



Photo by Roger William Theise

TODAY: Cortland County

TODAY: Cortland County is the Business Development Corporation's newsletter promoting industry and business growth in Cortland County.

November/December 2016
Volume 2 Issue 6

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Like many, we use this time to reflect on the successes we've had over the past 12 months and the challenges we continue to face as we head into the New Year.

As our page 2 numbers show, Cortland County continues to turn the corner on the jobs front, reaching levels last seen before the Great Recession began in 2008. While the labor reports tend to mirror trends statewide and nationally, the improvement in Cortland County is also due in large part to the companies we've profiled on these pages—companies large and small that are at the very heart of the local economy.

At the same time, much of our work this year has set the stage for potentially transformational projects in 2017—projects that will provide more tailwind for an improving local economic

climate. And better still, the potential for a resurgent national economy could mean other new and exciting things for Cortland County.

As our economy grows, a little-appreciated obstacle that must be overcome is the availability of good quality labor to fill well-paying jobs across the community. The lack of that resource in great quantity is holding us back.

We'd like to thank all of our partners for their great work with us in 2016, and of course we wish everyone a very happy and joyous holiday season!

The BDC is Cortland County's principal economic development organization working for economic and community growth. Together, its programs, projects, and services aim to support existing businesses while promoting other job-creating opportunities across the county.



Garry L. VanGorder
Executive Director/CEO

With the divisive presidential election now thankfully past us, there is now a rational call for national healing. But the divide seems so big. Where to begin?

I read of one interesting approach in a recent *Wall Street Journal* essay, where the authors invoked scripture, quoting Jesus in Matthew 7:3-5: “Why do you see the speck in your neighbor’s eye? ... first take the

log out of your own eye, and then you will see clearly to take the speck out of your neighbor’s eye.”

The inference of course is that it’s much easier to find common ground with someone after first acknowledging that your position may have some troubles of its own. Walls are torn down, minds are opened, and perhaps reasoned conversation ensues.

That would be a welcome development after a campaign so many have described as a race to the bottom, a campaign that has split friends and family over their support of the candidates and their views of how the country should move forward.

Here in Cortland County, we have some divisions of our own—the “ash for cover” debate between county lawmakers and environmental activists just the most recent—and as rancorous as that debate has been, I wonder whether there will be room for constructive deal-making as legislators move on to propose “flow control” or other potential remedies for a too expensive landfill operation.

The first step may simply be to acknowledge that we all want the same thing: a viable community; a vibrant community; a safe community; a community we’re proud to call home. A second step, as suggested in the *Journal* piece, may be to abandon so-called “motivated reasoning”—a concerted effort not to seek the truth but to defend our positions and attack our opponents—and actually begin talking to one another.

Perhaps the most recent “ash for cover” meeting, which prompted the local media to characterize the opponents’ tactics as “disrespectful” and “juvenile,” was rock bottom. And perhaps, for that issue and so many others that must be resolved, we will see a new commitment to bridging the divide as we head into the New Year.

On the cover: Matt Snyder (left) is Director of Operations for Intertek-Cortland, the number five employer in the county. He is pictured here with Sarah Brown, a Technician One with Intertek’s Wire and Cable Safety Division.

4.8%

Cortland County
unemployment rate
October 2016

8.2%

Cortland County
unemployment rate
October 2009

1,100

Lowest number
of October unemployed
since 2008



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Local Businesses, Others Honored at Chamber Dinner

A number of local businesses and citizens were honored at the Cortland County Chamber of Commerce annual dinner November 10. They were:

Small Business of the Year: K&H Motor Sports—The company was started more than 40 years ago by Mike Niswender and remains in the family today under the third generation of ownership.

Large Business of the Year: Economy Paving—With more than 250 employees, Economy Paving has been a reliable and important employer in Cortland County for more than 70 years. Its most visible local job has been the major reconstruction of a portion of Route 281, which is near completion more than a year ahead of schedule.

Heritage Award: Cortland Regional Medical Center—The hospital is celebrating its 125th anniversary this year and was recognized by the Chamber for its long-term

commitment to the health of county residents. CRMC is one of the county's top employers, with more than 650 people on the payroll.

Non-Profit of the Year Award: Franziska Racker Centers—Since 1948, their Centers have grown into an agency with multiple service sites, more than 750 employees and an annual budget of over \$28 million. Every year, the Centers support more than 3,000 individuals of all ages and their families across Cortland, Tioga and Tompkins counties to achieve their goals for success and happiness. The Cortland County Racker Center employs about 200 people.

Up & Coming Business Millennial: Nicole Cottone, Cornell Federal Credit Union—Nicole was recognized for her commitment to the Chamber and to the community. She is an enthusiastic member of multiple boards and committees, including the

Repertory Theatre, Habitat for Humanity, United Way, the Chamber's Ambassador Committee and the CFCU Wellness Committee.

Kathy Cotterill Community Service Award: Tom Gallagher—Gallagher was honored for his many years of service to the community in many capacities, from director of the Chamber to a host of community organizations to the mayor's office in the city of Cortland. Gallagher's selfless work for the people of Cortland County best reflects the attitude Cotterill brought to her community service.

IDA Supports Crescent Commons

The Cortland County Industrial Development Agency has agreed to support a \$15 million project to renovate the former Crescent Corset factory at 165-177 Main Street.

IDA incentives, which include some property and sales tax abatement, will allow the project to move forward at the nearly empty 144,000-square-foot building just south of the Main and Tompkins Streets intersection.

Crescent Commons LLC will include 44 market rate loft-style apartment units and four more serving individuals and families below 80 percent of the area's median income. The apartments will have their own private entrance and a courtyard. The project will also include 48,000 square feet of new commercial space that will accommodate a day care center, a counseling center and a home care services provider. Additional commercial space will be available for other tenants after build-out. The lower, 40,000-square-foot space will be finished as demand requires.



Economy Paving President and BDC/IDA Board member Stephen Compagni, left, is congratulated by Chamber director Bob Haight. Economy Paving was named the Large Business of the Year at the Chamber's annual dinner November 10.

success story

Intertek

Ensuring the quality and safety of products, processes and systems for corporations worldwide

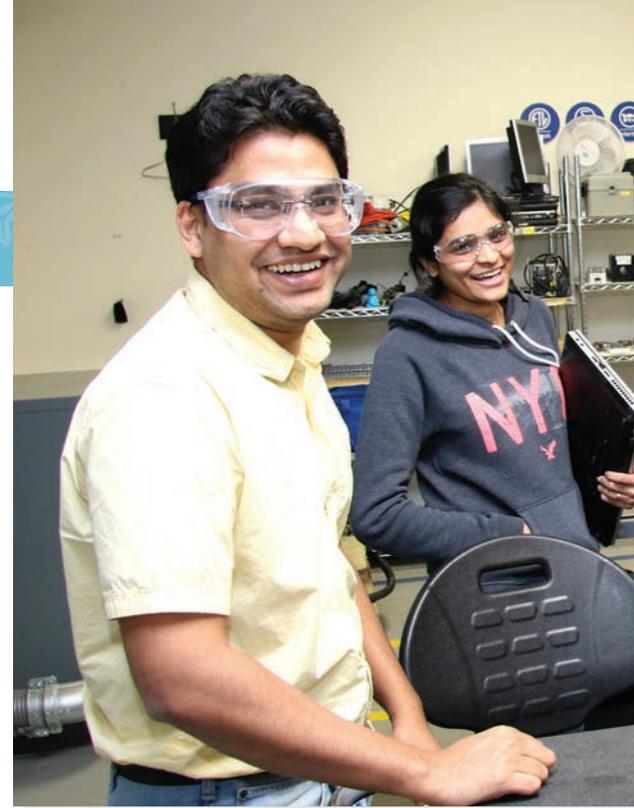
For more than 130 years, businesses have turned to Intertek—a multinational testing, inspection and certification services corporation—to help ensure the quality and safety of their products, processes and systems. Through its global network of state-of-the-art facilities and industry-leading technical expertise, Intertek also supports companies' quality assurance efforts in research and development, raw materials sourcing, components production, manufacturing, transportation, distribution and retail channels, and consumer management.

Intertek is headquartered in London with operations in three key geographic areas—Europe, North America and the Asian Pacific. It employs more than 40,000 people in 1,000 locations in over 100 countries. The company has extensive global accreditations, recognitions, and agreements and offers unique expertise in overcoming the regulatory, market and supply chain hurdles that continually challenge companies as they bring new products to customers.

Among its locations is Intertek's Cortland, NY, commercial and electrical operation. "We provide leading edge work for manufacturers around the globe who are looking to enter U.S. commerce space," explains Matt Snyder, Director of Operations for the Cortland facility. "As a third-party

independent lab, our job is to evaluate the safety and energy efficiency of products to meet federal minimums."

The division has a unique history dating back to the 1890s when Thomas Edison established the Lamp Testing Bureau of his Edison Electric Illuminating Company. The Lamp Testing Bureau was later renamed Electrical Testing Laboratories and



then ETL, and began providing testing to General Electric and other industries that were developing new technologies.

The testing operation continued to expand and eventually found its New York City location too costly to maintain. In 1976, the division, which had become part of Intertek, relocated to Cortland, and has been here ever since. Today, the Cortland facility employs 330 workers and houses the largest testing lab in the Intertek network.

Intertek generates more than \$3 billion in revenue annually, and the Cortland facility contributes a healthy chunk to that impressive total. "Electrical is a large part of Intertek's Products Division, producing 40 percent of profits in that area," Snyder says. "As one manager put it, 'When Cortland sneezes, the entire corporation gets a cold.'"

Testing categories at the Cortland facility include lighting; heating, ventilation and air conditioning (HVAC); renewable energy; equipment for hazardous locations; and home appliances. "We've maintained 10 percent growth three years running," Snyder says. "In recent months we hired 25 new engineers and technicians to keep up with demand. Our focus is expanding in strength areas along with exploring new initiatives, such as drone testing."



Intertek Director of Operations Matt Snyder (above) says the Cortland facility currently employs 330 workers and houses the largest testing lab in the corporation's network.



Intertek has attracted many talented professionals to Cortland County, including (left to right) electrical engineers Gaurav Joglekar and Nirja Vakil, who are part of the company's Energy Team and are involved in inverter and power conversion equipment certification; and electrical engineers Michael Baldino and Aditya Iyer, Energy Team members working in solar and wind power product certification.

Photos by Roger William Theise

This summer, the Cortland facility installed a new balanced ambient calorimeter to test the output and efficiency of room air conditioners, packaged terminal air conditioners and packaged heat pumps. The calorimeter is the second such component installed in Cortland and will help reduce lead times for customers and increase the capacity of the lab.

Intertek is currently the number five employer in Cortland County and takes its role in the greater Upstate New York community seriously. “We are big supporters of Habitat for Humanity and allow our employees to use paid worktime to build,” Snyder says. “We also work with United Way and are involved with area refugee resettlement programs.”

Snyder says that throughout his 18 years with Intertek, he remains amazed at the quality of the employees his company has been able to attract. “We have drawn amazing talent from Cornell, SU, RIT, Clarkson, RPI and SUNY,” he says. “We’re envied by other Intertek operations that simply do not have the talent pool we have.” He says that area businesses—such as machine shops, contractors and electricians—have been a boon to operations as well.

“Intertek’s mission is to be informed and engaged, and to provide services that ensure our global clients are never left behind,” Snyder says. “I’m proud to say that our facility in Cortland is a key part of that mission.”

Intertek’s Global Industries and Services

Chemicals: Intertek serves the chemical industry with a diverse range of services, from chemical testing and consultancy to inspection. Its corrosion and asset integrity experts provide testing and consulting on the life management of chemical manufacturing facilities and on vital equipment in hazardous locations to lower the risk of material and asset failure and support the overall safety of operations.

Construction & Engineering: Specialized services ensure the strength, integrity and conformity of construction and engineering processes and products. Intertek assists in streamlining and securing supply chains and manufacturing processes for product and project optimization.

Energy: A range of energy expertise provides clients operating in businesses as diverse as oil and gas; petroleum refining and distribution; petrochemicals; power generation; nuclear, solar, biofuel, tidal, wave and wind power; and provides a high-level, cross-sectional view of energy industry topics and trends that affect current and future business development.

Commodities: Commodities are the raw materials which the modern world depends upon for manufactured materials, products and food. Intertek helps producers, distributors and processors of these raw materials benefit from optimizing their quality control, loss control and financial risk reduction.

Food & Healthcare: Intertek offers global support to the food and healthcare industries, helping brands, retailers, manufacturers and suppliers provide safer products to the consumer. From concept to consumer, Intertek offers a complete range of solutions with expertise in testing, clinical trials, inspection, third-party audits, training, scientific and regulatory consulting and certification.

Government & Trade: Intertek helps governments, customs, and national standards organizations improve the compliance of imports with safety standards; protects import duty revenues and secures the international supply chain; and is a leading provider in testing, inspecting and certification accredited worldwide by governments, commercial organizations, co-operations, importers and exporters in facilitating trade.

Products & Retail (Cortland): Intertek provides the expertise to get products safely, efficiently and effectively to market anywhere in the world. Capabilities in a range of industries offer an interconnected knowledge base that brings solutions to everything from regulatory issues to supply chain challenges, and beyond.

Transportation: Intertek assists the transportation industry in the successful operation of transport systems, including local and international legislation, ensuring high standards of safety, logistics and efficiency. Services include advisory, auditing, certification and inspection to outsourcing, quality assurance, testing, training and more.

Cortland County BDC Revolving Loan Fund Program

The BDC facilitates business recruitment and retention in many ways, including the management of its \$500,000 revolving loan fund.

Dozens of loans have been granted over the years as an alternative to or complement to traditional loan financing. While our underwriting is designed to protect the agency's investment, it is also structured in a way that recognizes the challenges new and existing small businesses face in today's competitive marketplace.

Eligible borrowers include for-profit manufacturing, professional, service, and commercial businesses. Retail businesses will also be considered on a case-by-case basis. Eligible applicants include sole proprietorships, partnerships, corporations, and limited liability corporations. At least 50 percent of a project cost must be provided by the borrower (bank or private financing, borrower equity).

Loans are capped at \$100,000 or 50 percent of eligible project costs, whichever is less. The minimum loan amount is \$10,000. For complete details call our office at 607/756-5005 or see the website at cortlandbusiness.com.

Town Sports Park Gets Support

The results of a consulting firm's market and feasibility analysis have convinced local officials to take the next steps toward the construction of a major sports tourism and recreational facility in the town of Cortlandville.

Proposed for more than 100 acres of land adjacent to Byrne Hollow Farm on Route 13 south, the Gutchess Lumber Park and Sports Complex would comprise multiple playing surfaces accommodating large-scale regional tournaments and competitions. The study by Market & Feasibility Advisors of Chicago determined that such a complex, given its location near the center of the state and a general shortage of such facilities in the region, creates a "unique opportunity" to attract visitors and drive dollars into the community.

"A dominant consideration for this has been the success of the Cortland Regional Sports Council in bringing tournaments and dollars to the community," said BDC executive director Garry VanGorder. The CRSC, which now primarily uses SUNY Cortland facilities for its events, has generated more than \$20 million in economic activity since it was formed 11 years ago. "This park would take us to the next level," VanGorder said.

An additional benefit from the construction of the facility would be the ability to bring even more high-level events to the community. The CRSC currently relies primarily on SUNY Cortland for playing surfaces, but is often limited by scheduling conflicts with college events.

The town acquired the undeveloped property from Gutchess Lumber in a swap for six acres of land it owned adjacent to the company's McLean Road operations center. The use of the former Gutchess property is restricted to park development, and the town is now considering a variety of options for the replacement of Citizen's Park at the new Route 13 location.

Businesses have access to numerous resources at the local, state, regional and federal level to help them succeed. In addition to Cortland County's Business Assistance Programs, here are other resources to help your business:

Cortland County Government

60 Central Avenue
Cortland, NY 13045
cortland-co.org

County Planning Department

37 Church Street
Cortland, NY 13045
cortland-co.org/Planning/index.html

Cortland County Health Department

60 Central Avenue
Cortland, NY 13045
cchd.cortland-co.org/

City of Cortland

25 Court Street
Cortland, NY 13045
cortland.org

Town of Cortlandville

3577 Terrace Road
Cortland, NY 13045
cortlandville.org

Town of Homer

31 N. Main Street
Homer, NY 13077
townofhomer.org

Village of Homer

Homer, NY 13077
homerny.org

For more resources visit us online at
cortlandbusiness.com/resources/

KIK General Manager Eric Fetty Has Big Plans for the Company's Community Involvement and Bottom Line

As a leader in the multibillion-dollar household, personal care, over-the-counter and pool additives categories, KIK maintains highly successful business relationships with more than 70 global consumer packaged goods (CPG) customers and virtually every relevant major North American retailer.

KIK helps this large portfolio of brands and retailers bring products to market with full-service capabilities that cover end-to-end contract manufacturing, including project management; innovation and R&D; sourcing and procurement; blending and compounding; filling and packaging; supply chain and distribution; and quality control.

KIK's Custom Manufacturing Division is the number-one contract manufacturer in North America. Each year, millions of units representing thousands of different consumer products leave its facilities destined for North American households. Its best-in-class record of product safety, superior customer service and leading speed-to-market capabilities has made KIK a valuable supply chain partner for many of the world's top brands.

Eric Fetty, 35, is general manager (GM) of the KIK-Cortland division and is responsible for all aspects of operations. Manufacturing and packaging capabilities at the Cortland facility include an extensive portfolio of liquid, gel and cream products, among others. It produces over-the-counter products including sunscreen, oral care, skin care, topical treatments and more.

Fetty assumed the GM position this summer following management posts with L'Oréal and Clorox. "During the first part of my career I worked primarily in-plant," Fetty says. "My more recent experience was corporate. I enjoy both, but found I missed the dynamics and people of manufacturing. As general manager with KIK, I have the opportunity to meld the two, which is ideal."

Fetty is responsible for all oversight at KIK's two Cortland sites, located on Huntington Street and Central Avenue, which total 600,000 square feet of space. The company has 500 full time and 100 contract employees and provides services that range from purchasing

raw materials and package components to manufacturing, packaging and shipping. Customers include most major consumer goods brands.

"There are three segments we support: guest amenities, which are the small personal products you find in hotels; sample packets, which you find as magazine inserts or handouts; and full retail, which is traditional consumer goods ranging in size from a gallon to travel size," Fetty says. "The operation produces more than 400 million units a year."

One of Fetty's agenda items as the new GM is to expand KIK's community involvement. "Historically, this has not been a KIK strength," he says. "We need to be a good neighbor to our community and bring value beyond just handing out paychecks. We're in the process of putting a community outreach strategy together, which will include meeting with community leaders and finding out how we can enhance our presence."

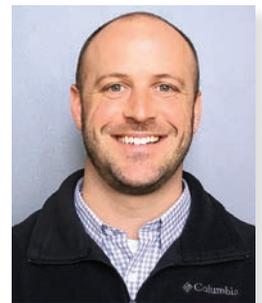
"We need to be a good neighbor to our community and bring value beyond just handing out paychecks."

—Eric Fetty, KIK General Manager

Fetty, who is originally from Ohio and whose career has taken him to Los Angeles and Atlanta, says he is looking forward to settling down in Cortland County, buying a home and exploring all the area has to offer.

"My first week here was the week before I began my job, which gave me time to go to some local restaurants, check out a few stores and chat with whoever was willing to spend some time with me," Fetty says. "It didn't take long to pick up on the strong community ties and friendly atmosphere here."

"I'm a big nature lover and enjoy hiking, fishing, hunting—pretty much anything outdoors," he adds. "I could see right away that Cortland is a very good fit for me."



Eric Fetty



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COUNTY NY**
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Cortland County offers the best in small town living with easy access to some of the nation's top metro centers.

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Cortland Regional Medical Center Considering Future Partnership

The Cortland Regional Medical Center has begun exploring corporate affiliation opportunities with other healthcare systems.

Acknowledging a challenging environment driven by dramatic shifts in Medicare and Medicaid reimbursement rates, healthcare reform, increased regulations, and steady federal and state pressure on healthcare systems to consolidate, the hospital's Board of Trustees supported the move unanimously in an October 25 vote.

"With these challenges and pressures facing all hospitals in our region, it makes good business sense for Cortland Regional to consider the possibility of partnering with another healthcare system in the future," said CRMC president and CEO Mark Webster.

As a sole community hospital providing vital access to healthcare for more than 74,000 people, the CRMC is well positioned for any potential partnership negotiations, Webster said. Over the past three years, the hospital has rapidly expanded its service offerings including opening a new wound care center and a state-of-the-art endoscopy suite. A new MRI facility will be on line soon, and the hospital has brought in 25 physicians and 10 advanced practice professionals from 17 different specialties to provide access to expert care to local residents.

The hospital has also received regional and national recognitions for its patient safety and quality of care, and last fall it was named the top hospital in New York State and 50th in the country by the federal government based on quality, patient satisfaction and low cost.

"All these attributes make us a very attractive organization for other healthcare systems to collaborate with," said Board chairman

William Pomeroy. "We will look for potential partners with a compatible mission, vision, values and like-minded organizations that demonstrate a commitment to investing in the long-term healthcare needs of the greater Cortland area."

The hospital has hired a strategic healthcare consulting firm, Veralon, to assist in evaluating the variety of affiliation scenarios available and to assess the cultural and operational fit of each organization interested in affiliation. A detailed, confidential Request for Proposal (RFP) is under development that will outline clear goals and objectives for any potential partnership. This formal RFP will be issued in December 2016, and 10 or more healthcare organizations throughout New York and Pennsylvania will be invited to express their interest at that time. The Board of Trustees anticipates identifying potential finalists by the second quarter of 2017.

"The ultimate goal of any affiliation will be to strengthen our medical center and to fulfill our mission of providing even better access to high quality, affordable healthcare for our community—now and for generations to come," Pomeroy said.



Photo courtesy of Cortland Regional Medical Center