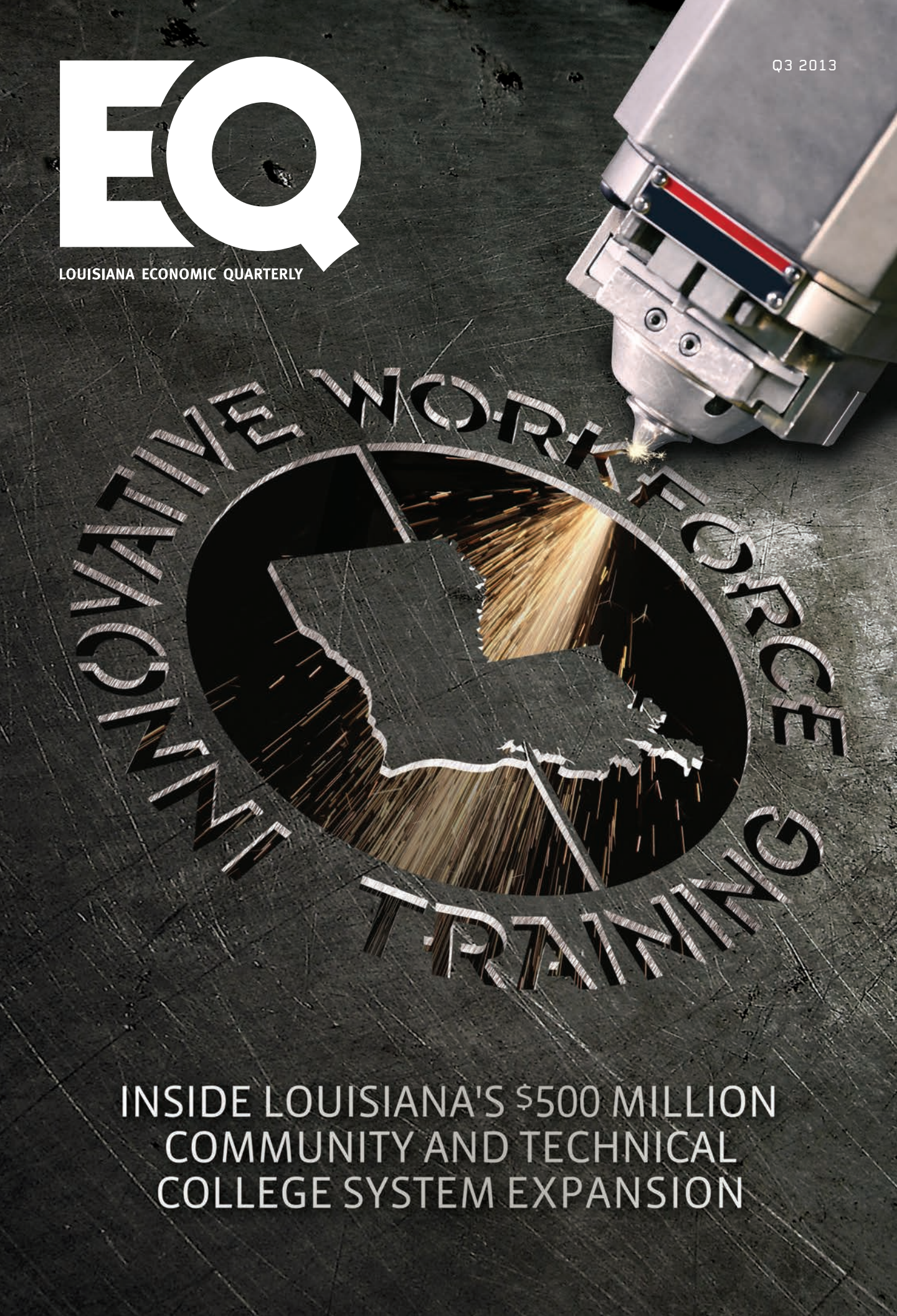
EQ

LOUISIANA ECONOMIC QUARTERLY

Q3 2013



INSIDE LOUISIANA'S $500 MILLION COMMUNITY AND TECHNICAL COLLEGE SYSTEM EXPANSION

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letter from Secretary Moret

In vital industry sectors, from advanced manufacturing to aerospace and energy, the world is experiencing a workforce gap. Recognizing the critical importance of a talented, abundant workforce, Louisiana is transforming the workforce capacity of its community and technical colleges.

In this issue of *EQ*, we share how recent investments in community colleges and technical schools will improve facilities and programs, as well as the manner in which those institutions work with industry to train students in the critical skills they need in the workplace. This transformation is occurring both in the classroom and in state-of-the-art training centers across Louisiana.

We'll also take a look at how SOWELA Technical Community College is working with the aerospace industry and LED FastStart® to create an innovative aircraft program in Southwest Louisiana. In the maritime industry, we'll look at programs training a new generation of workers to support construction and maintenance.

For a close look at an industry partnership, we'll examine Acme Machine & Welding, which is partnering with Northshore Technical Community College in an internship program that allows students to attend school, gain on-the-job training and earn a living.

Finally, we'll discuss an increasingly important workforce need in Louisiana – industrial construction. As our state has announced more than $54 billion in new plant construction and expansion plans, skilled construction workers are in high demand. Louisiana quickly has addressed the demand, working with The National Center of Construction Education and Research to develop NCCER certification at Louisiana schools.

As you enjoy this latest issue of *EQ*, I thank you for your continued interest in Louisiana – America's new frontier for business opportunity.

Stephen Moret, Secretary
Louisiana Economic Development

ECONOMIC UPDATE

LOUISIANA'S ECONOMY **Q3 2013**

BANKING

61.9% INCREASE

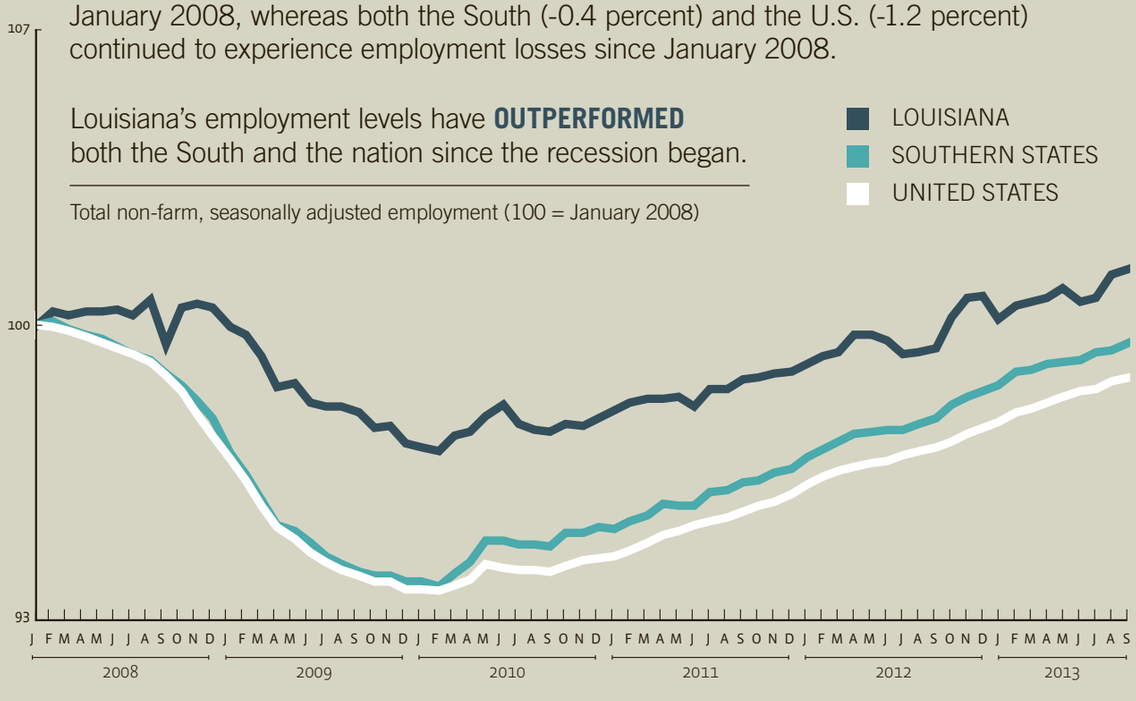
Total bank equity capital of Louisiana's 146 FDIC-insured institutions was up **61.9 PERCENT** since January 2008, compared to the nation's growth of 20.4%

EMPLOYMENT

Louisiana had **1.3 PERCENT MORE JOBS** in September 2013 than it had in January 2008, whereas both the South (-0.4 percent) and the U.S. (-1.2 percent) continued to experience employment losses since January 2008.

Louisiana's employment levels have **OUTPERFORMED** both the South and the nation since the recession began.

Total non-farm, seasonally adjusted employment (100 = January 2008)



RANKINGS

STATE OF THE YEAR

In July, *Southern Business & Development* recognized Louisiana as Co-State of the Year for 2013. This is the fourth time in five years that Louisiana has been designated State or Co-State of the Year in the South.

No. 4

Louisiana's business climate was ranked **NO. 4** by *Business Facilities* magazine in July — the highest-ever business climate ranking for the state.

No. 1

For the fourth year in a row, *Business Facilities* magazine ranked LED FastStart® the top state workforce development program in the nation.

No. 2

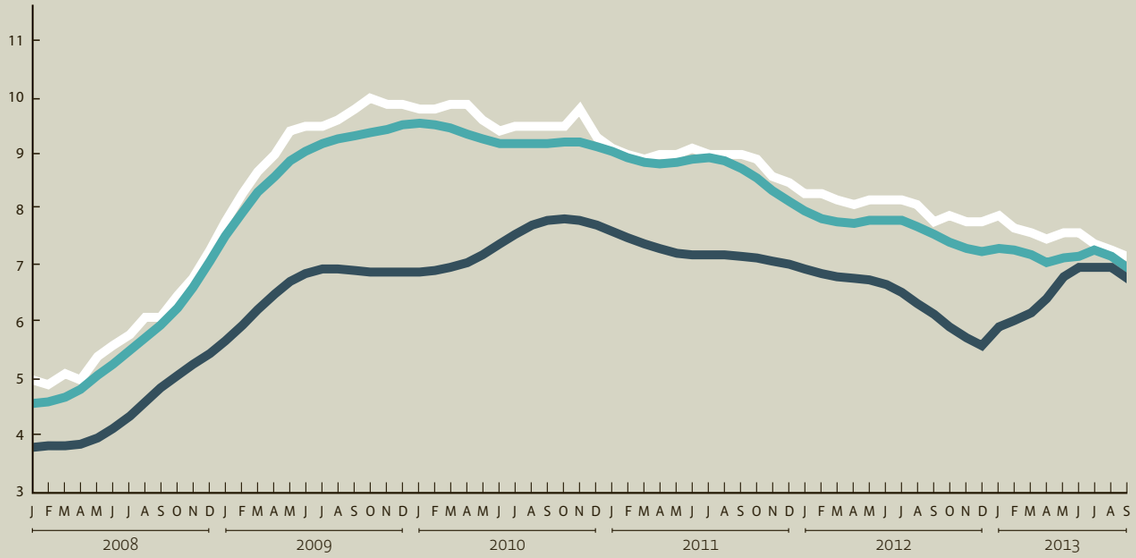
In the annual rankings report by *Business Facilities* magazine, Louisiana ranked **NO. 2** in the Economic Growth Potential category.

+26 Spots

Pollina Corporate Real Estate ranked Louisiana's business climate **NO.14** in July — up 26 spots since 2008 — the largest improvement of any state in the past five years.

UNEMPLOYMENT

September 2013 marked the **23RD CONSECUTIVE QUARTER** that Louisiana outperformed both the South and the U.S. with respect to the unemployment rate.



SHIPSHAPE SOLUTIONS

LOUISIANA LENDS TRAINING EXPERTISE TO MARITIME INDUSTRY

For centuries, Louisiana residents working on the Gulf of Mexico and Mississippi River have built a robust maritime sector with companies forging construction and maintenance services for commercial and military vessels.

THE NAVY'S INVESTMENT IN DELGADO COMMUNITY COLLEGE WILL TRANSFER THE EXISTING FACILITY INTO AN ADVANCED MANUFACTURING CENTER OF EXCELLENCE.

Now, innovative workforce training programs at Delgado Community College in New Orleans and South Central Louisiana Technical College (SCLTC) in Morgan City are equipping a new generation of workers to support the industry's evolution in the state.

Working with Bollinger Shipyards, SCLTC recently launched a 10-week boot camp for prospective shipfitters addressing a specific shortage of maritime specialists in the industry. The dearth of shipfitters impacted Bollinger, a leader in the fabrication, repair and conversion of a wide variety of military and commercial offshore and inland vessels. The 67-year old Lockport, La., company currently operates 10 shipyards throughout South Louisiana and Texas.

SCLTC Director Earl Meador said the shipfitter boot camp fits individuals in Louisiana and around the country who may have no skills in the maritime industry, but who want to enter the field. Bollinger hired graduates from the inaugural class and will continue to do so as classes continue, Meador said. The boot camp trains workers to lay and fit pipe during a vessel's construction or repair process — a critical step that precedes welding.

"Within a few weeks, students understand what it takes to work as a shipfitter and, more importantly, they can see a job at the end of the boot camp," Meador said. "This changes lives and fills an important workforce need."

At Delgado Community College, a program is under way that builds on the institution's impressive shipbuilding legacy. The school's main campus in New Orleans' City Park once produced a workforce of more than 20,000 workers who built the legendary Higgins Landing Craft as well as PT boats and other craft that were instrumental in winning World War II. Throughout the 20th century, workers were trained in the Delgado Apprentice School Program to support military craft construction at the Avondale Shipyard in the New Orleans area.

The U.S. Navy is investing $10 million to maintain and expand the Delgado Apprentice School Program's STEM (Science, Technology, Engineering and Mathematics) curriculum in order to recruit new workers — including veterans — into advanced manufacturing.

The Navy's investment focuses on curriculum expansion, but additional funding of $11 million from the State of Louisiana and private sources will allow for the physical transformation of the existing facility into a 66,000-square-foot Advanced Manufacturing Center of Excellence that supports not just shipbuilding, but a variety of other industries.

"What's happened here shows how nimble the region is, and how diverse the regional economy is," says Delgado Community College Chancellor Monty Sullivan. **"THIS NEW PARTNERSHIP ALLOWS LOUISIANA TO EXPAND OUR ADVANCED MANUFACTURING WORKFORCE POOL, WHICH HELPS A GROWING NUMBER OF BUSINESSES FLOURISH."** EQ

MOMENTUM LOUISIANA

12 COMPANIES SAY 'YES' TO LOUISIANA

CB&I

400 NEW JOBS
$68,000 TO $78,000 AVG. SALARY

In July, CB&I announced the centralization of 400 professional jobs from out-of-state locations to the company's Government Solutions operating group in Baton Rouge, La. The project will also retain 180 existing employees. Louisiana Economic Development (LED) estimates the project will result in another 434 new indirect jobs and an economic impact of more than $500 million in the Capital Region's economy over the next 10 years. LED began working with CB&I on potential growth opportunities in Louisiana in mid-2012. To secure the project, LED offered a performance-based grant of $3.3 million to reimburse relocation and recruitment costs, and the company will receive the comprehensive workforce solutions of LED FastStart®. In addition, CB&I is expected to utilize the state's Quality Jobs program.

"We believe Louisiana offers an exceptional business environment to further develop our business function professionals and engineers who manage projects throughout the world. Our Louisiana workforce is a critical component of CB&I's overall business, and we are committed to growing our presence here."

CHIP RAY
President of CB&I Government Solutions

AAR CORP.

500 NEW JOBS (250 RETAINED)
$46,600 AVG. SALARY

AAR Corp. announced in August 2013 that it will establish a 750-job aircraft Maintenance, Repair and Overhaul operation at Chennault International Airport in Lake Charles, La. Louisiana Economic Development estimates the project will result in an additional 526 new indirect jobs in the area, for a total of more than 1,000 new jobs. The company will occupy approximately 520,000 square feet of MRO service and administrative space, plus another 118,000 square feet in Hangar H, a new high-bay, wide-body aviation hangar at the airport. With the project, Louisiana will establish a national Aircraft MRO Center of Excellence for training at SOWELA Community Technical College in Lake Charles.

"We look forward to meeting and engaging the talented pool of aviation professionals from the area and helping to extend Lake Charles' position as an aviation center of excellence for Louisiana."

DAVID STORCH
Chairman and CEO of AAR Corp.

WINGSPAN PORTFOLIO ADVISORS

532 NEW JOBS (400 RETAINED)
$2 MILLION CAPITAL INVESTMENT

Wingspan acquired customer service operations at the JPMorgan Chase home mortgage finance center in Monroe, La., in September 2013. Wingspan will retain 400 Chase employees while creating 532 new direct jobs over the next 10 years. The company will renovate the majority of the seven-floor finance center and occupy 71,000 square feet. The Monroe project will result in an estimated 609 new indirect jobs, for a total of more than 1,100 new jobs in Northeast Louisiana. Chase, meanwhile, will continue to employ 1,900 people in the region and 4,200 people across Louisiana.

"We are often called upon to scale quickly and effectively to help our clients as their priorities change, and this acquisition enables Wingspan to react with significant speed and very high quality."

STEVEN HORNE
CEO of Wingspan Portfolio Advisors

EUROCHEM

200 NEW JOBS
$11.6 MILLION ANNUAL PAYROLL
$1.5 BILLION CAPITAL INVESTMENT

EuroChem has committed to build an ammonia and urea production plant in Louisiana to manufacture and distribute fertilizer products in the U.S. The Louisiana facility will operate in the nitrogen category and serve as both a manufacturing and distribution center. EuroChem's Louisiana project represents its first manufacturing facility in the Americas. The project investment is estimated to be $1.5 billion and traditionally requires four years of construction work, which can yield approximately 2,000 new construction jobs. Louisiana Economic Development estimates the project will result in 1,378 new indirect jobs.

"Louisiana brings together all the right ingredients — from its favorable political and economic environment to the availability of energy, labor, infrastructure and logistics — to fulfill our strategic vision in one of the world's largest agricultural markets."

DMITRY STREZHNEV
CEO of EuroChem

HONEYWELL

42 NEW JOBS (698 RETAINED)
$68,300 AVG. SALARY
$208 MILLION CAPITAL INVESTMENT

In July 2013, Honeywell announced it will invest in manufacturing projects at four production sites in Louisiana. The projects will expand product offerings into catalysts, refrigerants and adsorbents while improving the competitiveness of sites in Caddo, East Baton Rouge and Ascension parishes. Specifically, the projects will be at Honeywell Performance Materials and Technologies facilities that include fluorine products production operations in Baton Rouge and Geismar; a catalyst production facility in Shreveport; and an adsorbent production facility in Baton Rouge for the UOP business unit of Performance Materials and Technologies. Honeywell is examining the feasibility of additional Louisiana projects that would bring the total new capital investment at Louisiana company sites to $1.2 billion over 10 years.

"The support of the State of Louisiana, as well as local governments, was key in our decision to locate production of key new products at our Louisiana facilities, helping to ensure their future viability."

ANDREAS KRAMVIS
President and CEO of Honeywell Performance Materials and Technologies

COOL PLANET ENERGY SYSTEMS

72 NEW JOBS
$59,600 AVG. SALARY
$168 MILLION CAPITAL INVESTMENT

In August 2013, Cool Planet Energy Systems announced it will build three bio-refineries in Louisiana. The project will consist of modular biomass-to-gasoline refineries in Alexandria, Natchitoches and a site to be determined. In addition to 72 new direct jobs, the project will result in an estimated 422 new indirect jobs. Cool Planet will harvest wood waste and forest byproducts to make gasoline at its initial commercial-scale facilities in Louisiana. Each bio-refinery will be capable of producing 10 million gallons of high-octane, low-vapor-pressure gasoline for strategic distribution through existing market channels and for blending at Louisiana refineries. The fuel will be compatible for use in existing vehicles on the road today.

"Cool Planet chose Louisiana for multiple reasons, including abundant renewable feedstock supply and a business-friendly attitude toward innovative companies like ours. The support we have seen here enhances our unique distributed production model."

HOWARD JANZEN
CEO of Cool Planet Energy Systems

BASF

22 NEW JOBS
$72,300 AVG. SALARY
$42.6 MILLION INVESTMENT

In September 2013, BASF announced it will build a polyurethanes blending facility in Geismar, La. The company's fourth major Geismar expansion in as many years, the project will create 22 new direct jobs and result in an estimated 145 new indirect jobs. Another 175 construction jobs will be created. Since 2009, the BASF expansions have yielded more than 600 new direct and indirect jobs in Louisiana and more than $350 million in new capital investment. The blending facility will improve efficiency and shorten the supply chain to customers. BASF polyurethanes enable manufacturers to produce leading automotive, furniture and construction industry goods.

"This project demonstrates our commitment to the future growth in this region and market. The project also further strengthens our position as a leading supplier of chemistry for sustainable solutions."

TOM YURA
Senior Vice President of BASF Geismar

JUNIPER GTL LLC

29 NEW JOBS
$85,000 AVG. SALARY
$100 MILLION CAPITAL INVESTMENT

In September 2013, Juniper GTL announced the company will renovate a dormant steam methane reformer in the Westlake, La., area and convert it to a natural gas-to-liquids facility. Venture partners SGC Energia SA of Portugal and Houston-based Great Northern Project Development LP conceived the Juniper GTL project to produce clean fuels in a safe and economical manner. The first commercial GTL facility to start construction in the U.S., Juniper GTL will create 29 new direct jobs and result in an estimated 112 new indirect jobs.

"We found in Louisiana the business environment we needed for Juniper GTL. We are also receiving excellent support from the state and local authorities on questions related to the environment, which is a priority for us."

VIANNEY VALÈS
President of Juniper GTL LLC

THE DOW CHEMICAL COMPANY

71 NEW JOBS (1,380 RETAINED)
$49,000 AVG. SALARY
$1 BILLION CAPITAL INVESTMENT

The Dow Chemical Company announced plans in August 2013 to invest in a pair of new polyolefins plants — one for producing next-generation synthetic rubber and another for high-performance polyethylene — and capital upgrades to its ethylene capacity at the company's 3,300-acre site in Plaquemine, La. The new plants will increase the supply of chemicals for Dow's Performance Plastics unit with applications in adhesives, sporting goods, diaper components, automotive interiors and exteriors, carpeting, home furnishings and personal care products that are part of a $450 billion global market.

"The great people of Dow Louisiana Operations deserve this win today. They have run this site safely and reliably for many years. With the support of our state and local government and the community in which we operate, we all get to celebrate this win today."

EDUARDO DO VAL
Site Leader of Dow Louisiana Operations

AMERICAN TANK COMPANY

20 NEW JOBS
$32,000 AVG. SALARY
$2 MILLION CAPITAL INVESTMENT

In July 2013, American Tank Company announced plans to invest $2 million to build a new manufacturing facility in New Iberia, La. The new facility will allow the company to improve efficiency in the production of bolted storage tanks for the oil and gas industry and other sectors. The manufacturing and office space of the company will increase from 5,000 square feet to 20,000 square feet, and the project will provide new equipment and enclose some manufacturing processes that were previously performed outdoors. The expansion of the company's facility will allow it to serve Gulf Coast clients more efficiently while maintaining quality service and competitive prices for customers.

"American Tank Company Inc. will work parallel with Louisiana Economic Development to create more manufacturing, engineering and construction jobs in Iberia Parish. The logistics of southern Louisiana play a significant role in our goal to increase our international exports."

LARRY ROMERO
President of American Tank Company

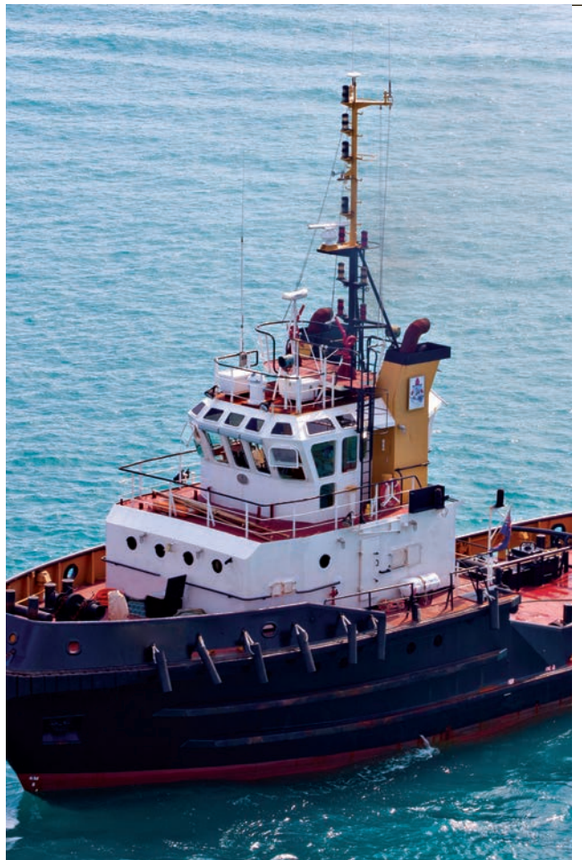
QUALITY FIRST MARINE

9 NEW JOBS

Quality First Marine provides tugboats, workboats, barges and cranes for the construction, oil and gas, dredging, environmental and emergency response industries. Through Louisiana's Economic Gardening Initiative, the company gained market research data, social media recommendations and Internet and innovation strategies to accelerate its growth. The Louisiana Small Business Development Center at Southeastern Louisiana University provided finance, sales and marketing assistance. As a result, Quality First Marine has secured $300,000 in capital and increased sales by more than 85 percent. The LSBDC is funded in part by LED.

"We continue to use the LSBDC's help by enrolling in educational events for small business owners, such as business plan writing, cash flow management, tax information and QuickBooks training. In addition, our small business consultant recently directed us to additional funding resources available and industry-specific professionals who could help take our business to the next level of growth."

CHRISTINA COUVILLION
President of Quality First Marine



TELEPERFORMANCE

740 NEW JOBS (1,260 RETAINED)

In September 2013, Teleperformance announced plans to expand its Shreveport, La., customer contact operations and create 740 new jobs. LED estimates the project will result in 637 new indirect jobs, for a total of more than 1,370 new jobs across the Northwest Region. New Teleperformance customer contracts in healthcare and telecommunications spurred the job growth in Shreveport. To secure the project, the State of Louisiana offered the company an incentive package that includes a $200,000 performance-based grant and the workforce solutions of LED FastStart®. In addition, Teleperformance is expected to utilize the state's Enterprise Zone incentive.

"The continued top-tier performance by our team in Shreveport has enabled us to expand existing client relationships and will ensure that we can attract new clients and bring additional business, and jobs, to Shreveport."

TRAVIS COATES
Executive Vice President of Operations, Teleperformance

BUILDING EXCELLENCE

BEST-PRACTICE TRAINING MODEL PRODUCES SKILLED CRAFT WORKFORCE

In 2012, LED faced both good news and a significant challenge. Buoyed by attractive natural gas prices in the U.S. and a greatly improved Louisiana business climate, companies had announced billions of dollars in new plant construction and expansion plans for Louisiana projects.

The building boom meant more than 86,000 new craft workers would be needed in Louisiana through 2016 — a daunting number with the U.S. approaching a significant shortage of skilled construction workers.

Louisiana already possessed some structural advantages for dealing with a construction challenge. In 2006, after Hurricane Katrina, industry leaders from across the state formed the Louisiana Craft Workforce Development Board (LCWDB) to meet recovery needs. They needed a new sustainable plan for the approaching industrial building boom.

In early 2012, LED helped reassemble the craft workforce board, ensuring Louisiana could develop a detailed plan to recruit and train workers to meet the future building demand. Initially, LED and the LCWDB reviewed training approaches to ensure the construction programs were properly aligned at all technical colleges and training centers.

The partners identified The National Center of Construction Education and Research program (NCCER) as a best-practice model in use by the Associated Builders and Contractors trade group. The craft workforce board encouraged the adoption of NCCER certification at Louisiana two-year colleges and feeder schools and then launched a review of equipment, resources and capacities of the schools.

The craft workforce board encouraged the adoption of NCCER certification at Louisiana two-year colleges and feeder schools, and then launched a review of equipment, resources and capacities of the schools.

At the same time, LED developed analytics to map the Louisiana craft workforce and to identify resources required for future projects, along with a strategy for recruiting craft construction workers from outside the state.

After the research phase, the craft workforce board made recommendations that were improved and acted upon by the Workforce Investment Council of the Louisiana Workforce Commission.

"I'm very proud of the way industry, the state and educators came together to get Louisiana on track. We have a solid, long-term model for training employees to meet demands of businesses currently based here and companies coming into our region."

KELLY SERIO
Plant Manager
Formosa Plastics

"We have totally changed Louisiana's skilled labor training model," said Connie Fabré of the Greater Baton Rouge Industry Alliance. "I think one of the biggest impacts is that we can offer more training to kids in high school so they can become industry-certified and get a job immediately following graduation."

"I've really been amazed at the speed of action," said Mike Albano of The Dow Chemical Company. "The technical college system schools have already begun utilizing the NCCER curriculum, which will have a dramatic impact on the number of students ready for the craft jobs of the future."

In support of these efforts, LED has allocated $4.7 million to craft worker training — a 20 percent increase over the previous year — in addition to a Workforce Training Rapid Response Fund of $10 million, a portion of which will be used for craft training.

In addition, more than $250 million in Facilities with a Purpose funding was approved by the Legislature to expand the Louisiana Community and Technical College System's career and technical education capacity.

"I'm very proud of the way industry, the state and educators came together to get Louisiana on track," said Plant Manager Kelly Serio of Formosa Plastics. "We have a solid, long-term model for training employees to meet demands of businesses currently based here and companies coming into our region." EQ

INNOVATIVE WORKFORCE TRAINING

INSIDE LOUISIANA'S $500 MILLION COMMUNITY AND TECHNICAL COLLEGE SYSTEM EXPANSION

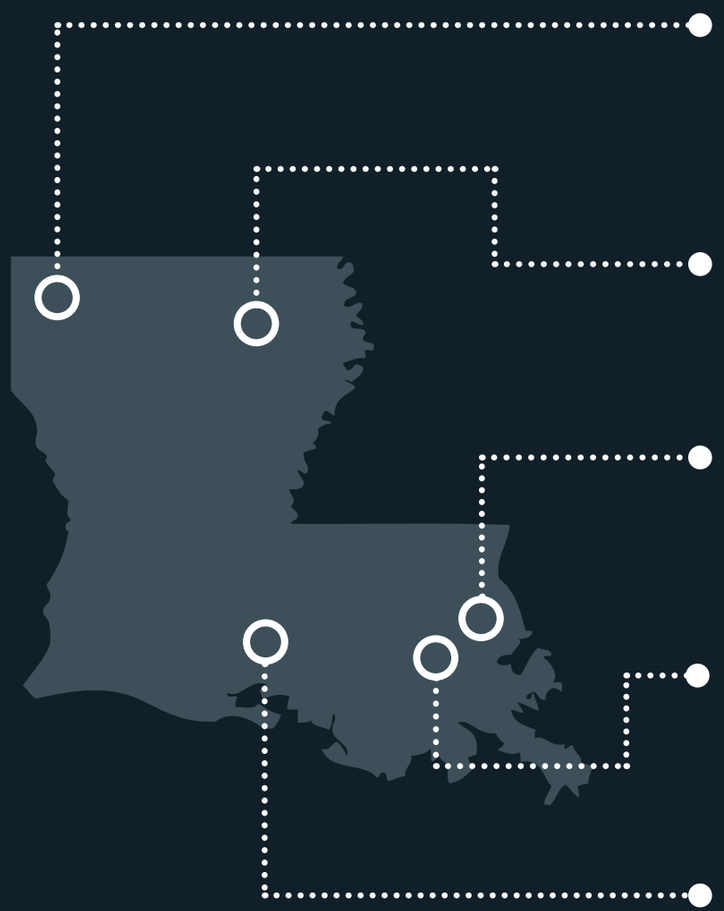
New Louisiana investments are transforming community and technical colleges in the state and placing Louisiana in a lead role to bridge the U.S. workforce gap in vital sectors, from advanced manufacturing to aerospace and energy.

The approach recognizes the critical importance of a talented, abundant workforce in site-selection decisions made by business investors. To meet those expectations, Louisiana is producing highly skilled workers statewide, expanding training opportunities rapidly and creating world-class, specialized workforce development centers.

Louisiana is collaborating with Bossier Parish Community College and SOWELA Technical Community College to build advanced training centers for industry leaders Benteler Steel/Tube and Sasol.

FACILITIES WITH A PURPOSE

Major investments outlined in the plan include:



$21 million

BOSSIER PARISH COMMUNITY COLLEGE
Bossier City, La.

for new science, technology, engineering and mathematics center which will allow the school to train 1,200 additional students for STEM-related jobs.

$8 million

LOUISIANA DELTA COMMUNITY COLLEGE
Monroe, La.

for the expansion of the advanced technology center.

$10 million

NORTHSHORE TECHNICAL COMMUNITY COLLEGE
St. Tammany Parish

for a science, technology, engineering and mathematics building.

$35 million

DELGADO COMMUNITY COLLEGE
New Orleans, La.

for the Charity School of Nursing to support the city's fast-growing biomedical district.

$17 million

SOUTH LOUISIANA COMMUNITY COLLEGE
Lafayette, La.

for an allied-health building to be used for its new two-year registered nurse degree program and other healthcare training.

In Bossier City, La., state and local governments are building an advanced manufacturing training center to support Benteler Steel/Tube's first hot-rolling, steel-tube mill in the U.S. The $22 million workforce center, under construction at Bossier Parish Community College (BPCC), played a key role in convincing the European company to invest in Northwest Louisiana, where it will leverage logistics and business climate advantages to serve a robust North American energy sector.

Benteler considered 100 potential sites in 13 states before selecting a 330-acre site at The Port of Caddo-Bossier in Shreveport for the $975 million steel plant. Construction on the first of two phases is under way.

"The value of the training facility is almost immeasurable," said Matthias Jaeger, president and CEO of Benteler Steel/Tube. "We are making a long-term commitment, so we need to have certainty about the workforce of the future."

At BPCC, the training center will prepare students for 675 new Benteler jobs in areas from skilled steel manufacturing to industrial maintenance. Working with college officials, Benteler will help shape laboratory design, select equipment and choose classroom curricula, but the design will be flexible enough to provide advanced training for any manufacturer for decades to come.

BPCC Chancellor Jim Henderson joined officials from LED FastStart® — Louisiana's acclaimed workforce program — at Benteler's plant in Paderborn, Germany, to better understand the company's manufacturing process and workflow.

"You can't overstate the value of forming deep relationships with employers," Henderson said. "They need to understand us, and we need to understand them so we can produce the workforce that will make them successful."

INNOVATIVE WORKFORCE TRAINING

876,000 square feet of new or improved training facilities will be added to community and technical colleges across the state over the next three to five years.

The Benteler/BPCC partnership underscores Louisiana's continuing investment in flexible, state-of-the-art workforce solutions that align with industry demands. The Louisiana Community and Technical College System (LCTCS) is an increasingly visible part of the state's strategy for delivering custom solutions in rural and urban communities in every corner of Louisiana.

From 2007 to 2012, Louisiana invested more than $250 million in new and modernized training facilities at community and technical schools.

Louisiana continues to make meaningful investments in workforce facilities that meet industry standards and often exceed industry expectations. State lawmakers in 2013 authorized more than $250 million in additional workforce-related projects at community and technical colleges across the state. The biggest component of the latest investment is Facilities with a Purpose — a far-reaching plan to build, expand and modernize 25 workforce facilities on 14 LCTCS campuses across the state.

All told, the state will add more than 876,000 square feet in new or improved training facilities at community and technical colleges across the state over the next three to five years.

Once complete, the projects will expand by 63 percent the number of students LCTCS can prepare for jobs in aviation maintenance, welding, automotive technology, construction, advanced manufacturing, instrumentation technology, process technology, information technology and other high-demand fields.

workplace where needs are exploding for "middle skills" workers possessing more education than high school but less preparation than a four-year academic degree.

The State of Human Capital 2012, by McKinsey & Company Inc. and The Conference Board, shows that the global talent shortage is widespread, with particular concern for the limited availability of technical workers or STEM job candidates. In Louisiana, training for those jobs occurs chiefly at community and technical college campuses.

"We've got the companies, LED FastStart, state and local government and our community and technical colleges at the table together."

- Neil Aspinwall, Chancellor of SOWELA Technical Community College

Yet the Facilities with a Purpose plan is designed to do more than create training centers at community and technical college campuses. The plan strengthens the bond between regional labor needs and LCTCS sites by requiring a 12 percent local match for project costs.

"It brings together the community, businesses and college leaders to talk about what local labor needs are and how best to address them," said Joe May, LCTCS president. "We want those groups to come together and have those conversations, whether the need for training is in industrial construction or allied health or culinary arts."

Workforce projects at Louisiana's community and technical colleges reflect trends in Louisiana's economy, such as rising job demand for regional healthcare providers and natural gas producers drilling in the Haynesville Shale. But the workforce projects are also in step with macroeconomic changes in the global

Students in Louisiana are responding to the state's investment in world-class training. Enrollment at Louisiana's community colleges and technical schools outpaces every other state, surging 72 percent from 2007 to 2012, according to U.S. Department of Education figures. The state's aim is to further expand enrollment to more than 93,000 students over the next five years.

Market demand is shaping training partnerships across the state. In Lake Charles, La., Sasol Ltd. of South Africa is planning the first U.S. natural gas-to-liquids, commercial-scale facility, along with an ethane cracker, for an investment of $16 billion to $21 billion that will create more than 1,250 new direct jobs.

The state will build a $20 million training center at nearby SOWELA Technical Community College to train welders, process technologists and other skilled workers for projects in Southwest Louisiana, including the Sasol complex, which represents

the largest manufacturing investment in state history. The training center's design involves a close collaboration between Sasol and local officials, along with LED FastStart, Louisiana's best-in-the-nation state workforce training program.

"What's being done in Louisiana is exciting," said Mike Kane, Sasol operations manager for the ethane-cracker project. "It's a once-in-a-lifetime partnership for Sasol to be able to influence training at a public education institution in this way."

Collaboration shapes training centers and programs across a spate of industries. BPCC created a four-week, industrial readiness certificate for custom-packaging company Ronpak, which opened a $16.8 million headquarters and manufacturing facility in Shreveport in mid-2013.

Ronpak helped craft the certificate program to identify students with an aptitude for mechanical work. The company offered jobs to 70 percent of the first class of graduates at BPCC. Elizabeth Henson, the firm's human resources specialist, said Ronpak plans to continue participation in the program as it ramps up employment from 113 to 275 over the next five years.

Collaboration is guiding other workforce efforts. In St. Tammany Parish, the local government donated 12.6 acres for a building that will house Northshore Technical Community College's new STEM programming. In concert with local economic developers, Northshore evaluated future workforce demand and determined a need for more job training in science, technology, engineering and mathematics.

Collaboration between government and education leaders represents a vital part of the state's workforce strategy. At Louisiana Delta Community College, LED FastStart helped the school acquire a 10-station, integrated assembly system for training in automotive and other complex manufacturing processes. The expansion of the school's advanced technology center reflected local training needs, including a "clean room" to accommodate nanotechnology training for the region's pharmaceutical sector.

INNOVATIVE WORKFORCE TRAINING

At Louisiana Delta Community College, LED FastStart helped the school acquire a 10-station, integrated assembly system for training in automotive and other complex manufacturing processes.

Indeed, several LCTCS campuses will locate public workforce offices inside the same building where training takes place. The goal is creating turnkey sites where students can find out about training opportunities in their communities and then pursue them with maximum ease.

"We've got the companies, LED FastStart, state and local government and our community and technical colleges at the table together," said Neil Aspinwall, chancellor of SOWELA Technical Community College, where fall 2013 enrollment is up 21 percent over the past year.

"That is what makes what we're doing so powerful," Aspinwall said. **EQ**

OUT OF THE CLASSROOM

Acme Machine & Welding provides training opportunities to increase technical skills

One constant burns brightest for Acme Machine & Welding since its founding in 1985: The pace of technological change increases daily, necessitating the niche provider of machine parts for the offshore oil and gas industry to adopt new strategies for training newcomers.

Acme joins other innovative small businesses across Louisiana by participating in internship programs at local technical and community colleges. In the programs, select students attend school while also gaining real-world experience. Acme's interns come from the main campus of Northshore Technical Community College (NTCC) in Bogalusa, La.

"In the last 10 years, things have really changed in the machine business," said Troy Schiro, Acme Machine & Welding vice president. "It used to be all manual labor, but today it's primarily about skilled labor and CNC."

Computer numerical control devices are highly automated and use computer-aided design and manufacturing operations to replace traditional hand-cutting, sawing and welding. The technology is advanced and students in school receive what amounts to basic training in CNC operation.

"We allow the student interns to work alongside our team members and gain valuable hands-on experience," Schiro said. "Our fabrication shop is located right near the community college, so we work with their schedule to make sure they have time to learn at school and at work. When they graduate from NTCC, we hope that most will transition into a full-time job here at Acme."

In addition to parts for the offshore industry, Acme produces a variety of custom-engineered products for manufacturers across South Louisiana and Mississippi.

Jesse Thomas of Franklinton, La., is in his last semester at NTCC and has been interning with Acme Machine & Welding for more than a year. After graduation, he hopes to stay on at the company but knows he has the skills to work anywhere.

"Through the internship program, I've received a lot of practical experience while also earning a paycheck," Thomas said. "If I wasn't at Acme, I'd probably have to support myself doing something totally unrelated to my field. This hands-on training has been a great supplement to my classwork."

NTCC Chancellor William S. Wainwright is a big fan of companies like Acme that participate in the school's internship program.

"Acme is an outstanding industry partner," Wainwright said. "They truly understand the value in terms of the quality of training and the importance of communication to ensure that upon completion the student is work-ready. We value these partners who give our students the opportunity to complete their college program of study and in most cases have a foot in the door at the company upon graduation."

All areas of study within NTCC's Industrial Technologies Division have internship opportunities. The technical community college also utilizes an industrial advisory committee, which evaluates curriculum, technology and equipment, as well as the college's vocational mission.

"We feel confident our combined classroom instruction and internship programs are both working together to graduate a highly skilled worker who meets industry expectations," Wainwright said. EQ

EQ&A

Jim Henderson

Prior to becoming chancellor of Bossier Parish Community College in 2009, Jim Henderson guided training efforts for more than 40 campuses of the Louisiana Community and Technical College System as senior vice president for workforce and economic development. Above all, he remains a champion of what workforce development can achieve when industry and educators collaborate at the highest possible level.

EQ: How is the role of Louisiana's community and technical colleges changing in relation to economic development?

Henderson: One of the foremost concerns companies have is the availability of a skilled workforce. That is our core mission — to develop the talent that allows companies to be competitive. It's a natural fit.

EQ: Enrollment at Bossier Parish Community College has increased by 83 percent in four years. What's driving that?

Henderson: We offer programs in technology, STEM fields, healthcare and advanced manufacturing, because those align with the needs and opportunities in our regional economy. We are also a national center of academic excellence in cybersecurity through our work with Barksdale (Air Force Base), which again reflects the opportunities in our region. We are market-driven. That is our culture. That is why we are growing.

EQ: The training center at BPCC for Benteler Steel/Tube will be unlike anything else in the U.S. What opportunities will it create for students, for Benteler and for other employers?

Henderson: It will meet Benteler's needs and those of any employer that comes here for decades. It will provide state-of-the-art laboratory and class space to support training for energy, advanced manufacturing, robotics, engineering and other fields.

EQ: You traveled to Germany for an up-close view of Benteler's workflow operations. Why was that important?

Henderson: It was vitally important for LED FastStart® and BPCC to get a firsthand look at the manufacturing process in Germany to understand Benteler's production operation. We needed to understand their culture and their processes to produce the workforce they need. It provided us with sound insights in that regard.

EQ: How will the LED FastStart program work with Benteler and BPCC in training at the center?

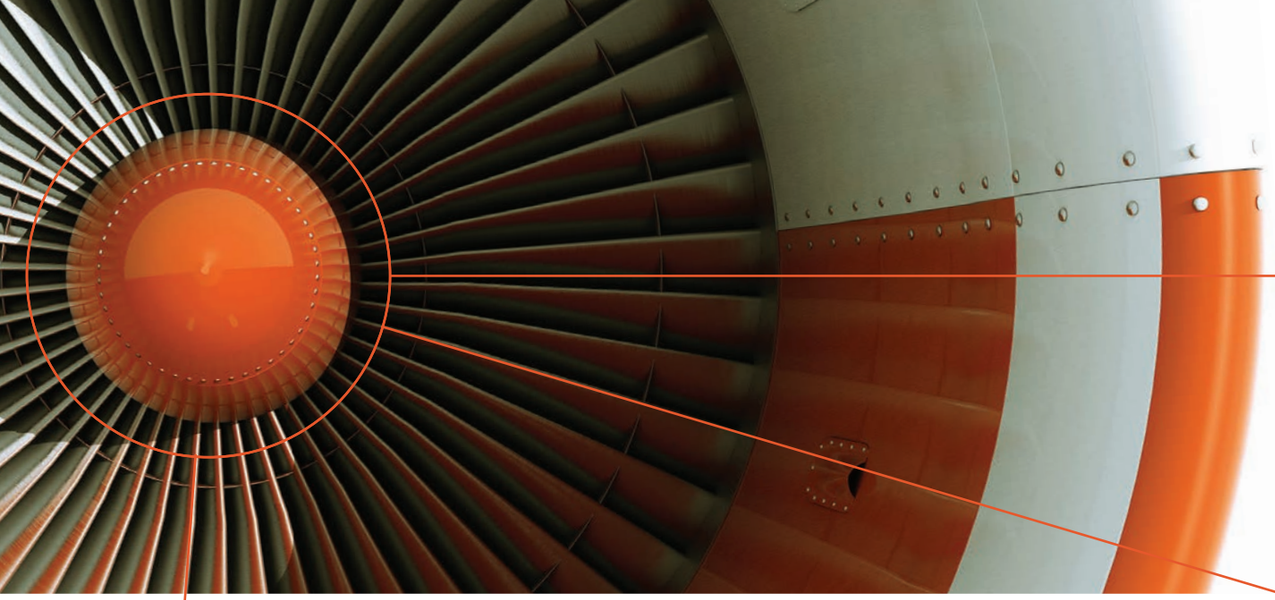
Henderson: Some training will be part of the BPCC curriculum, while FastStart will handle other aspects. For Benteler, the process will be seamless regardless of who provides the training. We're able to do that because of our close working relationship with LED FastStart, whose expertise in process analysis and curriculum development is second to none.

EQ: What do you want business and industry to understand about BPCC and other community colleges and technical schools around the state?

Henderson: At our core, we exist to serve them. In Louisiana, the collaborative relationships between technical and community colleges, workforce partners and local and state organizations are stronger than anywhere in the country. That means we are all working to achieve the same aggressive goals to meet industry workforce needs and help them succeed. EQ

"In Louisiana, the collaborative relationships between technical and community colleges, workforce partners and local and state organizations are stronger than anywhere in the country."

JIM HENDERSON
BPCC Chancellor



Gaining Aerospace:

Innovative apprentice program expands aviation workforce

AAR, one of the nation's Top 100 defense contractors, will join a pair of Louisiana workforce training partners – LED FastStart® and SOWELA Technical Community College – to create an innovative apprentice program for the aerospace industry in Southwest Louisiana.

In August 2013, AAR officials announced their decision to establish the company's sixth MRO operation (Maintenance, Repair and Overhaul services) in North America at the Chennault International Airport in Lake Charles, La. There, AAR will retain 250 former employees of a predecessor company, Aeroframe Services, and create 500 additional jobs by 2017.

The announcement strengthens an already growing aerospace industry sector at Chennault, where Northrop Grumman is another MRO tenant. Based in Wood Dale, Ill., AAR provides aviation services and technology products to government and defense customers worldwide. The company employs 7,000 people in 17 countries, and ranks as the No. 1 provider of aircraft MRO services in North America.

The expansion into Louisiana enables AAR to tap new markets, namely maintenance operations for all wide-body aircraft, including aircraft as large as the Airbus A380. AAR will occupy approximately 520,000 square feet of MRO service and administrative space at Chennault, as well as an additional 118,000 square feet now under construction to accommodate wide-body aircraft. Louisiana committed $17.5 million toward construction of the newest hangar space, which made Chennault a particularly attractive expansion site.

To cement the AAR project, Louisiana combined its best workforce weapons to form a dynamic employment solution for the aerospace company. LED FastStart and SOWELA are establishing a national Aircraft MRO Center of Excellence, which will support the ongoing training of employees and create a pipeline of talent for AAR and other aviation service providers in the region, such as Northrop Grumman.

SOWELA already boasts a successful aviation maintenance technology program that provides airframe and power plant mechanic certification, both approved by the Federal Aviation Administration.

Now LED FastStart and SOWELA are introducing a six-week, pre-employment apprentice program intended to train new potential employees quickly and to significantly expand the employee recruitment pool. The apprentice program will be offered 10 times annually and will bridge the gap between local job seekers with no past experience in the aerospace field and entry-level positions at companies such as AAR and Northrop Grumman.

The State of Louisiana provided $3.7 million in funding for enhancements to SOWELA's aviation curriculum to get the apprentice program off the ground. The investment includes new and improved structures, systems and avionics; replacement and expansion of technical training equipment needed for these programs; accelerated hiring of national-caliber talent to provide leadership and training expertise for the program; and updated aerospace labs for students to practice and qualify for certification and jobs through hands-on lab work.

Enhancements to SOWELA's aviation curriculum include: new and improved structures, systems and avionics; replacement and expansion of technical training equipment; national caliber talent to provide leadership and updated aerospace labs.

"What's exciting is that we've entered a period of unbelievable co-operation and transparency at SOWELA between industry and education. We want to know what businesses need, and we want to work with them in developing training programs that match those needs and that evolve as their needs change."

JOSEPH FLEISHMAN
SOWELA Vice Chancellor for Economic and Workforce Development

SOWELA Chancellor Neil Aspinwall said AAR was given the opportunity to shape the curriculum of the program, which began in November 2013.

"With the tremendous economic expansion in our region, SOWELA has stepped up to work with industry to provide customized training," Aspinwall said. "In the case of the apprentice program, we're able to create a program for the aviation industry that delivers exactly what it's looking for in new employees."

Danny Martinez, vice president of Technical Services for AAR Aviation Services Group, said partnering with post-secondary educational institutions such as SOWELA makes good business sense to AAR.

"We have a track record of working closely with community colleges, technical schools and universities to support curriculum and training programs to build the pool of local talent," Martinez said. "The SOWELA apprentice program will draw from our experience with those programs, but will be tailored to the type of aircraft maintenance, repair and overhaul work we perform in Lake Charles. We look forward to a long relationship."

SOWELA Vice Chancellor for Economic and Workforce Development Joseph Fleishman said the partnership exemplifies the way the college wants to work with business and industry. SOWELA's intention, he said, is to create credit and non-credit programs quickly — and in direct response to industry needs. **EQ**

LOUISIANA INCENTIVE SNAPSHOT

ECONOMIC INCENTIVES FOR BUSINESSES OF ALL SIZES

COMPETITIVE PROJECTS PAYROLL INCENTIVE
Provides a payroll rebate of up to 15% in target sectors for up to 10 years, and either a 4% sales/use tax rebate on capital expenditures or a facility expense rebate equal to 1.5% of qualifying expenses

COMPETITIVE PROJECTS TAX EXEMPTION
Provides a 10-year property tax abatement in selected parishes on qualifying capital investments of at least $25 million in targeted non-manufacturing industry sectors. The abatement is for the ad valorem taxes in excess of $10 million or 10% of the fair market value of the property, whichever is greater

CORPORATE HEADQUARTERS RELOCATION PROGRAM
Provides a rebate of up to 25% of facilities and relocation costs, to be claimed in equal parts over five years

CORPORATE TAX APPORTIONMENT PROGRAM
Provides single-sales factor apportionment to highly competitive projects in order to secure jobs and business investment in target industry sectors

DIGITAL INTERACTIVE MEDIA AND SOFTWARE DEVELOPMENT INCENTIVE
Provides a 35% tax credit for Louisiana resident labor expenditures and a 25% refundable tax credit on qualified production expenditures

ENTERPRISE ZONE PROGRAM
Provides a one-time $2,500 tax credit per certified net new job, and either a 4% sales/use tax rebate on qualifying expenses or an investment tax credit equal to 1.5% of capital expenditures, excluding tax-exempted items

INDUSTRIAL TAX EXEMPTION
Provides a 100% property tax abatement for up to 10 years on manufacturer's qualifying capital investments

LED FASTSTART®
Provides workforce recruitment, screening and training to eligible new and expanding Louisiana companies at no cost

MOTION PICTURE INVESTOR TAX CREDIT
Provides a tax credit of 30% on qualified production expenditures and an additional 5% tax credit for Louisiana resident labor expenditures

MUSICAL AND THEATRICAL PRODUCTION TAX INCENTIVE
Provides a tax credit of up to 35% on qualified production or infrastructure development expenditures; additional credits available for payroll and transportation expenditures

QUALITY JOBS
Provides a 5% or 6% rebate on annual payroll expenses for up to 10 years, and either a 4% sales/use tax rebate on capital expenditures or an investment tax credit equal to 1.5% of qualifying expenses

RESEARCH AND DEVELOPMENT TAX CREDIT
Provides up to a 40% tax credit for Louisiana businesses (based on employment) that conduct research and development activities in Louisiana

RESTORATION TAX ABATEMENT
Provides a five-year 100% property tax abatement for the rehabilitation of an existing structure based on assessed valuation of property prior to beginning of improvements

SOUND RECORDING INVESTOR TAX CREDIT
Provides a 25% refundable tax credit on qualified expenditures for sound recording productions

TECHNOLOGY COMMERCIALIZATION CREDIT AND JOBS PROGRAM
Provides a 40% refundable tax credit on costs related to the commercialization of Louisiana technology and a 6% payroll rebate for the creation of new direct jobs

SPECIAL INCENTIVES FOR SMALL BUSINESSES

ANGEL INVESTOR TAX CREDIT
Provides a tax credit of up to 35% for individual investors when they invest in early-stage, wealth-creating businesses

ECONOMIC GARDENING INITIATIVE
Provides Louisiana-based small businesses with accelerated technical assistance and research from an experienced national economic gardening team

SMALL BUSINESS LOAN PROGRAM
Provides up to 75% loan guarantees to facilitate capital accessibility

VETERAN INITIATIVE
Provides veteran-owned and disabled, service-oriented, small businesses with greater potential for access to state procurement and public contract opportunities

For more information on Louisiana's incentives visit **OpportunityLouisiana.com.**

Regions & Partners

REGION	REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION	REGIONAL HUB
1. BAYOU	South Louisiana Economic Council	Houma/Thibodaux
2. SOUTHEAST	Greater New Orleans Inc.	New Orleans
3. CAPITAL	Baton Rouge Area Chamber	Baton Rouge
4. ACADIANA	Acadiana Economic Development Council	Lafayette
5. SOUTHWEST	Southwest Louisiana Economic Development Alliance	Lake Charles
6. CENTRAL	Central Louisiana Economic Development Alliance	Alexandria
7. NORTHEAST	Northeast Louisiana Economic Alliance	Monroe
8. NORTHWEST	North Louisiana Economic Partnership	Shreveport/Bossier

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Louisiana has an extensive network of economic development organizations and allies dedicated to helping our communities attract, grow and maintain business in our state.

1. Bayou Region

- Assumption Chamber of Commerce
- Chamber of Lafourche and the Bayou Region
- Houma-Terrebonne Chamber of Commerce
- Lafourche Parish Economic Development
- South Central Industrial Association
- St. Mary Chamber of Commerce
- St. Mary Economic Development
- St. Mary Industrial Group
- Terrebonne Economic Development Authority
- Thibodaux Chamber of Commerce

2. Southeast Region

- Jefferson Parish Economic Development Commission
- New Orleans Business Alliance
- Plaquemines Association of Business & Industry
- St. Bernard Parish Economic Development Foundation
- St. Charles Parish Department of Economic Development & Tourism
- St. James Parish Department of Economic Development
- St. John the Baptist Parish Department of Economic Development
- St. Tammany Economic Development Foundation
- Tangipahoa Economic Development Foundation
- Washington Economic Development Foundation

3. Capital Region

- Ascension Economic Development Corporation
- City of Baton Rouge/ East Baton Rouge Parish
- East Feliciana Parish Economic Development
- Greater Pointe Coupee Chamber of Commerce
- Iberville Chamber of Commerce
- Livingston Economic Development Council
- St. Helena Parish Economic Development Committee
- West Baton Rouge Chamber of Commerce
- West Feliciana Parish Community Development Foundation

4. Acadiana Region

- Crowley Chamber of Commerce
- Evangeline Parish Industrial Board
- Iberia Industrial Development Foundation
- Lafayette Economic Development Authority
- St. Landry Parish Economic Industrial Development District
- St. Martin Economic Development Authority
- Vermillion Chamber of Commerce

5. Southwest Region

- Calcasieu Parish Planning and Development
- Chennault International Airport Authority
- City of Lake Charles Planning and Economic Development Department
- DeQuincy Chamber of Commerce
- DeQuincy Economic Commission
- Greater Beauregard Chamber of Commerce
- Jeff Davis Business Alliance
- Jeff Davis Parish Office of Economic Development
- Jennings Main Street
- Kinder Louisiana Chamber of Commerce
- Lake Charles Downtown Development Authority
- Lake Charles Regional Airport
- Oakdale Area Chamber of Commerce
- Sulphur Industrial Development Board
- The Chamber/SWLA
- The Port of Lake Charles
- West Calcasieu Port, Harbor and Terminal District

6. Central Region

- Alexandria Central Economic Development District
- Alexandria/Pineville Convention and Visitors Bureau
- Alexandria Regional Port Authority
- Avoyelles Parish Port Commission
- Central Louisiana Business Incubator
- Central Louisiana Chamber of Commerce
- Concordia Economic & Industrial Development Board
- Concordia Parish Chamber of Commerce
- England Economic and Industrial Development District
- Greater Alexandria Economic Development Authority
- Greater Vernon Chamber of Commerce
- LaSalle Economic Development District
- North Rapides Business and Industry Alliance
- O.U.T.S.: Olla, Urania, Tullos, Standard Economic Development Board
- Pineville Downtown Development District
- The Rapides Foundation
- Winn Economic and Industrial District

7. Northeast Region

- Bernice Industrial Development Corporation
- Caldwell Parish Industrial Development Board
- Franklin Economic Development Foundation
- Jackson Parish Chamber of Commerce
- Jackson Parish Economic Development
- LA Delta 65 Inc.
- Lake Providence Port Commission
- Monroe Chamber of Commerce
- Morehouse Economic Development Commission
- Rayville Economic Development
- Tensas Revitalization Alliance
- Union Parish Chamber of Commerce
- West Carroll Parish Chamber of Commerce
- West Monroe-West Ouachita Chamber of Commerce

8. Northwest Region

- Arcadia/Bienville Parish Chamber of Commerce
- Bossier Chamber of Commerce
- Caddo-Bossier Port Commission
- City of Natchitoches Economic Development Commission
- Claiborne Chamber of Commerce
- DeSoto Parish Chamber of Commerce
- Greater Bossier Economic Development Foundation
- Greater Shreveport Chamber of Commerce
- Minden-South Webster Chamber of Commerce
- Natchitoches Area Chamber of Commerce
- North Webster Chamber of Commerce
- Red River Parish Chamber of Commerce
- Ruston-Lincoln Chamber of Commerce
- Sabine Parish Chamber of Commerce

In addition to working with these organizations, LED regularly works with municipalities, parishes, police juries and utilities on economic development initiatives.

Statewide partners include:

- American Electric Power/Southwestern Electric Power Company
- Association of Louisiana Electric Cooperatives
- Center for Lean Excellence
- Cleco Corp.
- Entergy Louisiana Economic Development
- Louisiana Association of Planning and Development Districts
- Louisiana Business Incubation Association
- Louisiana Industrial Development Executives Association
- Louisiana Municipal Association
- Louisiana Public Facilities Authority
- Louisiana Small Business Development Center Network
- Manufacturing Extension Partnership of Louisiana
- Police Jury Association of Louisiana
- Ports Association of Louisiana
- Procurement Technical Assistance Center

FOUR-PEAT

LED FASTSTART®

THE NO. 1 STATE WORKFORCE TRAINING PROGRAM…AGAIN.

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