

## The Chief Operating Officer of the Erie County Industrial Development Agency Will Retire at the End of 2013

Alfred D. "Al" Culliton has led the area's largest agency since 2006, overseeing more than \$3.4 billion in business investment across Erie County

Alfred D. "Al" Culliton, the Erie County Industrial Development Agency's Chief Operating Officer and Acting Chief Executive Officer, will at the end of 2013.

Mr. Culliton, who oversees all aspects of the economic development activities of the ECIDA and its affiliated corporations, was honored as the 2011 Economic Developer of the Year by the New York State Economic Development Council.

ECIDA Board Chairman Hon. John J. LaFalce noted Mr. Culliton has done an outstanding job as Chief Operating Officer of ECIDA and its affiliates. "The loss of his finance and economic development knowledge will be very hard to replace. I am very pleased that he has agreed to stay on during the transition to new leadership."

Mr. Culliton said "I feel it's the right time. I've had a very rewarding 21-year ECIDA career and I'm proud of our accomplishments particularly in the venture capital arena and in enhancing our small business and micro lending capacity, especially for minority businesses."

Mr. Culliton said he would like to keep a hand in the venture capital sector after his retirement including being active with Launch NY, the WNY Venture Association and the Buffalo Angels.

Mr. Culliton joined the ECIDA and its affiliates in 1992 as Chief Lending Officer and added the title of President, Niagara Region Certified Development Corporation in 2001. He was promoted to Chief Financial Officer/Treasurer of the ECIDA in 2003, a title he retained through 2009, and for the last 6 years he has worn both COO and acting CEO hats.

Since Mr. Culliton became its COO, the ECIDA has assisted projects with total investment exceeding \$3.4 billion. He oversaw creation and management of an innovative public sector venture investment fund targeting early stage entrepreneurial companies in Erie County. This fund has invested over \$8 million in 34 local companies, with cash returns exceeding \$11 million.

He has been involved in fostering the entrepreneurial ecosystem across 26 counties of Upstate New York through the Launch New York venture development organization. During his tenure, ECIDA's affiliate lending company made some 396 loans for over \$61 million, established an innovative loan program which allowed for structured participation loans with local commercial lenders, initiated the ECIDA's participation in the SBA Micro Lending program, and launched a minority entrepreneur loan/scholarship program aimed at creating entrepreneurial opportunity in the minority community.

Before joining ECIDA, Mr. Culliton worked for 14 years as a Bank Commercial Lender and Lending Manager at JPMorganChase and M&T.

He holds both a BA and MA in Mathematics from Fordham University and an MBA from Canisius College.

He is Vice Chair of the NYS Economic Development Council and also serves on the Board of Directors of the Empire State Certified Development Corporation, the Buffalo and Erie County Workforce Investment Board, First Wave Technologies and the Western Region Corporation.



Alfred D. "Al" Culliton



Contact us today to find out how we can assist you.

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# ECIDAid

YOUR GROWTH IS OUR BUSINESS

NEWS FROM THE ECONOMIC DEVELOPMENT CORPORATION FOR ERIE COUNTY



An aerial view of former Bethlehem Steel site and the Tecumseh Business Park showing rail line and future home of Welded Tube.

## Toronto-Based Welded Tube of Canada, Inc. Will Bring Steel Manufacturing Back To Lackawanna With Aid of ECIDA

Through a collaborative effort of regional partners, including ECIDA, Empire State Development, National Grid, National Fuel, Buffalo Niagara Enterprise and Erie County, the former Bethlehem Steel site in Lackawanna will become the new home to the U.S. operation of Welded Tube of Canada, Inc. - enabling a \$50.2 million investment in the long-vacant property and creating up to 121 new jobs.

The ECIDA will provide more than \$8 million in tax abatements.

The Toronto-based company manufactures cold-formed carbon and high strength, low-alloy tubular steel products. Welded Tube purchased approximately 45 acres at Tecumseh Business Park and has started construction on phase one of the three-phase project. Company managers aim to have the first phase - the development of a 100,000-square-foot plant - operational by August 2013, with a 30,000-square-foot pipe testing facility and a 34,000-square-foot finishing plant to follow.

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## Rail Switch Aimed at Spurring Lackawanna Manufacturing Revival

### Improved Rail Access Will Lead to Immediate Private Investment on Iconic Former Steel Plant Site

The relocation of railroad tracks will pave the way for more development at the former Bethlehem Steel site in Lackawanna.

The ECIDA is providing the project management for Erie County on the over two mile long rail corridor construction project. The project is a critical first step in opening up over 400 acres of real estate, mostly owned by Tecumseh Redevelopment Inc., for future industrial development.

Syracuse-based Frank Tartaglia Inc., the lowest bidder on the railway project, will relocate the existing South Buffalo Railway line about 1,000 feet west of its current location along Route 5, back into the former Bethlehem Steel property. Zoladz Construction will handle the site work.

Erie County secured \$4.2 million in state funding from the New York State Multi-Modal program and the ECIDA secured a \$300,000 grant from National Grid for the relocation of the rail line.

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## ECIDA Establishes “Grow Erie” Fund As New Vehicle To Provide Loans To Small Businesses

The ECIDA has established a \$4 million “Grow Erie” loan fund designed to help create and retain jobs by providing low-cost financing alternatives to local small businesses looking to expand.

The fund combines a \$1 million investment from the ECIDA with \$3 million from the Grow America Fund. Administered by the National Development Council, the Grow America Fund is a long-term revolving loan fund and a U.S. Small Business Administration-guaranteed lending program.

“The Grow Erie Fund will give the agency more flexibility in offering loans to growing local businesses than its current offerings,” said Al Culliton, ECIDA Chief Operating Officer.

Targeted industries for this program include manufacturing, warehouse and distribution, information technology, life sciences and agribusiness.

Although the ECIDA currently offers several loan programs through its affiliated Buffalo and Erie County Regional Development Corporation (RDC), the Grow Erie Fund has several distinct advantages, including the matching funds from Grow America of up to three times the local contribution.

Other advantages include:

- Repayment schedules of up to 25 years, enabling smaller monthly loan payments for the borrower
- Loans ranging from \$100,000 to up to \$2 million
- Lower company investment to preserve business equity and maximize growth potential
- Lower interest rates
- A better financing structure that matches the term of the loan to the life of the financed assets, ensuring debt repayments don’t exceed business cash flow

“Overall, this new partnership will enable significant leverage of local funds for the benefit of Erie County small businesses, and in effect, local employment,” said Mr. Culliton. “Grow America has partnered with development organizations to operate this loan program in more than 30 communities across the U.S. and we’re thrilled to provide this new financing option to our local small businesses.”

## Rail Switch Aimed at Spurring Lackawanna Manufacturing Revival

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“It’s a pattern in Erie County that we help open up industrial parks by often paying for what would be publicly owned infrastructure when we think the market can’t do it on its own,” said Deputy County Executive Richard Tobe. “On this property, the market would not do it on its own.”

The infrastructure investment in the long-dormant industrial site will allow the ECIDA to attract more companies to the property, said Hon. John J. LaFalce, ECIDA chairman.

“This is one component of a comprehensive effort to revive the former Bethlehem Steel property, create jobs and bring manufacturing companies back to the area,” he said.

Future infrastructure investments are being planned on the site which may include new roadways and infrastructure corridors to support future development on the site like the new Welded Tube project, which plans to construct a new 100,000-square-foot tubing manufacturing facility on the site.

The Canadian based company is planning a three-phase development plan that will include an initial investment of more than \$50 million and is planning to create up to 121 local jobs upon completion of all proposed phases.

The rail work should be completed by next fall.

## Toronto-Based Welded Tube of Canada, Inc. Will Bring Steel Manufacturing Back To Lackawanna With Aid of ECIDA

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“We see great potential for our product in the U.S. market and a great opportunity to develop that potential in the Buffalo Niagara region,” said Barry Sonshine, Executive Chairman, Welded Tube USA, Inc. The newly formed Welded Tube USA’s Lackawanna operation could generate nearly \$1 million in new taxes for local municipalities over ten years, up from the \$170 a year the property produces now. That figure also factors in the tax credits the ECIDA awarded to Welded Tube to facilitate this project.

Erie County Executive Mark Poloncarz. “This is a perfect example of a company that could go anywhere in Canada or the United States, but they’re expanding here. They are taking a property that has virtually no value and reclaiming it. It’s not just the \$50 million investment but all the jobs that come with it.”

A variety of industries utilize the steel tubing the company manufactures, including the growing oil and natural gas drilling market. Initially, the products will be developed at the Lackawanna site and then shipped to a Welland, Ont. plant for testing until the construction of the testing facility at the Lackawanna site is completed.

“Welded Tube chose the Lackawanna site for its U.S. expansion because of its proximity to its operations in Canada and the marketing advantages that come with having a “Made in the USA” label on its products,” said John Cappellino, ECIDA executive vice president.

The new facility will join a growing Tecumseh Business Park at the former steel plant along Route 5, which now hosts several businesses and a line of electricity-generating windmills along Lake Erie.

“This will become a significant step forward in the renovation of the Bethlehem site,” said Hon. John J. LaFalce, ECIDA chairman.

## You and Who, a Social Good Clothing Company, to Expand Operations, Introduce New Product Lines Thanks to ECIDA Assistance

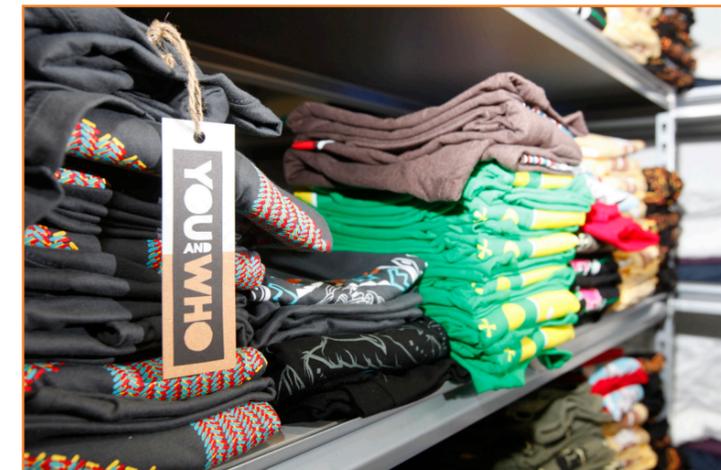
Start-up firm receives a \$25,000 ‘micro loan’ to bridge financial gap traditional financial institutions would not consider

*By Dan Gigante, Founder and President, You and Who*

I started You and Who (www.youandwho.com), a get-one-give-one t-shirt company, back in September 2010. I was inspired by a talk I heard by TOMS Shoes founder Blake Mycoskie about 10 months prior, and immediately thought about doing something similar, but with t-shirts. Unable to shake the desire, I left the company I had founded, to embark on this journey. Not a day has gone by that I regret the decision.

I affectionately explain You and Who to those who don’t know about us as “TOMS meets Threadless.” That is, we work with a network of 65 artists — and growing — to create custom, one-of-a-kind designs for our shirts. For every shirt sold, we donate a matching shirt to someone in need from the artist’s hometown — namely, the homeless, victims of domestic violence, and runaway or at-risk youth. Further, we give \$1 to the artist for every shirt sold with their design. By doing this, we connect consumers with not only the mission of helping others in need through their purchases, but also give them an opportunity to do something for their community, by supporting a local artist in the process.

In 2010, You and Who launched in 8 cities across the U.S. In 2012, we grew to serve 33 U.S. cities. Now, as we head into 2013, and thanks to the \$25,000 ECIDA microloan, we are entering seven new markets for a total of 40 cities. Since our inception, we’ve helped clothe, as well as feed through our Who’s Hungry program, over 13,000 people in need across the U.S. Looking at that number I’m astounded...but I’m also motivated to



*Top – T-shirts to aid charities in various U.S. cities fill the shelves at You and Who offices at the Tri-Main Building, on Main Street, in Buffalo.*

*Bottom – Dan Gigante, You and Who Founder and President, and Katie Krawczyk, EVP and Director of Communications, pack goods for shipment.*

keep driving those numbers up, and spreading You and Who’s mission to more cities and communities.

In addition to the expansion into seven new U.S. markets, the ECIDA loan will provide You and Who the opportunity to expand our product lines, which now consists solely of ultra-soft cotton crew neck tees. As many of those we serve are homeless families, we want to introduce children’s clothing, expand our women’s clothing options, as well as offer cold-weather clothing such as long-sleeve shirts.

You and Who thinks about giving back 365 days a year, and we continually ask ourselves, “what more can we do?” We recently made some donations to a few of our Buffalo shelters, including Altamont Program, City Mission and Compass House.

Every time I walk through the doors of one of our shelters or talk to those who serve those in need, I am reminded of how gratifying giving back is. And it’s why we only want to continue moving onward and upward with our donations.

The ECIDA’s Micro Loan program was a perfect fit for You and Who because it is designed for entrepreneurs with a business vision that doesn’t fit cookie cutter loan

standards of traditional banks. The \$25,000 loan the agency approved for us in December is already allowing us to expand our horizons.

Thanks to the ECIDA and their belief in You and Who’s mission, we will be able to get there sooner rather than later.