

Our Mission

The mission of APP is to enhance Aroostook County's economy; to market the region to the U.S., Canada and Europe; to develop the County's downtowns into attractive and vibrant business centers; and to facilitate an effective economic development dialogue for the region.

Celebrations

Katahdin Cedar Log Homes was honored recently by the Log Homes Council (LHC) of the National Association of Home Builders for service to the industry with an award created especially to honor KCLH president David Gordon and the Oakfield, Maine firm.

"Being recognized with this national award is indeed a tribute to all the employees and dealers at Katahdin Cedar Log Homes," said Gordon. "We know we have a quality product, and I was pleased to have the opportunity to showcase one of our homes for a national television audience. It was quite an experience, and I appreciate being recognized by our peers nationally."

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Showcase Aroostook

APP Promotes the Region to National Real Estate Firms



Showcase Aroostook events are highly successful ways to introduce national site location firms to the business advantages of a northern Maine location. During a recent trip to the County, a senior vice president for a site selection firm was impressed with what he and his associates saw and heard. "Based on the information provided by APP, meetings with various business executives in the area, and experiencing first-hand the community spirit that's evident throughout the region, we are very positive about the area and the various possibilities it has for back office operations. The hospitality was excellent and we liked what we saw," he said.

"Hosting business executives and site consultants is a very important part of our marketing strategy. We know that the County often sells itself, given the opportunity, so having six national site selection representatives in the County recently was a great opportunity for us," said Walter Elish, President and CEO of Aroostook Partnership for Progress. "We also recently hosted representatives from another site selection firm, who

were pleased with the results of their visit," he added.

"Showcase Aroostook has been an important element of APP's strategic business plan since our formation," said Jon Prescott, APP board chair and President/CEO of Katahdin Trust Company. "APP's showcase strategy is to have the business executive experience first hand our excellent work force and pro-business attitude," he added.

Showcase tours are flexible and can be designed to meet a specific company's or consultant's schedule and interests throughout the year. To learn more contact APP at 207-498-8731 or e-mail them at Progress@APPme.org.

Message from the President



More than ever, Aroostook County means business. Over the past few months northern Maine has had its share of ups and downs.

The decision of LP to expand in New Limerick, the closing of the MBNA facilities and then the recent announcement of the MMG expansion in Presque Isle shows the resiliency of Aroostook County. Our "can do" spirit teaches us to look for solutions rather than excuses. This was quite evident when we (community) said "no" to the DoD

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Aroostook Partnership for Progress provides:

- Confidential site selection services
- Comprehensive available buildings and sites listings
- Financing
- Venture Capital
- Small Business Development Center
- Business Advocacy

Celebrations con't

Katahdin Cedar Log Homes was presented the national LHC Image Award for outstanding promotional contributions to the log home industry. The company organized construction of *Extreme Makeover: Home Edition's* first-ever log home.

ATX/Kleinrock supplies professional grade tax preparation, accounting, engagement and tax research software solutions to more than 50,000 tax professionals and CPAs throughout the U.S. Founded in 1992 in Caribou, ME, ATX provide high quality tax preparation software at prices that all tax practitioners can afford. ATX and Kleinrock Publishing joined forces in 2002. ATX has grown from two to 200 people and for five consecutive years has been recognized by Inc. Magazine as one of the fastest growing companies in the U.S. Inc Magazine inducted ATX into its prestigious 500 Hall of Fame.

DFAS On Target to Expand Facility

DDFAS Limestone is just completing phase one of its two-phase expansion plan. With more than 400 employees on staff and renovations completed to accommodate an additional 125 workers, DFAS is now focusing its energy on parking lot expansion, an infrastructure upgrade, and completing the hiring process. DFAS has had ample quality applicants for the newly created positions and continues to receive applications for the additional jobs.

Selected for closure by the DoD, the BRAC Commission recognized the productivity of this facility and recommended that it

become a regional center and increase its employment base from approximately 350 to over 600. After the BRAC recommendation was approved by Congress, DFAS set the timetable to increase staff by 150 in FY '06, 84 in FY '07, and 76 in FY '08.

During the BRAC hearing, Chairman Anthony J. Principi said of the Limestone DFAS facility ... "they've also proved their mettle because I believe they're one of the highest quality DFAS facilities in the system and customer satisfaction indices show them to have done a superior job."

LEAD Update

Leaders Encouraging Aroostook Development

One of LEAD's major activities in the region continues to be a focus on the north-south highway expansion. The Supplemental Draft Environmental Impact Statement (SDEIS) is due soon, and there will be a public hearing in July.

N-S Highway Upcoming Dates

July 2006	SDEIS Hearing
September 2006	FEIS Circulated

LEAD hired a consultant to keep the highway project on track and work closely with state and federal transportation officials. John Melrose of Maine Tomorrow, former Maine DOT commissioner, will be working with LEAD at least through initial highway construction in 2007-2008.

Another major LEAD initiative is to develop teleconferencing capability between Aroostook County and the State House and/or other legislative hearing sites in Augusta.

The Distance Learning System (ATM) that is run by the Maine Department of Education has been identified as the best choice because of the available bandwidth and locations in Aroostook. LEAD will work with area legislators to introduce a bill into next year's legislative session to encourage the legislative process to use the system. Other rural areas in the state may be interested in emulating this project, as well.

Finally, efforts are in place to forge a merger between LEAD and Aroostook County Tourism Inc. (ACT). Both groups feel that a joining will facilitate improved internal efficiencies as well as improve service delivery to area small businesses.

Anyone desiring more information about LEAD should contact Rod Thompson at 498-8736 or rthompson@nmdc.org.

Plans For Resort Moving Forward



Aroostook County does indeed offer compelling magnetic tourism-related development potential despite its location from major metropolitan population centers, according to John Sweeney, president of Global Resorts Inc. Under the auspices of APP, the Global Resorts team created a tourism-related development and economic growth plan for Aroostook County. “Our analysis concluded that not only is there an opportunity for resort development but it has the potential to impact the entire county,” said Sweeney.

The group analyzed development opportunities in the County, assessed existing recreational opportunities and facilities, surveyed past and prospective consumer interests in purchasing various types of recreation products, and prepared design, development and economic models - all designed to attract potential developers and investors to Northern Maine.

APP board chair Jon Prescott said the resort option has been an element of APP’s strategic

business plan since its formation. “We believed that our location with its pristine and natural beauty and our experience in hosting world-class sporting events makes northern Maine a perfect location for resort development. However, we needed to have that verified by an independent expert in the industry. Global Resort’s findings provide the credibility that will be needed to attract the investors necessary to make the project happen,” he said.

“This project shows what can happen when the resources of the private sector are leveraged with those of the public sector,” said Walt Elish, APP President/CEO. “Because APP and the Northern Maine Development Commission were able to commit up front money to this important project, we were able to expand its scope by leveraging the resources of the Maine Department of Economic and Community Development and USDA Rural Development.”

Because of Sweeney’s contacts within the industry, interest has been expressed from developers of timeshare, vacation homes, camping facilities and hotels, and Elish is meeting with them over the next several weeks.

Copies of the feasibility report are available by contacting Walt Elish at 207-498-8731 or welish@APPme.org

Tourism in Aroostook

Northern Maine Development Commission is working on a program to enhance tourism infrastructure in northern Maine to enhance resort recruitment. This infrastructure effort will focus on creating a single point of contact for tourism information, a centralized reservation system, and a system of recreational trail management components that address key issues affecting the recreational trail system.

Biathlon activities at the Maine Winter Sports Center continued throughout the late winter with several successful events

hosted, both in Presque Isle at the Nordic Heritage Center and in Fort Kent’s 10th Mountain Division venue. Highlighting the winter’s events was the World Jr. Championship held in Presque Isle with almost 400 athletes and coaches participating from more than 30 countries.

The United States Biathlon Association (USBA) has elected Larry Pugh of Yarmouth, Maine and Naples, Florida as chairman and moved its national headquarters to Maine. The International Biathlon Union will be holding its annual summer planning session in Presque Isle this summer.

Celebrations con’t

Maine Mutual Group, headquartered in Presque Isle, accomplished a long-term goal of reaching \$100 million in premiums written. While it is a major milestone in terms of marketplace presence, it has also provided the company the critical mass needed to reach future aggressive growth objectives. Recently MMG president and CEO Larry Shaw announced the company is working on a more than \$5 million expansion that is expected to create 35 to 50 new jobs over the course of 10 years.

Autotronics, New England’s only ambulance building company, received the SBA’s Jeffrey H. Butland Family-Owned Small Business for the State of Maine and New England for 2006 award. The Frenchville company builds, retrofits and refurbishes ambulances. It employs 27 employees at those facilities and at a sales and service facility in Bangor. Company owner Fernand Daigle III said the award caught him by surprise and is a testament to all the employees, not just him. Daigle is planning to move into a larger facility in the coming weeks. The \$1.5 million expansion is envisioned to increase the number of employees by 20 and add another 20 jobs within the first 18 months in the new facility.

From the President continued

and worked to save and grow DFAS Limestone by 300 employees and “no” to conventional wisdom to support the Maine Winter Sports’ vision and within a few short years hosted a Biathlon World Cup and a Biathlon World Jr. Cup that brought thirty different countries, hundreds of world class athletes, thousands of spectators and international media to northern Maine.

In this issue, four companies are identified that also have said no to conventional wisdom and are successfully operating in northern Maine.

There is plenty of reason to be optimistic about the future of northern Maine and APP is constantly looking for new opportunities to “grow” new investment in the County. The APP team means business in northern Maine.

- Walter J. Elish

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Progress@APPme.org*

LP® to Convert Houlton, Maine Oriented Strand Board Mill to Oriented Strand Lumber Production

The Louisiana-Pacific Corporation (LP) has announced plans to convert its current manufacturing facility at New Limerick, Maine from oriented strand board (OSB) production to oriented strand lumber (OSL) production by late 2007. More than \$105 million will be invested in the facility for the conversion.

To meet demands for alternative engineered products in lumber applications of home construction, LP identified the opportunity to diversify its product line with OSL manufactured from the facility. The OSB conversion to OSL will take place over several years, and once in operation, New Limerick will not only serve as the exclusive manufacturer of LP OSL, but also one of the few producers of OSL in North America.

“Once we determined there was a need to provide our customers and builders with OSL, it just made sense to do so from a facility with established capabilities and excellent work force,” said Patch Bonkemeyer, general manager of engineered wood products at LP. “The facility currently employs 116 and we are excited about continuing this mutually beneficial relationship with the New Limerick community through this conversion.”

Windpower Construction Begins at Mars Hill

Blades for 28 windmills to be constructed on Mars Hill Mountain began arriving in the County in late April. Construction of the 380 foot towers began in May as Evergreen Wind Power began its 54 million dollar investment in the region.

“We’ve been looking forward to working with Evergreen Wind Power on this project,” said Mars Hill Town Manager Ray Mesereau. “It’s a tremendous opportunity for residents of Mars Hill in terms of additional tax support and new and needed energy for our country.”

Featured Properties



Former MBNA Facilities

Fort Kent, Maine

10,419 sq ft

28.6 acres

Presque Isle, Maine

15,575 sq ft

15.44 acres

equipment and work stations included
available workforce • incentives available

For more information, contact Walt Elish at welish@APPme.org

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