

! NWP A Incentives

The Northwest Commission can facilitate excellent incentive packages to qualified Wood Product businesses. Major programs include:

- **Keystone Opportunity Zones (KOZ):** KOZs represent the boldest, most forward-thinking economic development program in the nation. Through credits, waivers, and comprehensive deductions, total taxes on economic activity in KOZs are reduced to almost zero. These tax abatements remain in effect through 2013. NWP A has numerous designated zones.
- **Customized Training Programs:** The third largest program in the nation, the Customized Job Training program is responsive to employer needs by providing grant funds for specialized job training to existing or newly-hired employees.
- **Guaranteed Free Training Program:** Through the Workforce and Economic Development Network of PA (WEDnetPA), qualified companies may receive free job training for basic entry-level skills and advanced information technology skills for their employees. PA is the first state to offer advanced technology and business training online.
- **R&D Tax Credits:** Corporate income tax reductions for firms investing in research and development.



Hardwoods

Wood Products Industry

Northwest Pennsylvania as a Location
for the Wood Products Industry



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Data prepared by Carter & Burgess,
Inc., a world-renowned architecture/
engineering, real estate and site
selection firm.

Why choose Northwest Pennsylvania as a Location for the Wood Products Industry?

Wood Products is a long standing, dominant and traditional industry in the region and NWPA has the potential and resources available to be your **best location** for this industry!

What Cost Savings opportunities are available in Northwest Pennsylvania's (NWPA) Wood Products field?

Taxes: Immense property and corporate tax abatements can be acquired by locating a firm within a Keystone Opportunity Zone (KOZ).

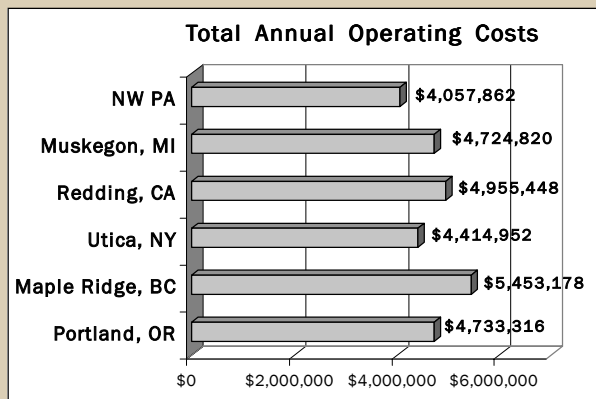
Utilities: NWPA has the second lowest electric power rates compared to the other five competing locations due to attractive incentive rates.

Cost of Living: With the U.S. average at 100%, NWPA is the only area rating under the U.S. average, at 99.7%.
 (Source: ERI)

Build-to-Suit: NWPA building related costs are lower due to the low cost of prime industrial sites and competitive construction costs.

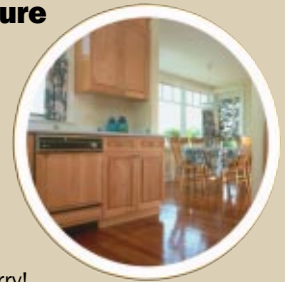
Labor: Wages and salaries are lower in NWPA than in the other five competing areas. Wage and salary costs represent approximately 45% of the total annual operating costs for this project, the largest single cost factor.

Operating Costs: NWPA has the lowest cost locale in the Wood Products field. More than \$1.3 million per year could be saved by locating to NWPA versus the highest cost area, Maple Ridge, BC. (see chart)



NWPAs Chief Advantage: Ready Access to Hardwood for Furniture Manufacturing!

The national Industrial Production Index for Furniture Manufacturing has grown across the 1993-2003 period.



NWPA is internationally recognized for its hardwood selection, specifically Black Cherry!

The Wood Products Industry has **133** Wood Product Manufacturing firms which employ **3,634** people. The industry is well represented in the region now and has favorable growth advantages in furniture manufacturing through the ready access to hardwood!

NWPA County	Firm	Jobs
Clarion, PA	18	1,386
Crawford, PA	34	673
Erie, PA	23	403
Forest, PA	2	170
Lawrence, PA	5	47
Mercer, PA	17	513
Venango, PA	14	209
Warren, PA	20	233
Totals	133	3,634

Chart source: Center for Workforce Information & Analysis, 4th Quarter, 2003



NW Pennsylvania's Strengths for Wood Product Firms

- The low cost area versus all comparison cities.
- Excellent supply of raw wood, especially hardwoods, some of the world's best.
- Excellent proximity to regional markets.
- Good presence of other wood products operations.
- Outstanding educational and training resources.
- Good site and build-to-suit opportunities.
- Great financial and training incentives to help firms with start-up and expansion.
- Outstanding professional resources that are ready, willing and able to assist firms.
- Reasonable cost of living.

