

An Overview



A Look At The Year's Activities

An Update from the Zone Administrator,
Stephen M. Finkle, CED

The Kingston-Ulster Economic Development Zone had its busiest year to date in 1996, the third year of the program. A total of 37 firms became Certified EDZ Businesses, up from a total of 21 Certified in 1995. As of the end of 1996, there was a net total of 65 firms Certified, adjusting for a few firms which requested voluntary decertification.

In terms of highlights, 1996 saw the creation of the Kingston-Ulster EDZ's third and final subzone which is located in the Town of Wawarsing. While the physical area is small, the subzone contains two of the largest manufacturing employers in Ulster County, Imperial Schrade and VAW of America, Inc. Together, these companies employ over 1,000 people, or fully 15% of the County's manufacturing labor force. Imperial Schrade has been in business in Ulster County since 1904 and has a long history of producing fine cutlery, pocket knives and specialty tools. VAW has been in operation for 35 years, and produces tubular aluminum products including photocopier and laser printer toner drums. In addition to the welcome addition of the Wawarsing subzone, the Saugerties subzone, centered around Philips Components, was expanded to include Stainless Design Corporation, a manufacturer of gas and chemical distribution systems for semiconductor manufacturers, and some adjacent areas suitable for industrial and commercial development.

Businesses Certified in 1996 estimated that they would be investing \$35,488,050 in their companies over the next two years. They predicted that these investments would lead to the creation of 526 full time and 76 part time jobs during that same time period. During 1996, Certified businesses actually invested \$16,781,201 in their operations, which resulted in a net creation of 81 full time and 31 part time jobs. The net job creation figure takes into account job losses by a very few larger Zone firms.

As usual we have a very eclectic mix of newly Certified companies in the Zone. These include a costume jewelry maker, an internet access provider, a high tech tooling and machinery firm, a call center, an insurance firm and a donut bakery - to name a few. Of our 37 newly Certified companies, 16 are manufacturers, 17 are commercial in nature and 4 are retail establishments. From tie-dyed shirts to a web home page, from custom woodwork to meat processing equipment, the Kingston-Ulster EDZ represents a wide variety of companies.

The EDZ program is a very effective economic development tool because it is performance driven - that is, companies can only take advantage of the tax credits if they invest in facilities or equipment, or create new jobs. The Zone operations are overseen by the Zone Administrative Board whose members represent a cross section of local businesses and government leaders.