

Ceramics Corridor®

Ceramics, Glass & Advanced Materials Newsletter

Volume 1, May, 2000



CCIC's Business Incubators Continue To Generate New Jobs, Investment

Since they were funded by New York's legislature in 1992, the business incubators operated under the Ceramics Corridor® Innovations Centers (CCIC) banner by Alfred Technology Resources, Inc., Alfred, NY, have proven to be an important factor in the development of the ceramics, glass and advanced materials industry in New York State. At the same time, they've become an engine in the economic growth of the Empire State's Southern Tier region.

Indeed, the facilities, located in Alfred, adjacent to the campuses of Alfred University, and in Painted Post, just outside of Corning, have created some 1,775 jobs, mostly related to the ceramics industry, during that time. Altogether, 20 new businesses have been created through the incubators, and 11 businesses have "graduated" to off-site locations, where they continue to thrive.

By county, the largest number of jobs have been created in Steuben County—1,652. Other counties that have benefited by the presence of the two facilities are Allegany, Chemung and Niagara.

How well are these hi-tech companies doing? Last year alone, current tenants and graduates combined generated more than \$484 million in sales. Total sales since inception of the program are over \$884 million.

As well, these ceramics, glass and advanced materials-related businesses contributed to the regional economy last year to the tune of \$53 million in wages paid to employees. Since 1992, companies tied to the Alfred and Painted Post facilities have paid out more than \$308 million in wages and salaries.

In terms of more direct contributions to the region's—and the state's—economy, these companies on the grow have spent \$67 million in construction, using New York-based construction companies. Local municipalities developed supporting sewer and water infrastructure in the amount of \$200,000.

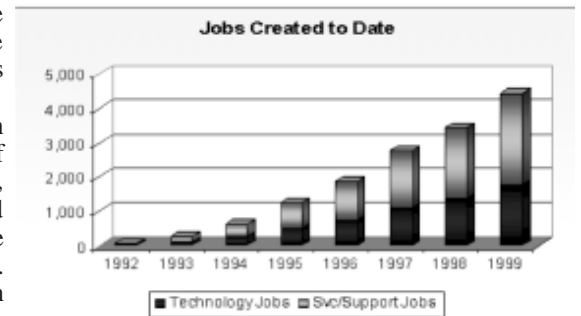
In terms of taxes added to the state's coffers, the employees of CCIC-related companies paid \$6 million in individual income taxes in 1999, and have paid \$20 million in taxes (not including sales and corporate franchise taxes) since 1999.

And in terms of the spin-off effect, the 1,775 direct jobs created to date have generated more than 2,660 support and service jobs, based on the normal industry assumption of 1.5 indirect jobs for every technology job.

When CCIC was created eight years ago, the goal was to create a total of 1,000 new jobs by the year 2000. The fact that more than 4,430 direct and indirect have resulted from the organization's efforts in that time translates into an impact of 400% of the original goal.

And speaking strictly in terms of investment, the State of New York originally spent some \$10 million to get CCIC up and running. The payback has come in the form of \$308 million in payroll and \$20 million in NYS taxes. In other words, for each dollar invested, CCIC has generated nearly \$31 in salaries and more than \$2 in NYS taxes to date.

The Painted Post and Alfred facilities currently total 70,000 square feet of incubator space, with 40,000 of that at Painted Post. The current tenant roster of 11 includes 10 operating businesses and one graduate firm using clean-room space for R&D projects. The Painted Post facility is fully occupied; the Alfred facility is 90% occupied and is expected to be fully rented by May, 2000. A major expansion program for the Painted Post facility is in the early planning stages.



In This Issue

- *CCIC's Business Incubators Continue with New Job Creation!*
- *Welcome from the Executive Director - Jon Wilder*
- *Pilot Program Assists Budding Exporters*
- *People in the News*
- *CCC - Training Ground for Future*
- *Profile: CS&S*
- *In the Works*
- *On the Road*
- *Industry Resources*



The Ceramics Corridor® runs along I-86 in the Western and Central Southern Tier of New York State

Welcome . . .

This is the premier issue of "Ceramics Corridor[®]," a brand-new quarterly newsletter published by the Ceramics Corridor[®] Innovation Centers (CCIC).

The purpose of this publication will be to keep the industry, the media, and the general public informed not only about CCIC, but also the larger geographical entity known as the Ceramics Corridor[®].



Jon M. Wilder

This region, which runs along I-86 in the Western and Central Southern Tier of New York State, has seen the development of countless innovative uses of ceramics, glass and other high-tech materials—and has been a seat of solid economic growth in the process. The Ceramics Corridor[®] Innovation Centers, which consist of business incubators in Alfred and Painted Post (Corning) has been the focus of much of that activity.

From a fledgling industry that dates back to the 19th century, when easily-mined shale deposits paved the way for ceramics products, has emerged a cutting-edge industry cluster. The region's tools for innovation are many, including the New York State College of Ceramics located at Alfred University and its heralded ceramics curriculum, and Corning Community College, which is a major training ground for industry workers. CCIC's role has been to take entrepreneurs to the next level—providing them with a broad program of assistance and guiding them to the day when they successfully "graduate" to make it on their own.

For the future, CCIC will continue to attract new companies and new technologies as the larger region continues to emerge as an industry cluster with a bright future. We will use these pages to keep you informed of our progress, and encourage you to contact us with your comments and questions.

Jon Wilder
Executive Director

Pilot Program Assists Budding Exporters

CCIC late last year launched a pilot program to determine the export potential of ceramics, glass and advanced materials-based companies. The program also assists and educates companies to enable them to expand their global marketing efforts

"This project assesses and identifies export-ready businesses and makes them aware of the opportunities available in the international marketplace," according to Jon M. Wilder, executive director of CCIC. "It focuses on companies in the area encompassing Allegany, Cattaraugus, Chemung, Schuyler, Steuben, Tompkins, and Broome counties."

Implementing the Ceramics Corridor[®] Export Readiness Program with Wilder is Dr. Frank L. Thiel, IV of Decision Management International (DMI), Painted Post, NY. DMI offers experience-based consultation on technology management, alliance management, technology acquisition, and the like.

Among the services that are provided:

- assessment of target markets (including a database of foreign market companies);
- assessment of sales potential;
- assessment of resource needs;
- education on intellectual property protection; and
- compliance with regulatory requirements.

"We have been contacting and visiting ceramics businesses in person, by direct mail, telephone, and the Internet," Wilder continues. Besides contacting individual companies, ATRI conducted a seminar on March 22nd and will continue to offer readiness assessments.

"Determining export-readiness includes a five-step interview and documentation procedure beginning with gathering information about markets for products or services similar to the client's in countries of potential interest. No user fees are charged until a firm enters into the program's International Business Development Agreement and obtains sales from international customers. Then, the CCIC program receives a percentage of the export sales," Wilder explains.



For more information about the Export Readiness Program or any other CCIC programs, contact Jon Wilder at (607) 587-9444 or (607) 962-6387, or visit CCIC's Web site,

Export Presenters

From Left to Right
Dan Duffy, Chris Gallo,
Gerry Shaye, Frank Thiel,
Sharon McKendry, Susan Widmer,
Teresa Runckel, Jon Wilder



Got News?

Send your press releases on personnel appointments, new products, awards, trade show attendance, and any other business, professional and personal activities to CCIC executive director Jon Wilder, Ceramics Corridor[®] Innovation Centers, 200 North Main Street, Alfred, NY 14802. If you have any questions, call (607) 587-9444 or (607) 962-6387.

The Ceramics Corridor[®] newsletter is published quarterly by the Ceramics Corridor[®] Innovation Centers for ceramics, glass and advanced materials entrepreneurs and corporations.

Jon Wilder Executive Director
Eric Peterson Editor
Laura Quick Administrative Assistant

For additional copies of this newsletter, or to add your company to the mailing list, please call (607) 587-9444, or e-mail us at corridor@ceramicscorridor.org

People in the news....

Xylon Ceramic Materials, located in the Alfred facility, has appointed **Ralph Searle** as director of sales and marketing. He is a graduate of Alfred University and the University of Buffalo. Also, Terese Vascott has been named director of quality assurance for the company. Among her responsibilities is readying Xylon for ISO 9002 qualification.

At *Silicon Carbide*, located in Horseheads, **Margaret Johnson** has been named office coordinator, and **Laurie Dominikoski** has been appointed quality coordinator. The company, which is a graduate firm of CCIC's Painted Post facility, achieved ISO 9002 registration in early January for the manufacture of custom silicon carbide ceramic components for severe industrial environments.

Meanwhile, at *Vergason Technologie* in Elmira, **John Peris** has been promoted to general manager of operations; he had been engineering manager. And **Krista Armentano** has been promoted to manager of administration—she had been human resources clerk and has been with the company for a year. VTI continues on a fast-track expansion program, according to founder Gary Vergason, and is looking for mechanical and process engineers.

Dr. Arun Varshneya, founder of *Saxon Glass Technologies*, located at the Alfred facility, has been elected by the members of the Society of Glass Technology, North American Section, as chairman of the section. He will serve a one-year term. Last year he was elevated to the rank of fellow of the U.K.-based Society.

James S. Marotta, formerly with the University of Florida in Gainesville, joined the faculty of *Alfred University* last fall as an assistant professor of biomaterials science in the School of Ceramic Engineering and Materials Science. The Florida native is a graduate of the University of Florida.

Finally, the *Electronic Industries Alliance* has awarded its Medal of Honor to New York State **Rep. Amo Houghton**, recognizing him as the "father of fiber optics." Houghton guided the development of optical fiber while serving as chairman and CEO of the former Corning Glass Works.

CCC is Training Ground for the Future

Ceramics Corridor® companies looking for workforce training have a solid ally in Corning Community College. CCC's location at the Painted Post facility puts top-flight training programs right at the doorstep of the incubator's tenants, as well as scheduling flexibility to make it work for everyone.

"We also provide educational services to employees of Corning Incorporated, and open enrollment students as well," points out CCC's Judy Smith. "Classes offered include Skills & Knowledge, which combines credit and non-credit Math and English classes. Support for students includes a math learning center, math tutoring, and a desktop two-way video conferencing unit."

Also, on-site competency training by computer is provided for Corning Incorporated's Photonic Technologies Division employees at the company's Sullivan Park facility. CCC's weekend degree program in Opto-Electronics for Photonics employees also meets at CCIC, where they take core courses such as Intro to Optics and Wave Optics.

Finally, the New Visions Engineering Program for gifted high schoolers is located at CCIC. The collaborative effort between CCC, Steuben-Allegany BOCES, Corning Inc., Dresser-Rand and Phillips Lighting is aimed at prepping students for careers in engineering and science.

Profile: CS&S



The latest addition to the tenant roster at CCIC's Painted Post facility is the *Characterization, Science & Services* division of Corning Incorporated. It's made up of several labs that provide services to both internal and external customers. Internal customers include Corning production facilities, development businesses and research, while external customers are predominantly involved in glass-related businesses.

CS&S' labs provide physical, microstructural and chemical property measurements, including defect analysis. They also support new

product development and research for Corning's growth businesses.

While CS&S moved into the Painted Post facility late last year, the 26-employee company also maintains a facility in Sullivan Park. At CCIC, Bill Sullivan is manager of the chemical analysis labs, while Darla Emig heads CELS, the company's customer relations arm.

Additionally, in Sullivan Park key individuals include Ralph Truitt, overall head of the company and manager of molecular spectroscopy and separations. Karen Larsen is manager of instrumental analysis; Dave Larsen is manager of physical properties analysis; and Dan Kahm is operations manager. Among other responsibilities, Kahm works to increase intergroup efficiencies. For more information on CS&S, call (607) 974-6330.

In the Works....

Silicon Carbide is in the final stages of working out a contract with the Federal Department of Energy (DOE) for development of high-temperature materials. The company had its largest shipping month ever in February, and followed that up with its second largest ever in March.

Saxon Glass Technologies, which specializes in the chemical strengthening of glassware though ion-exchange process, is developing the injection component for a new needle-less syringe.

The *Photonic Technologies Division* of Corning Incorporated, located at Painted Post, lists as its current optical fiber products Dispersion Compensator Modules for telecom system upgrades; the FiberGain™ module, the optical heart of an erbium-doped fiber amplifier; MultiClad™ couplers; and Specialty Fibers in a wide range of designs.

On the Road...

Ceramics Corridor® Innovation Centers' executive director Jon Wilder will attend the 102nd annual American Ceramics Society (AcerS) Meeting and Exposition April 30-May 3 at the America's Center in St. Louis. CCIC is exhibiting at the show to raise national awareness of the Ceramics Corridor and CCIC's programs. Also exhibiting the Ceramics Corridor at the show will be the New York State College of Ceramics CACT Center.

Silicon Carbide, meanwhile, was represented at the 129th TMS (Minerals, Metals and Materials) trade show in Nashville, TN earlier this year.

And Linda Huey, **Corridor Clay Studio**, exhibited her wares in mid-February at the Baltimore Craft Show, Baltimore, MD, sponsored by the American Craft Council of New Paltz, NY. The wholesale/retail show, which annually attracts 1,200 exhibitors through a competitive application process, is considered to be the best wholesale craft show in America.

Internationally, Dr. Alistair N. Cormack, the Van Derck Frechette Professor of Ceramic Science at **Alfred University**, has been invited to lecture at the sixth International School and Workshop on Crystallography in Ismalia, Egypt.



Ceramics Corridor Innovation Center
Alfred, New York 14802

Industry Resources...

New York State Center for Advanced Ceramic Technology at Alfred University (CACT): The faculty of the New York State College of Ceramics includes some of the world's top experts in ceramics and glass science and engineering. All faculty members hold doctorates and more than half are fellows of the American Ceramic Society. CACT interacts with industry through collaborative and proprietary research, graduate fellowships and a variety of short-term projects. *Contact Dr. Vasantha R.W. Amarakoon, (607) 871-2486, or visit nyscc.alfred.edu/external/cact/research.html.*

The Ceramic Association of New York (CANY): Founded 66 years ago, CANY encourages communication between the industry and government, promotes ceramic-related education and the development of ceramics industries, and provides networking opportunities. *Call (607) 871-2170, or visit CANY's Web site, www.cany.net*

New York State Small Business Development Center: Sponsored by the State of New York and the U.S. Small Business Administration, NYS/SBDC is comprised of 23 full-time offices and 20 outreach centers offering assistance in manufacturing, technology and international trade.

Southern Tier contacts:

Corning SBDC

Corning Community College
24 Denison Parkway West
Corning, NY 14830
(607) 962-9461, fax (607) 936-6642

Binghamton SBDC

Binghamton University
218-224 Water Street, 3rd Floor
Binghamton, NY 13901
(607) 777-4024, fax (607) 777-4029
Web sbdc.binghamton.edu/

New York Manufacturing Extension Partnership: Provides assistance to small and mid-sized manufacturers through a variety of services and a combination of field engineers/staff and outside consultants. Through 10 regional centers, offers everything from legal and risk management, to financial consulting, productivity improvement, ISO 9000 registration, operational and workforce consulting, and sales and marketing assistance. Southern Tier offices are located at 61 Court Street, Binghamton 13901, (607) 774-0022, fax (607) 774-0026, Web site www.amt-mep.org.

Empire State Development: Statewide business development agency can be contacted toll-free at (800) 782-8369. Provides financial assistance for a variety of business-related uses (land and building acquisition, construction, working capital, training, etc.) through direct loans or grants, interest rate subsidies and more. The ESDC also offers investment tax credits tied to job creation, R&D tax credits, and real property tax abatement among other tax incentives. Recently established two new tax credits to assist technology-related companies and supports new research centers. System of Centers for Advanced Technology (CATS) includes CACT at Alfred (see above). ESD's Web site is www.empire.state.ny.us/business.