

Holding Steady

► Consistency may be dull to some, but so far it's plowing Polk County right through these rocky times.

At a time when many markets have seen their business expansion and recruitment efforts hit a wall, Polk County stood tall in 2008.

And its largest city, Lakeland, led the way. Consider: The city's new or expanding companies include WellDyneRx, Firmenich, Pepperidge Farm, Saddle Creek and GTECH Printing.

WellDyneRx is a mail-order pharmacy and benefits company that will bring as many as 700 new jobs to Lakeland. The company also looked at Charleston, SC, and Raleigh, NC, before choosing the Polk County town.

"I hope it's an indication of things to come, that we'll attract higher wage, higher skills jobs to Lakeland," says Steve Scruggs, executive director of the Lakeland Economic Development Council. "When Pepperidge Farm came here in '87, it signaled Lakeland's comeback from citrus and phosphate. I think WellDyneRx coming here is a new signal of future developments."

Damien Lamendola, president and CEO of Denver-based WellDyneRx, says his company looked for an East Coast expansion location with easy air access.



MAIL ORDER MAN
CEO Damien Lamendola
of WellDyneRx at its new
operations in Lakeland.

"Lakeland is nicely positioned between Tampa and Orlando," Lamendola says. "We can get flights in either city. I love Charleston but it didn't have the workforce. Or non-stop flights."

Plus, he can offer clients touring the facility a stay at the beach or Disney.

"We're trying to win business," he says. "The beaches and Disney are a selling point."

It didn't hurt that Lakeland and the State of Florida stepped up with economic development assistance. And the planned University of South Florida Polytechnic in nearby Auburndale matched up well with WellDyneRx's plans.

"The expansion of the university was a significant part of the decision," Lamendola says. WellDyneRx will maintain its mail order operation and headquarters in Denver as it puts a specialty pharmacy and other operations in Lakeland. The company expects to be at 135 employees by March and will grow to more than 600 within three years.

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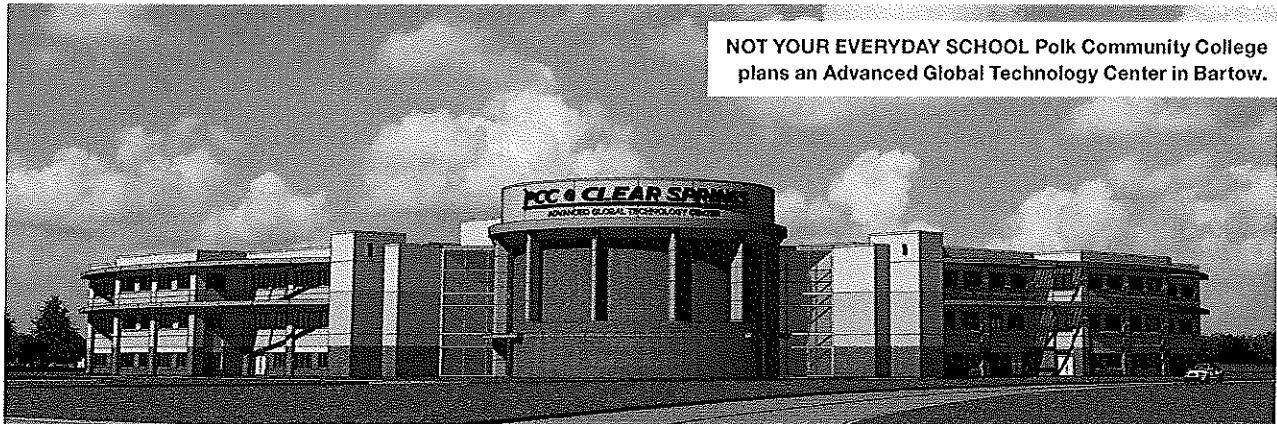
The other company making a big splash in Lakeland is GTECH Printing. There are only three lottery ticket manufacturing companies in the United States and the Providence, RI-based company is one of them. GTECH chose to grow its operations in Lakeland and committed to a 35-year lease. And "grow" is the right word; GTECH is currently assembling a German-made lottery ticket press

Saddle Creek Corp., a warehousing and transportation logistics company, is building a \$4.5-million, 98,600-square-foot facility to make room for more business.

And baked-goods giant Pepperidge Farm has expanded its Lakeland facility three times, Scruggs says, and is at it again.

"It's a \$23-million capital investment," he says.

Polk Community College



NOT YOUR EVERYDAY SCHOOL Polk Community College plans an Advanced Global Technology Center in Bartow.

said to be the largest of its kind in the world.

When the new press starts operating, GTECH will be Lakeland Electric's third largest customer. The company will employ as many as 300 people in high-paying, high-skills jobs.

"It's just a great project for us," Scruggs says.

Ross Dalton, president of GTECH, says his company was already in nearby Plant City but couldn't expand there. "The Lakeland EDC gave us opportunities to make a good choice and build something from the ground up," says Dalton, adding that the company will continue its Plant City operations. "This new press will bring us into the state-of-the-art on the world stage. We designed it to be the highest capacity, highest quality and most cost-efficient press in the history of our business."

The new facility represents a total of \$45-million in capital investment (some of which includes the purchase of assets in Plant City).

Yet a third company, flavor developer and maker Firmenich, relocated its Safety Harbor operation to its Lakeland facility, bringing in 86 jobs.

"The essence and flavors business is big in Lakeland," says Scruggs. "We have five of them in Lakeland. It's a cluster that continues to grow."

"It's a viable facility and they're doing well."

And then there's the planned USF Polytechnic, with classes scheduled to begin in 2011.

"There are three or four things that people think about in a community," Scruggs says. "Pro sports, a port and a research university. And the most important thing to have is a research university."

A View from Above

Despite the state's troubled economy, the Central Florida Development Council (CFDC), the economic development agency for Polk County, enjoyed its third best year in the organization's history in 2008, creating 1,170 new jobs and \$160-million in capital investment.

"Those numbers directly impact the Polk County Commission and the school board by adding money to their programs," says Rodney Carson, director of economic development for the CFDC.

Late in 2008, the CFDC completed an SRI study that will likely focus its development activities for several years to come.

It identified four key business clusters in Polk County – food, technology, logistics management and medical and life sciences

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"We have several sectors that we need to nurture," Carson says. "It gave us great insight."

SRI provided the CFDC with six targeted industries from which Polk draws its strength, validating a great deal of widely held ideas. "Tampa and Orlando are talking about a super-region. We're right in the middle and we tie the two together. And now we can go to consultants and say, 'Here is a third-party study that will show why you should be in Polk County.'"

The SRI study results coincided with the return of a CFDC program to develop a support network for existing Polk businesses.

"The CFDC used to be a leader in this type of development," says Amy Palmer, who heads up the new business and retention program. "We strayed away to focus on business recruitment, but 60 to 80 percent of job development comes from existing businesses. In these tough times we thought it was important to show the love to our existing companies. It's basic economic development."

Today Polk County has more than 4,000 acres and 22-million square feet of spec building projects in the queue waiting for the economy to recover. The county's unemployment rate hit 8.5 percent at the end of 2008, giving it a large labor pool available to immediately get to work at new jobs.

Jim DeGennaro, senior business marketing manager for the CFDC, says getting the plans for USF Polytechnic in place during the recession is the right move for the overall community.

"To take Polk to the next level, it's important that education is advanced," he says. "If we don't get the educational assets, we don't get the high tech. The impact of the new USF and PCC's Advanced Global Technology Center will ripple across the I-4 high tech corridor. Those schools will be magnets."

By Truck, Rail or Air

The controversial rail terminal facility – proposed by CSX subsidiary Evansville Western Railway, Inc. – in Winter Haven is chugging closer to reality. The project, along with the future development of the associated Integrated Logistics Center, will include more than five-million square feet under roof, and Dave Dickey, community development director for the city, predicts it will generate more than 8,000 area jobs

The Bellwethers

Revenue in 2008 was up for The Ruthvens, a 51-year-old Polk County development company. That was the good news. On the flip side, the normally aggressive, father/son industrial warehouse development company largely stopped building in mid-2007 and has yet to commit to any significant new construction.

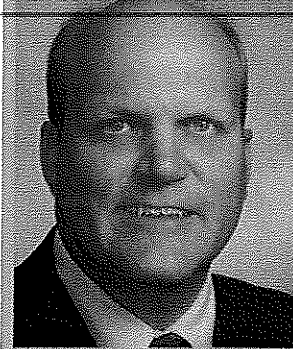
"We stopped building 18 months ago," Greg Ruthven says. "We started one project, two buildings of 26,400 square feet each, which will be done June 1. They're set up for 5,000- to 26,000-square-foot tenants. We've been fortunate; our financing has not been turned off. We've been able to finance property because of our overall cash flow."

The Ruthvens, an industrial bellwether for years, simply hasn't seen the quantity or quality of leasing activity it experienced in the past.

"We're not dead in the water; we're still leasing space. We're just not building anything," Ruthven says. "It's the first time we've quit since the early '90s. I give my father credit once again; he knew when to turn off the spigot. We've got some land we're paying interest on but I'd rather pay interest on land than buildings."

When will they come out of the ground with a new project?

"Your guess is as good as mine," says Ruthven. "USF Polytechnic is directly across the street from some of our vacant land. I think that will have a great impact. I think it will be the biggest thing to hit Lakeland since Disney World. I'm an optimist. I think we're going to bounce back."



with an annual payroll of \$280-million. Construction of the terminal is expected to begin in 2009 and take about 18 months. It will allow for the transfer from rail to truck (and vice-versa) of goods to serve Florida and be the first of its kind in the Southeast.

"It's a significant development for the county and Central Florida," Dickey says. "Historically, Polk has been an ag-based county. There has been a conscious effort to move away from that. This is going to be a step in that direction."

Elsewhere in the city, a 13,300-square-foot Winter Haven Airport Terminal opened in November. It includes meeting rooms, administrative space, a pilot lounge and a restaurant. Development of an aviation-based commerce park adjacent to the new terminal is being evaluated.

"We're trying to become a full-service community. We want to say we value our infrastructure; we are a progressive community. This terminal makes that statement," Dickey says.

USF Polytechnic is going to be a "game-changer" for the quiet, little town of Auburndale.

– Brian Govoni
Govoni Properties
and President,
Auburndale Chamber
of Commerce

Banks, Business and Brains

One of the biggest changes in the business infrastructure of Polk's county seat followed in the wake of the sale of the historic Citrus & Chemical Bank. The Bartow-based institution was a large, self-sustaining bank that sold to Colonial Bank when CEO George W. Harris Jr. died in 2006.

"When Colonial bought Citrus & Chemical, they shrunk the headquarters to a small branch bank," says James Q. (Jim) Duane, executive director of the Bartow Community Redevelopment Agency. "That opened the door to other banks and five new ones came to town."

In other news, Texas-based Corsicana Bedding moved into the former Ametek building. And Flanders Precisionaire is rebuilding the air conditioning filter plant at its former site, following a 2007 fire that threatened the company's future in the city.

Two years ago the city of Bartow created the "Bartow Marketing Partnership" among the city, chamber of commerce and community redevelopment agency in order to put out a consistent image and message. It's working to attract new investment in the city.

"Bartow has been discovered," Duane says.

Polk Community College

A vital element in Bartow's successful equation is the new institute going up on the campus of Polk Community College (PCC), which is evolving from a two-year to a four-year college.

"PCC is building a supply chain management institute in Bartow," says Carson of the CFDC. Its name: PCC Corporate College Advanced Global Technology Center. "Stan Phelps, chairman of Clear Springs Land Co., donated \$12-million and land for it. And the school received a grant from the federal government to teach supply chain management. That bodes well for us."

Dr. Eileen Holden, president of PCC and overseer of the huge changes coming to the school, refers to the \$24-million Bartow extension as "a training, business and industry arm. The mission is to be the No. 1 training provider for business in our area. It's for new workers filling the retraining gap and also for incumbent workers who need to advance their training on new technology."

Phelps' \$12-million donation is the largest private donation ever to a community college in

Florida. "What's great is that the state will match it, providing an exemplary private-public partnership," Holden says. "It's a win-win for everybody."

Also good for Clear Springs Land Co., which is developing the adjacent 18,000 acres: it gets a potential catalyst for growth to its vast open spaces.

PCC is also negotiating to build a new campus in northeast Polk, and in January opened a center in downtown Lake Wales in the former city hall.

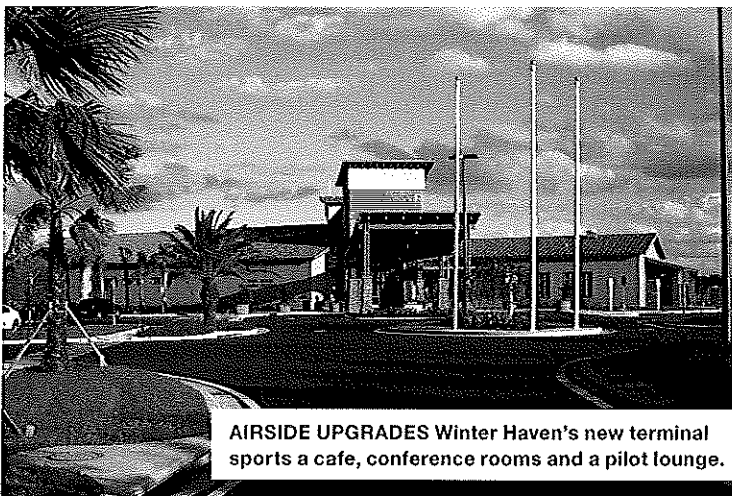
The college expects to start its first bachelor's degree program in 2010, offering a bachelor of applied science in supervision and management.

The University of South Florida currently shares PCC's campus.

"We're very supportive of USF's new campus because it's going to be a research university and that's not our niche," says Holden. "Our bachelor's degrees will be workforce oriented. It's just a different mission."

Stick a pin in a map of Florida at the dead center point of the 9-million people living in the Tampa Bay-to-Orlando super-region – and you're in Haines City.

City of Winter Haven



Haines City "Pumped!"

This may surprise people who only know it as the last exit on I-4 before Walt Disney World, but Haines City is now the third largest community in Polk County, after Lakeland and Winter Haven.

The city is making major progress, attracting a \$37-million expansion by Cellynne Corp. and a \$40-million, 500,000-square-foot regional office and distribution center for Aldi Food Markets.

"Haines City is dramatically changing," says Paul Senft, executive director of the Haines City Economic Development Council. "This is not your

recycling, waste paper treatment and warehouse facility; we hope to be done by 2010."

The facility is currently 360,000 square feet; when completed it will be close to 600,000 square feet. It moved to Haines City from Orlando in 2002 with 110,000 square feet.

"When we moved we had 50 employees," Allegre says. "Now we have close to 300. It was important to stay local and keep our operators."

Lake Wales' Reach

In the city of Lake Wales, Harold Gallup approaches economic development as a series of interconnected nodes that will grow in conjunction with one another's success.

"Economic development is not just industrial," says Gallup, the city's economic development director. "You have to have stuff in town to support the people who live and work there, including medical and retail. We're getting there."

Eagle Ridge Mall is one of the recent developments drawing attention to Lake Wales.

"The opening of a new Lowe's was big. Kohl's department store started construction in February and is scheduled to open in the third quarter. That's a great anchor and a great stimulus for other deals coming to life. We got the last new Chili's that's going to open for a while," Gallup says. "Shoppes on the Ridge II represents a \$21-million investment. Gates Petroleum opened in December. It caters to RVs and is the only gas station on the north side of the city."

The mall area attracted a new Hampton Inn and Suites that is a top-performer for the chain. Holiday Inn Express started construction on a 78-room hotel expected to open by early 2010.

Of the two-million square feet of retail and related projects approved for the Eagle Ridge vicinity, 1.5-million is already built and occupied. "We would have made it this year if the economy hadn't gone squirrely," Gallup says.

New activity has been slower in Longleaf Business Park, which Gallup markets for its owner Joseph F. Miranda, Inc., a builder and contractor.

"I've got probably 400,000 square feet in play in two buildings that are spec and partially occupied," Gallup says. "It's grinding along."

A Healthy Place

Watson Clinic is one of the largest medical clinics in the Southeast with more than 200 physicians working together in a multi-specialty group practice. It added 18 new physicians in 2008 and the employee base grew from 1,400 in 2007 to more than 1,550 in 2008, making it one of the area's largest employers as well.

The clinic represents 40 different medical and surgical specialties that logged more than 812,000 outpatient visits in 2007. It has 14 locations in Polk and Hillsborough counties and recently ventured into Pasco with a new dermatology practice in Zephyrhills.

"It's a stretch for us, our first entry into Pasco County," says Dr. Louis Saco, Watson Clinic's chief executive officer. "We had, years ago, satellites in the Tampa Bay area, in Lake Wales and Brandon. As a business, it was not a good model. We overextended

ourselves with primary practice. When I came on board in 2001, I changed our direction. I closed down all those satellites and decided we should have a strategic plan to grow south. I've learned a lot from trial and error. For specialty care such as dermatology, there was a real need in Sun City Center and Zephyrhills. But for primary care, X-rays, endoscopies and surgery, it makes more sense to have it centralized here."

In February, Watson Clinic opened the doors of its 14th location – a three-story office building located on North Florida Avenue in Lakeland that will house multiple medical services, including otolaryngology; ENT; plastic surgery; dermatology; a hearing center; speech pathology, and a Medical Spa.

"That's an exciting thing," Saco says.

The news is better at Lake Wales Airport. Much of the airport was pancaked by hurricanes just a few years ago, but it is now home to 18 new hangars, all occupied. The airport has acquired 60 acres in anticipation of extending the runway.

"We are in full-court press," Gallup says. "We can land two-thirds of everything in corporate jets with the runway extension, including NetJet and other corporate leasing operations. And we're going to need it. We're pressing for business development at and around the airport."

Little Town that Thinks It Can

The little town of Auburndale has always been quiet, happily nondescript and out of the limelight.

Watson Clinic





Longleaf Business Park

AT LAKE WALES

Central Florida's Premier Business Park

"The Cross-Roads for Commerce for Central Florida"

**ENVIRONMENTAL BY DESIGN
PROFIT BY NATURE**

Another development
by
Miranda Development Company
and
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Economic Development
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