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Economic signs up in region Companies again showing interest in area

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After months of stagnation, local economic development is drawing more interest.

As the recession begins to ease, companies are preparing for better economic times by inspecting potential business locations – and that includes local sites.

“The project pipeline both with existing industry expansions and new industry locations dried up last fall,” said Jim Hizer, president and CEO of the Bowling Green Area **Chamber** of Commerce, “but we again are seeing a return to the level of activity we did a year ago.”

The **chamber** started working with nine businesses interested in locating in the area in the first quarter of 2009 – a marked improvement from the two they began working with in the last quarter of 2008.

TMS Automotive, a startup company based in Elizabethtown, plans to locate in Bowling Green, eventually bringing 35 new jobs to the area. And over the past few days a group of site consultants that helps businesses chose a place to locate toured the region. Local economic leaders showcased southcentral Kentucky with the hopes of attracting businesses.

“Our objective is that when they have a project that’s possibly a good fit for southcentral Kentucky, they will recommend one of our sites,” Hizer said. “Our objective was for them to be impressed enough that they would be inclined to recommend us for a good location for investment.”

Robert Price was one of those selectors. Price is the director of corporate services at Herron Consulting, an economic development and site selecting company based in Atlanta. Price said he was impressed with Bowling Green’s professional approach to economic development.

“It’s a vast region and there are a lot of different assets in the region,” he said. Overall, southcentral Kentucky offers “different ways to be profitable in a global market.”

But the region also must overcome some challenges, such as growing as a joint venture and attracting businesses to the entire region – not just a few places, he said.

Local areas already are beginning to function together, but the larger towns – particularly Bowling Green – might be viewed as dominant, creating competition between communities, Price said.

“Regional approaches are necessary in a state like Kentucky where you have a few large markets and then you have hundreds of smaller communities,” he said. “The challenge here is that Bowling Green, the regional driver, might be seen as supreme.”

As for economic development, Price has seen more interest in business relocations and consolidations – a result of poor markets, which force companies to cut costs.

“Their market has shrunk; their sales are down. They don’t have the luxury of waiting,” he said. “Kentucky ... if they play their cards right, might take advantage of the situation.”

In Logan County, officials are working on a few tentative development projects. Development activity is picking up as local entrepreneurs look to grow or start their businesses, said Tom Harned, executive director of Logan Economic Alliance for Development.

“They are seeing the economy is improving and the worst is behind us,” he said, “and they’re thinking about moving their projects forward and now they’re prepared.”

And those projects mean more employment; even a handful of new jobs is critical to a small area, such as Logan County. Still, the likelihood of a new company bringing thousands of jobs to the area “is extremely remote,” Harned said. “We’ll see the regional county rebuilt with 50, 25 jobs at a time.”

A few months ago, a biodiesel fuel company, Dattilo Energies, received tax incentives to locate an \$18 million plant in Logan County. That project is still a possibility, Harned said.

“It’s not gone away, but it’s not progressed any, either,” he said. “It’s still on the back burner.”

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