing business continues to rank as one of the lowest cities in the nation. As a pro-business community, Lubbock has some of the lowest costs in Texas for electric and natural gas utilities, wage rates, affordable land, cost of living, property taxes and other business-related costs.

As the largest comprehensive research university in the western two-thirds of the state, Texas Tech University welcomes innovative and visionary research projects in our community. Texas Tech and our strong community colleges are eager to partner with enterprises and offer expertise, training and career pathways to the company to foster growth.

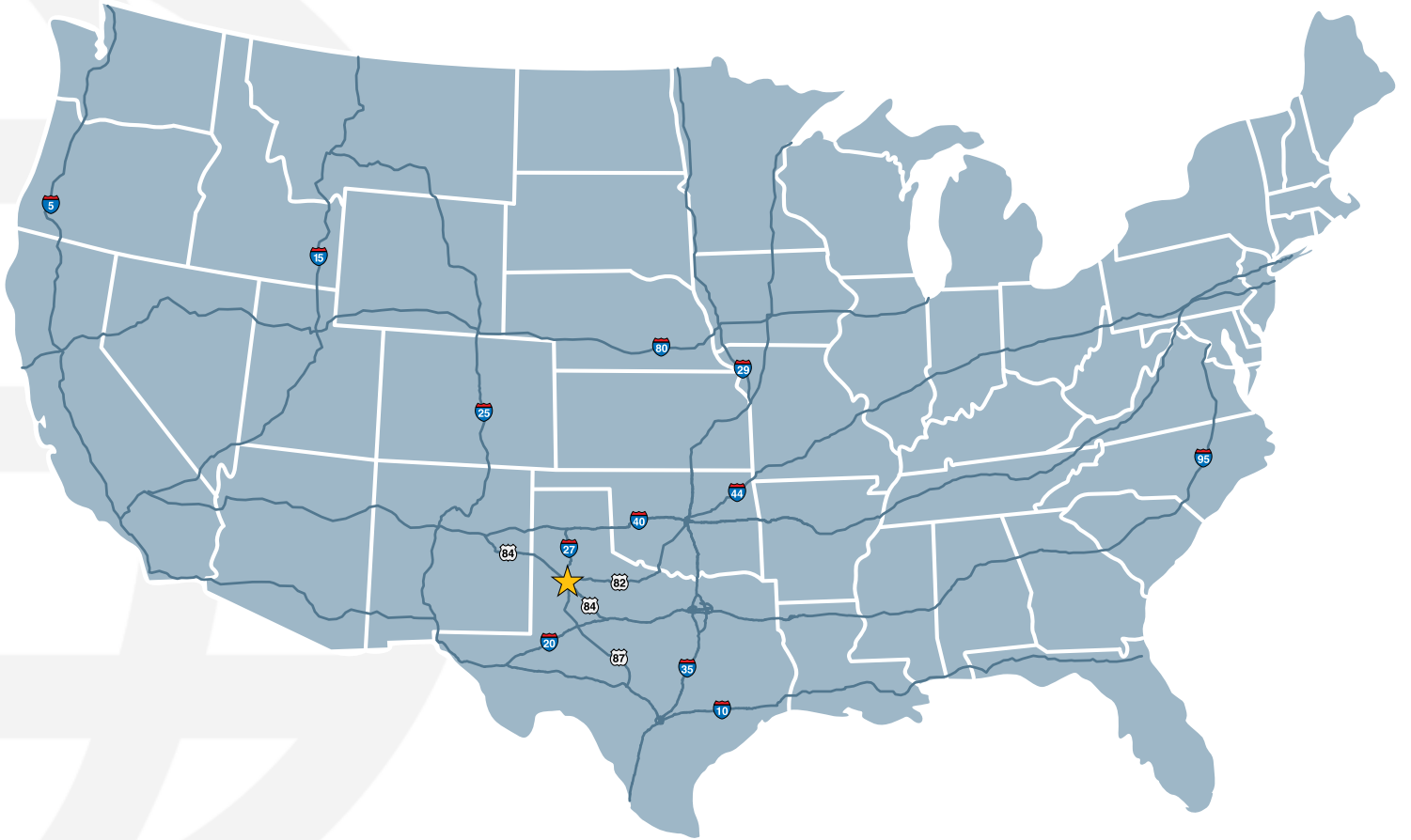
In its thirteenth year of operation, LEDA has embarked on a variety of new developments and experienced exponential job growth. With a world-class university system, a high quality operating environment, competitive cost environment and an integrated approach to addressing economic development and workforce issues, Lubbock is the place to do business.

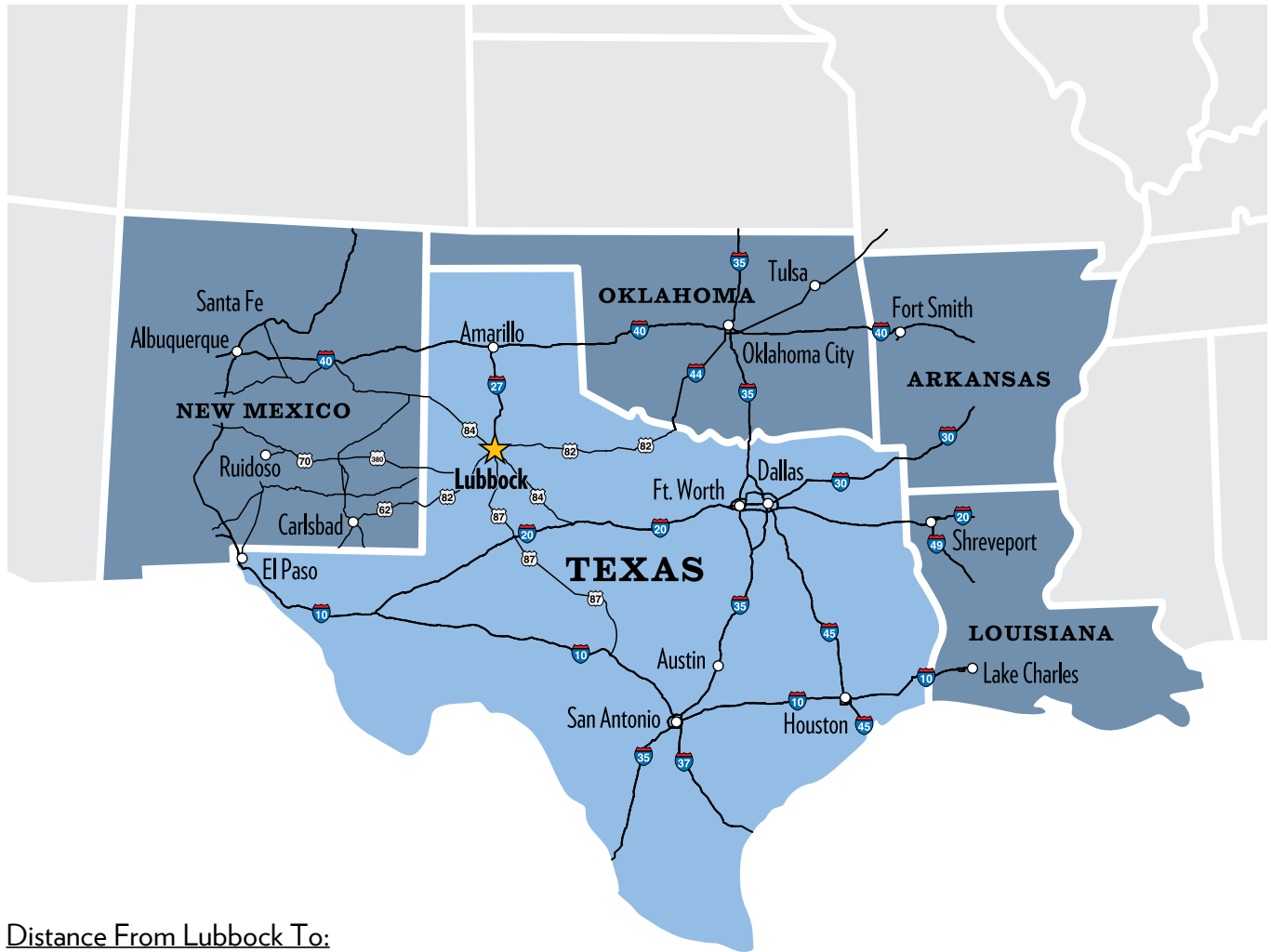


**LOCATION. LOCATION. LOCATION. FOR BUSINESS,
LUBBOCK IS RIGHT IN THE MIDDLE OF IT ALL.**

The transportation infrastructure that converges in Lubbock establishes it as a “Hub City.” Lubbock is home to an international airport, with major carrier service across the country and around the world. More than 60 commercial arrivals and departures take place each day serving 1.2 million travelers annually. Major interstates and highways, including I-27, connect the city to two major East-West Interstate systems: I-20 and I-40. Lubbock is located on the main line of the Burlington Northern Santa Fe railroad that connects the city to major metropolitan areas of the Central and Western United States.

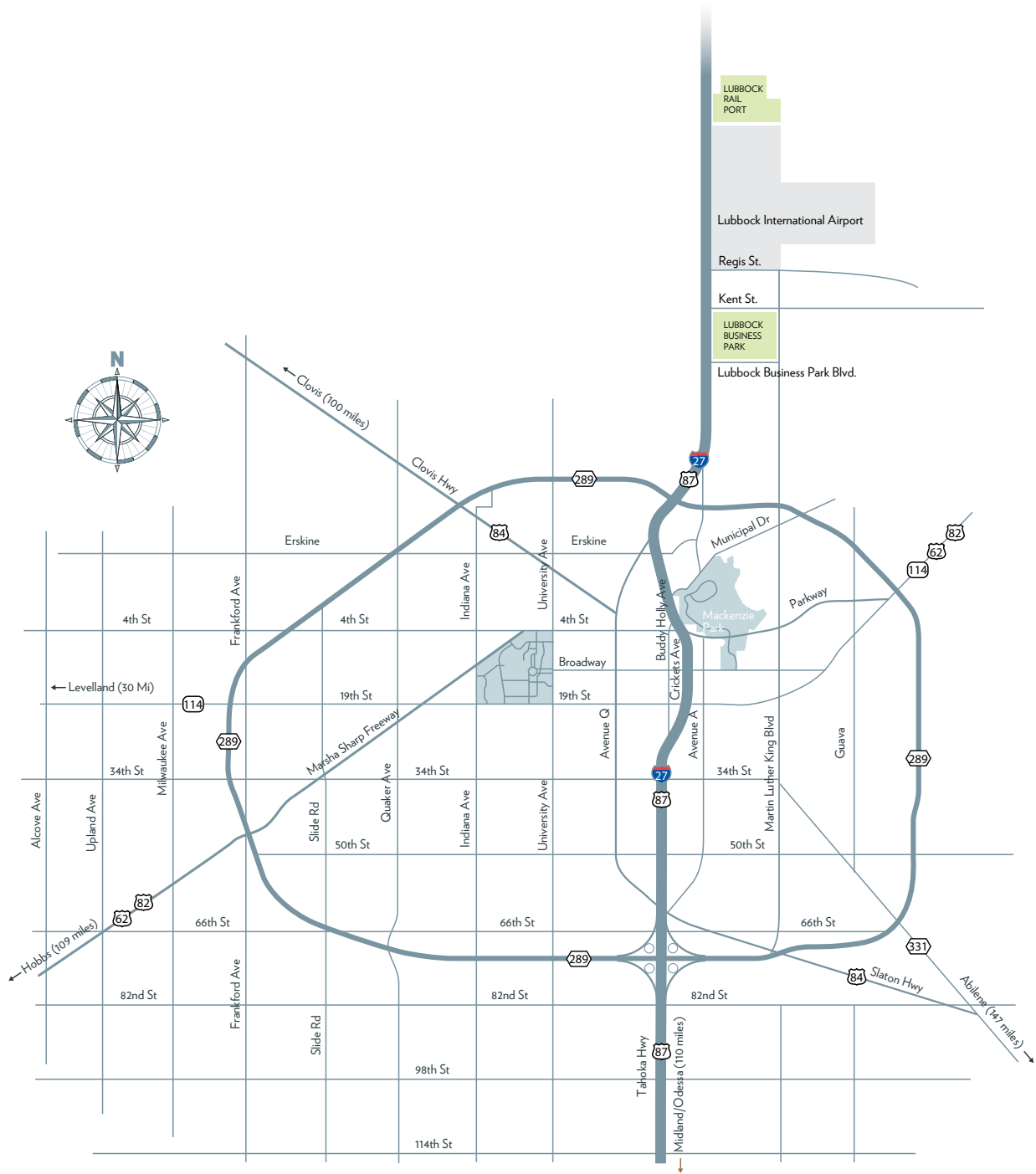
This outstanding transportation network has established Lubbock as a distribution hub for the region. Twenty-six truck freight carriers are located in Lubbock. Eight airfreight carriers offer service at Lubbock International Airport and both FedEx and Airborne operate regional distribution centers.





Distance From Lubbock To:

Albuquerque	322 miles
Amarillo	123 miles
Austin	372 miles
Dallas	349 miles
Houston	518 miles
Ft. Worth	315 miles
Oklahoma City	495 miles





The Business Recruitment Department offers a variety of services for businesses looking to expand or relocate in our region. This includes site selection assistance, personalized tours of sites, preparation of proposals, and consultation on zoning, permitting, and the construction processes. With LEDA on your side, you are connected to local and state leadership, including Texas Tech University. In addition, we are able to introduce you to local entities such as banks, law firms, employment agencies, accounting resources, and all other business services. In the end, we take being “your resource for success” seriously and do what is required to assist you in your expansion or relocation, with the utmost confidentiality.

Business Incentives

Lubbock offers qualified companies a variety of incentives to help offset expansion and relocation expenses. These include incentives at the local, state and federal level. In the past, LEDA has assisted companies qualify for the following:

- Freeport Tax Exemption
- Infrastructure Assistance
- Job Creation
- Tax Credits and Abatements
- Training
- Utilizing the Enterprise Zones
- Foreign Trade Zone 260

The Business Recruitment Department at LEDA utilizes knowledge of regional resources, industry clusters, and the business community to remain competitive within the market. In order to meet the demands and needs of national and international companies looking to expand or relocate, LEDA has acquired and invested in infrastructure for the world-class Lubbock Business Park and Lubbock Rail Port.

THE LUBBOCK BUSINESS PARK

The Lubbock Business Park is a 586-acre tract of and located off of Interstate 27, approximately one-mile south of Lubbock Preston Smith International Airport. Currently, O'Reilly Auto Parts Distribution Center, WesTX Packaging Company/Standard Bag Manufacturing, Monsanto and Standard Sales reside in the Park. Soon, Verizon and the Texas Department of Public Safety will break ground in the Park.

The completion of the Lubbock Business Park Boulevard Extension and North Elm and East Hunter roads has recently added another entrance into the Park and more infrastructure to future tenants. These two road projects have made available approximately 10 lots for new construction.

LEDA has invested over \$22 million dollars in the Lubbock Business Park and is working hard to attract more distribution centers, manufacturing businesses, high-tech companies and research and development companies. With the immediate access to the interstate and a strong local economy, the Park has been able to attract new activity for the city of Lubbock.

THE LUBBOCK RAIL PORT

The Lubbock Rail Port, located on over 526 acres, only a few miles north of the Lubbock Preston Smith International Airport, provides companies with convenient access to the airport and the Burlington Northern Santa Fe (BNSF) rail system. Mexico-based Molinos Anahuac (MACSA) currently has its flour mill and laboratory in the Lubbock Rail Port. With the recently acquired 200 additional acres and the \$1.5 million U.S. Department of Commerce Economic Development Administration Grant to extend additional rail into the Park, the Rail Port is soon to have more activity in its future. LEDA strives to attract food processors, light manufacturing, and heavy industrial companies to the Rail Port.



THE LUBBOCK BUSINESS PARK
586 ACRES

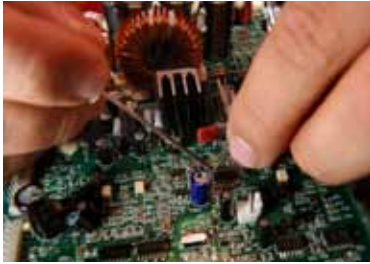


THE LUBBOCK RAIL PORT

526 ACRES



THE NEEDS OF LOCAL COMPANIES ARE EXCEEDED WITH RELATIONSHIPS BUILT BY THE BUSINESS RETENTION TEAM.



LEDA also strives to help the Lubbock community grow through local business, employers and the opportunities presented each day. With this in mind, the Business Retention Department works to develop and expand local companies and help them achieve their personal and organizational goals, through job incentives and training programs. This is accomplished through the cultivation of strong relationships with our existing and new businesses.

Locations Announced

- Scott Manufacturing.: 55 new primary jobs with estimated annual salaries totaling \$2,200,000 and \$500,000 capital investment
- Infection Controls, Inc.: 38 new primary jobs with estimated annual salaries totaling \$1,823,000 and \$1,000,000 capital investment
- Caprock Health Plans: 34 new primary jobs with estimated annual salaries totaling \$1,478,980
- ARMtech Insurance Agency: 24 new primary jobs with estimated annual salaries totaling \$840,000
- Pauley Construction: 12 new primary jobs
- Electracom Supply, Inc.: 9 new primary jobs with estimated annual salaries totaling \$296,000
- Pyco: 6 new primary jobs and \$3,000,000 capital investment
- Elliott Electric Supply: 14 new primary jobs with estimated annual salaries totaling \$641,000 and \$500,000 capital investment
- Asher Logistics: 11 new jobs with estimated annual salaries totaling \$440,000
- X-Fab/Cymbet: 77 new primary jobs with estimated annual salaries totaling \$3,200,000 and \$12,000,000 capital investment
- Industrial Molding: 72 new primary jobs with estimated annual salaries totaling \$2,448,000 and \$800,000 capital investment
- Flat Wireless: 42 new primary jobs with estimated annual salaries totaling \$1,002,000 and \$255,000 capital investment
- B&J Welding Supply: 14 new primary jobs with estimated annual salaries totaling \$1,095,000 and \$1,500,000 capital investment
- Osteogenics Biomedical: 11 new primary jobs with estimated annual salaries totaling \$444,000 and \$1,750,000 capital investment
- Mo-Jack, LLC: 6 new primary jobs with estimated annual salaries totaling \$750,000 and \$11,000,000 capital investment
- Convergys: 125 new primary jobs with estimated annual salaries totaling \$2,671,200
- J&B Industrial Services: 16 new primary jobs with estimated annual salaries totaling \$778,000 and \$1,300,000 capital investment
- The Gibraltar Group: 15 new primary jobs with estimated annual salaries totaling \$900,000 and \$1,200,000 capital investment
- Dynamic Foods: 10 new primary jobs with estimated annual salaries totaling \$261,000 and \$600,000 capital investment
- Convergys: 325 new primary jobs with estimated annual salaries totaling \$6,868,800



IN 2011, THE LUBBOCK ECONOMIC DEVELOPMENT ALLIANCE WAS AWARDED THE CEDA AWARD.

The Texas Economic Development Council solicits applications each year for the Community Economic Development Award. This year, Lubbock was selected based on the X-Fab/Cymbet Partnership.

The Lubbock EDA and X-Fab have been working together over the past eleven years. Due to the ups and downs of the wafer fab industry world-wide, LEDA became a very valuable partner with X-Fab in retaining its operations in Lubbock, Texas. In 2007, due to the long-standing and strong relationship between X-Fab and LEDA, LEDA was contacted early on to begin conversations about a possible expansion and new partnership with Cymbet Corporation. The LEDA Team began working together to research all options available to assist X-Fab and maintaining the full operations, including manufacturing, in Lubbock. The LEDA Team researched local, county and state economic development programs that would possibly fit the needs of X-Fab to finalize the deal structure and maintain X-Fab in Lubbock. In 2010, X-Fab and the LEDA Team visited Cymbet Corporation in Elk River and X-Fab in Germany to discuss viable financial structures and options for X-Fab to finalize the partnership. LEDA made a presentation that fully disclosed the Texas Economic Development Bank Loan, tax abatements (city and county) and administrative structures.

On January 19, 2011 these entities announced an innovative business approach that would help the X-Fab/Cymbet team position themselves as leaders in the thin film battery market by developing the world's highest volume solid state battery production facility.

Through the various partnerships (City, County, LEDA, X-Fab, Cymbet, Office of the Governor, Texas Economic Development Bank, a local bank, attorneys), an innovative financial, technical and administrative structure was formed. Without the strong relationships between all entities above, this partnership would not have developed. LEDA was also instrumental in mediating the terms of the agreement with all parties.

 **YOUR BUSINESS WILL GROW AND PROSPER WITH THE ASSISTANCE OF OUR WORKFORCE DEVELOPMENT TEAM.**



There is no doubt about it – Lubbock’s greatest strength is its educated, diverse and skilled workforce. West Texans have a proud work ethic found nowhere else, coupled with an innovative and entrepreneurial spirit. The Lubbock labor pool is refreshed annually with 10,000 college graduates. Over 48,000 college students are currently enrolled in higher education institutions in Lubbock. Approximately 30% of area residents over 25 have a college degree or higher. Strong local workforce training

resources include the Byron Martin Advanced Technology Center, a 106,000 square foot facility offering customized training programs and a variety of technical programs, and the ACT Distance Learning Center, which delivers state-of-the-art computerized testing and training services to businesses, professional organizations and individuals.

The Lubbock Economic Development Alliance understands that Workforce Development is an essential tool to economic development. By collaborating with local and regional partners, providing network and support groups for industry clusters, and supporting workforce development projects, LEDA’s Workforce Development Department aims to support the South Plains region’s dedicated and knowledgeable workforce teams.

FOREIGN TRADE ZONE 260 OFFERS SIGNIFICANT CUSTOMS ADVANTAGES TO QUALIFYING U.S. COMPANIES.



Foreign Trade Zones (FTZ's) were created in the United States to provide special customs procedures to U.S. plants engaged in international trade-related activities. Duty-free treatment is accorded items that are processed in FTZ's and then re-exported, and duty payment is deferred on items until they are brought out of the FTZ for sale in the U.S. market. This helps to offset customs advantages available to overseas producers who compete with the domestic industry.

Foreign Trade Zone 260 (FTZ-260) is strategically located in the South Plains area in order to provide a central United States location for businesses looking to meet increasing trade demands. The Lubbock Preston Smith International Airport (LBB) is this region's United States Customs and Border Protection (CBP) designated international port of entry and houses a resident CBP Port Director who offices at the airport. The Lubbock FTZ-260 was approved by the Foreign Trade Zones Board on January 14, 2004 and covers 693 acres on the Lubbock International Airport and 2,000 acres on the Reese Technology Park.

Key Advantages

- Expedited logistics where imports flow through the Port of Entry and directly to the Foreign Trade Zone. The importer eliminates all Port delays and U.S. Customs receives and admits these imports to the FTZ on-site.
- These imports enter the FTZ duty-deferred, resulting in significant cash flow savings for the FTZ-located operator. Import duties are paid only when the imports finally enter the U.S. Market.
- All import inventories allowed in the FTZ are exempt from qualifying year-end taxes
- There are other import related taxes that are deferred, reduced, or exempt, depending on specific-use factors.



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