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news from ... Congressman Nick Rahall

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Rahall Announces Congressional Authorization of ARC, EDA Funds

Washington, D.C. -- Fourth District Rep. Nick Rahall (D-WV) announced that the House of Representatives today passed legislation authorizing funding for the Appalachian Regional Commission and the Economic Development Administration.

Speaking on the floor of the House during the debate on H.R. 10, Rep. Rahall said, "The phase-out funding provided for the A.R.C. in H.R. 10 is imperative for the continued improvement in the quality of Appalachian life. Without these funds, not only will improvements cease, but the positive effects of past progress will be lost to inevitable regression."

"Since 1965, the A.R.C. has continuously promoted much-needed economic progress in Appalachia, decreasing the poverty level, boosting the level of income, slashing infant mortality rates, and increasing the number of doctors," Rep. Rahall stated in support of the bill.

The funding for A.R.C. and the E.D.A. was included in the compromise budget reached by House and Senate negotiators. The Senate version of the budget contained the President's request of zero funding for both programs.

Congressman Rahall also praised the Economic Development Administration for its role in the establishment of the Center for Regional Progress at Marshall University in Huntington. The Center was one of only three new University Centers created by the E.D.A. nationwide last year. "The support provided by E.D.A. has enabled Marshall University to extend a wide variety of technical assistance and research activities to business, industry, and government which otherwise would have been unavailable," Rep. Rahall pointed out.

H.R. 10 will now go to the Senate for its consideration.

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NICK J. RAHALL, II

STATEMENT IN SUPPORT OF H.R. 10

Today, I would like to rise in strong support of H.R. 10, the National Development Investment Act. Included in H.R. 10 is authorization for the Appalachian Regional Commission, a program which has been instrumental in ~~eliminating~~ ^{attempting to alleviate} the devastating effects of poverty in Appalachia.

The role of the federal government in the economic development of rural areas, particularly Appalachia, was non-existent before the commitment of President John F. Kennedy to revitalize these regions of the nation. Since 1965, the ARC has continuously promoted much needed economic progress in Appalachia, decreasing the poverty level, boosting the level of income, slashing infant mortality rates and increasing the number of doctors. Furthermore, private sector jobs have shown a marked increase and the level of education now approaches the national average. Progress has been made.

This progress could not have been made without the cooperative effort of government -- on the local, state and federal levels -- working in conjunction with the private sector, which includes many businesses and individuals who are willing to invest in the future of their communities.

However, while dramatic improvements have been made, Appalachia still suffers disproportionate socio-economic hardships. My home state of West Virginia continues to be burdened with the highest unemployment rate in our nation. The people of Appalachia struggle not only for jobs but for the daily necessities others take for granted. The people of Appalachia are poor. There is much that remains to be done.

The contribution of government to the economic development of rural areas is to be commended. But we cannot stop now! The problems still exist. The phase-out funding provided for the ARC in H.R. 10 is imperative for the continued improvement in the quality of Appalachian life. Without these funds, not only will improvements cease, but the positive effects of past progress will be lost to inevitable regression. I urge your support of H.R. 10.

NICK J. RAHALL, II
EXTENSION OF REMARKS

IN SUPPORT OF H.R. 10

I would like to take this opportunity to express my strong support for H.R. 10, the National Development Investment Act which would amend the Economic Development and the Appalachian Regional Development Acts of 1965. The programs developed under these acts have been highly successful in the fight to eliminate poverty and its devastating effects in Appalachia and to educate and enlighten the people of this area.

I would like to share one of the many successful endeavors of the Economic Development Administration in my home district in West Virginia. The following details Marshall University's Center for Regional Progress and its Economic Development Administration University Center program. The Center for Regional Progress was one of only three new University Centers created by EDA nationwide last year. The support provided by EDA has enabled Marshall University to extend a wide variety of technical assistance and research activities to business, industry and government which otherwise would have been unavailable.

Marshall University
Center for Regional Progress
EDA University Center Program

In August, 1984 Assistant Secretary of Commerce, Ms. J. Bonnie Newman, awarded a \$77,000 grant to the Center for Regional Progress to establish an Economic Development Administration University Center. The purpose of the University Center is to provide economic development assistance to 21 southern West Virginia counties hard hit by unemployment.

The EDA University Center program enables the considerable faculty and staff resources of Marshall University to be directed to the region's economic development needs. Four types of assistance are made available to business and industry, government and community organizations:

- 1) Technical and research assistance
- 2) Counseling and referral
- 3) Continuing education through workshops, seminars and lectures
- 4) Graduate assistantships, cooperative education and internships

To date 20 faculty members representing various disciplines and 45 students have participated in projects sponsored by the Economic Development Administration Program.

A summary of some of those projects follows.

The client requested assistance in developing a business plan for a pizza/entertainment center, with which bankers and prospective investors could be approached to finance his project. The Center recommended that we undertake a feasibility study along with the development of a business plan to further enhance the business proposal package. Staff is currently researching the feasibility of the project and developing a business plan for the pizza/entertainment center.

The owners of a successful sheet metal fabrication corporation acquired the exclusive manufacturing patent to an innovative solar heating system and began proto-type production. They test marketed the product and due to the demand for their product the owners decided to set-up a separate corporation to manufacture the solar heater. They approached the Center about advice concerning a national promotional campaign package for their new product. As a result of several meetings with the owners, the Center put together a faculty team to research market data and determine a competitive product price. Upon completion of the market study the team will develop promotional strategies and materials for the new corporation. Market research is underway.

The owner of two local pharmacies asked for research assistance. The research would determine if it is feasible to offer retail goods at a wholesale price, charge a fee for this service and maintain an expected fixed overhead for the two pharmacies. The Center is arranging for a faculty team to study the feasibility of the proposed service and develop a fee schedule as it relates to expected markets.

The client needed market information for downtown Charleston, WV to help pre-lease space in a proposed retail facility. The Center was able to readily assist the client providing the necessary, previously compiled, current market data.

A group of area Chamber of Commerce presidents and local economic development directors requested the Center to research and compile a tri-state regional profile to be used for recruitment purposes. The Center has completed the text of the profile and is working with the group on the design and printing of the document. It is felt, by the group, that the profile will be an asset in the recruitment of business and industry into the area.

The client requested market and demographic information for the Huntington and Charleston, WV areas. Average land, building, and lease cost were also required to conduct a preliminary study concerning the location of a proposed fast food restaurant into the two areas. The Center was able to quickly respond to the client's needs with minimal research and providing previously compiled data.

The client requested both technical and financial assistance to establish a non-profit textile processing plant to provide employment opportunities for the chronically unemployed, the handicapped, and the veterans. The client had approached a number of agencies and entities for assistance. The Center is working with these various groups to assess their level of participation and to package the proposals as a total project. A total proposed project encompassing all groups will better leverage funds and avoid duplication of efforts.

The City of Huntington, W.V. has asked that Marshall University through the Center for Regional Progress assist in the research and data collection for the development of a city Business Plan. The Business Plan will establish an economic development strategy and help facilitate economic growth within the City. Faculty and staff have become involved in various aspects of the plan development. The University is currently assisting with the arrangement of meetings with local business and community leaders to solicitate their input into the plan, along with ongoing compilation and research of required data.

The client is interested in establishing a consulting business. The business would offer exercise programs and instruction to local businesses for their employees. The Center is studying the aspects of meshing this project with a fitness evaluation and prescription program currently intact at Marshall University.

The Charleston Renaissance Corporation, a non-profit organization working in cooperation with the City of Charleston, WV and the area business community requested assistance with the development of re-development plans for the three Urban Renewal areas of the city. The Center conducted a preliminary marketing survey of Capitol Street between Virginia and Lee Streets and gathered the information necessary, and developed a long term marketing strategy for the area. The non-profit is charged with the implementation of the re-development plan.

Marshall University's College of Business, in conjunction with EDA and the Center for Regional Progress presented the first annual Global Trade

Conference and Exposition. The GTC assisted participants in increasing their individual and collective share of the global market for their own businesses' and the region's economy. New opportunities in exporting were discussed and how to develop strategies, promotions, and techniques of capturing these markets. The conference was composed of ten seminars on a wide range of subjects. The exposition provided regional firms the opportunity to display and promote their export products. In addition to exporters, export intermediaries were present to explain their many services that facilitate exporting. The GTC was a great success and the Center looks forward to sponsoring next years conference.

A small manufacturing company has requested assistance from the Center for Regional Progress. They have a patent to manufacture a ceramic self-watering flower pot. The company has run into some problems and currently needs production space to further develop molds and manufacture additional sample pots. These proto-type pots will be used to market the product to distributors. Without commitments from distributors the company cannot secure a loan which is necessary to re-establish their own production facilities. To address their immediate needs the Center is currently researching the possibility of utilizing university space and equipment for production.

The client requested assistance in preparing a feasibility report for a total care retirement center. The feasibility report is providing the necessary documentation for a Certificate of Need from the State Health Department. If constructed, the retirement center will create an estimated 200 new service jobs in the Huntington/Cabell County area.

The Interim Commission on Employment Opportunities and Economic Development of the West Virginia State Legislature requested research assistance. Through the EDA University Center program, research was provided the Interim Commission in the following areas: Financial Incentives to Business, Free Enterprise Zones, State Image and Promotion, Export Marketing, and Taxation.

The McDowell County Development Authority contracted with the Center for Regional Progress to prepare an Economic Development Plan for McCowell County. The plan includes a resource inventory, needs assessment, project recommendations and funding alternatives, and an industrial diversification program to offset high unemployment in the coal fields.

The City of Pt. Pleasant contracted with the Center for Regional Progress to prepare a comprehensive Economic Development Strategy/Marketing Plan to promote industrial development, stabilize employment opportunities, and identify employee training needs in Mason County.

As a result of the EDA program, the Center for Regional Progress has been able to assist the Governor's Office of Economic and Community Development in the recruitment of new industry for West Virginia. The most notable example is the information provided in support of West Virginia's bid to become the site of the new General Motors Saturn factory.

The EDA University Center program, in cooperation with the International Trade Commission and the Regent's Center for Education and Research with Industry, has made possible the publication of a WV Export Products Directory. As a result, WV businessmen will have their products represented in foreign trade missions worldwide.