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REPORT TO OUR STAKEHOLDERS - 2007

A t JARI, our commitment to the region and its long-term viability drives everything we do. We're never satisfied with the status quo. Instead, we make it our business to proactively pursue opportunities that can expand the region's economy.

In 2007, these opportunities presented themselves in ways big and small, from developing comprehensive business plans or promoting the region's capabilities to working one-on-one with local entrepreneurs.

Throughout the year, we remained focused on our mission – facilitating the building of a diverse and robust economy by assisting in the creation and retention of jobs and by providing services to enhance the competitiveness of businesses throughout the region. This level of commitment builds the momentum our region needs to remain competitive in a global economy. As you will read in this year's Progress Report, it's how we deliver results.

Our achievements reflect the steadfast support of the JARI Board of Directors, the Johnstown Industrial Development Corporation Board of Directors and our many partners throughout the region. We offer our thanks to them. In addition, we extend our deep appreciation to Congressman John P. Murtha. His unwavering belief in our mission supports us in implementing programs that will strengthen the region for years to come.

Commitment. Momentum. Results. This is what JARI is all about.

On behalf of the JARI staff, I thank you for your commitment to the Cambria/Somerset region. We look forward to another productive year.

Sincerely,

Linda R. Thomson

President

> BY THE NUMBERS

Results in 2007

- ◆ \$218 MILLION: Contracts awarded to area companies
- ◆ \$50 MILLION:
 Contracts announced at
 Showcase for Commerce
- \$8.6 MILLION:
 Financing, grants and tax credits secured for area companies
- ◆ \$850,000: Invested in the Johnstown Business Park Expansion — Phase III
- ◆ 4,000: JOBS RETAINED (approximate)
- ◆ 1,144: JOBS CREATED
- ♦ 605: DISPLACED WORKERS benefiting from Rapid Response Team help
- **◆ 374: COMPANIES ASSISTED**
- ◆ 342: MEMBERS in 7 business consortia
- ◆ 37: WORKSHOPS, training programs, conferences and Career/Job fairs
- ◆ 92 ACRES: Phase II of the expanded Johnstown Business Park
- ◆ 10: BUSINESS START-UPS



CTC Honors John Crichton with Fund Drive Contribution

John N. (Jack) Crichton, a long-time business and civic leader whose vision and leadership played a key role in the Johnstown community's recovery after the 1977 Johnstown Flood, passed away in February 2008. As a founding member of JARI, his efforts helped set the stage for a regional revitalization that continues today. In addition, Jack served on the Concurrent Technologies Corporation Board of Directors for 18 years. Upon his retirement from CTC's Board in 2006, he was elected as CTC's initial Chairman Emeritus.

"Jack's total commitment to our company and to his community stands as an example to us all," commented Dan DeVos, President and CEO of CTC. "We wanted to honor him for his commitment to the sustainable economic development of our community through a contribution in his name to JARI's Partners for Progress Fund Drive. It was the perfect fit, and an honor he graciously accepted."

CTC's contribution marked the first time a company has honored an individual as part of a JARI fund drive. "Jack was one of a kind," DeVos said. "We're grateful that, through our donation, we were able to thank him for his invaluable contributions to CTC, JARI and his community."

Partners for PROGRESS

Partners for Progress Nets \$1.1 Million

In 2007, more than 120 area companies and individuals invested \$1.1 million in JARI's Partners for Progress Fund Drive, a five-year campaign that will continue to provide a solid foundation for JARI as we continue to build and diversify the regional economy. Companies of every size joined the effort, from small family-owned businesses to large, established global corporations.

"The campaign was a tremendous success and a total team effort," explained Allan R. Dennison, Fund Drive Chair and President and Chief Executive Officer of AmeriServ Financial. "It attracted businesses that had never before participated in an effort like this. To me, that speaks to the dedication of our 19 volunteer Team Members. They did a stellar job, encouraging businesses and individuals to sign on and be a part of this regional initiative."

He also credited the JARI team with providing well-managed support every step of the way. "JARI knows how to handle the details," he said. "That's critical with so many moving parts. It was the difference between success and failure."

JARI extends its gratitude to Mr. Dennison, and to the companies and individuals whose participation in the Fund Drive enable us to provide key economic development services throughout the Cambria/Somerset region.

Although *Partners for Progress* officially ended in September 2007, contributions from companies or individuals can still be pledged. For more information, contact JARI at (814)535-8675.



JARI helped create or retain more than 5,000 jobs in 2007.



Showcase Builds Momentum with Best Year Ever

With nearly 165 exhibitors from across the country and more than 2,000 attendees, the 2007 Showcase for Commerce firmly secured its place as the most well-attended Showcase in the event's 17-year history.

In recent years, organizers have seen a marked increase in attendance from key decision-makers and procurement officers who are employed by prime contractors and the federal government. Showcase 2007 continued the trend – and then some.

According to Linda Thomson, the addition of seminars and workshops, the expansion of outdoor exhibit areas on Napoleon Street and several informal networking opportunities have played key roles in boosting attendance from purchasing agents. In 2007, Showcase catered to sold-out crowds in the exhibition hall, on Napoleon Street, and at all networking functions.

"Every year, Showcase attracts more and more decision-makers," she said. "That's been one of our top strategic goals. We've made tremendous inroads and we'll be working even harder to bring more procurement officials to the event in 2008."

During the two-day show, Congressman Murtha announced that more than \$50 million in contracts had been awarded to area companies – more than twice the amount announced in 2006.

Showcase for Commerce is sponsored by JARI and the Greater Johnstown/Cambria County Chamber of Commerce in cooperation with Congressman Murtha. Event sponsors include Raytheon, BAE, Boeing, DRS Technologies, General Dynamics and Northrop Grumman.

MARK YOUR CALENDARS



The 2008 Showcase for Commerce is scheduled for May 29 and 30 at the Cambria County War Memorial and the Frank J. Pasquerilla Conference Center. Visit www.showcaseforcommerce.com for more information.





Business Park Expands Opportunity

In late May, more than 100 business, civic and elected leaders joined representatives from JARI and the Johnstown Industrial Development Corporation (JIDC) to break ground on the Phase II expansion of the Johnstown Business Park. By mid-November, the 92-acre build-out was complete, doubling the size of the existing park and strengthening efforts to attract and retain growing businesses to the region.

"With today's groundbreaking, we're keeping this positive momentum going and setting the stage for future growth across the region."

— Congressman John P. Murtha

Reflecting its effective project management capabilities, the JIDC team brought the \$5 million project to within just \$50,000 of the original budget developed in 2003. The effort is already paying dividends. In 2007 alone, the expansion increased JIDC's assets by \$3.8 million.

At the groundbreaking, Congressman Murtha applauded the region's success and said, "That doesn't happen overnight. It only comes from people and organizations working together day after day to create an environment that welcomes business and stands ready to meet its needs. With today's groundbreaking, we're keeping this positive momentum going and setting the stage for future growth across the region."

The expansion includes 10 new parcels zoned for light industrial or office use and equipped

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with infrastructure to better meet the needs of 21st century industrial businesses. Targeted tenants include those in the high technology, light manufacturing, health care, defense, warehouse distribution and office use sectors. JARI has also invested an additional \$850,000 to secure an adjoining 65 acres for the park's Phase III expansion.



JIDC assets grew by \$3.8 million in 2007.



Meeting Business Needs

Throughout 2007, JARI's one-stop economic development services continued to meet the needs of the regional business community. Our efforts ranged from one-on-one business assistance to far-reaching collaborative programming that provided help and resources to hundreds of companies on an ongoing basis. Program highlights include:

- Statewide "Best Practice" recognitions:
 - Rapid Response Team efforts, by the Pennsylvania Department of Labor Rapid Response Team
 - Tech Post-Its, by PA Department of Community and Economic Development
- Helped coordinate more than 300 workshops, training programs or job fairs for area employers and workers; promoted high-priority occupations and required skills;
- Launched the Transportation and Logistics Consortium (in partnership with Wessel & Company);
- Expanded the Business and Education Consortium;
- Conducted an exhaustive assessment to identify job training needs in regional manufacturing sectors. Findings from the assessment have laid the groundwork for a much-needed Machinist Certification Program that Pennsylvania Highlands Community College will launch in 2008;

- Initiated AIM@Johnstown at UPJ and Center for Entrepreneurship and Service at Mt. Aloysius College as part of the Greater Johnstown Keystone Innovation Zone (GJKIZ) to help keep local talent in the region; and
- Added Allegany College of Maryland to the GJKIZ to expand its reach and potential.

We also worked side-by-side with several area businesses to further develop their operations and bring more jobs to the region.

For example, JARI worked with Kongsberg Defense on an expansion project that more than doubled its existing capabilities at the JARI Center for Business Development. Simultaneously, with our assistance, Kongsberg leased more than 100,000 square feet in the former Bestform building at the Johnstown Industrial Park to prepare for its state-of-the-art Manufacturing Operation Center (MOC).

The MOC is the manufacturing site for Kongsberg's Protector Remote Weapons System for the US Army's Common Remotely Operated Weapons Station (CROWS). The company won the \$1.3 billion five-year contract in August 2007, and is already working with several local businesses to sub-contract on the project. The MOC is expected to employ more than 100 people.

As reported in the local media, Kongsberg's relationship with JARI was instrumental in the company's decision to locate the jobsproducing plant here.

"This decision was based on a lot of research and the reputation of the work ethic of the people here," said Espen Henriksen, a vice president of remote system operations for Kongsberg Defense. "Plus, we have a very good relationship with Johnstown Area Regional Industries, and that's really what

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Two JARI programs were recognized as "best practices" by the state.



facilitated what we're doing here."

For more information on JARI's economic and business development services, please visit www.jari.com. •

Check Us Out! www.jari.com

In 2007, JARI made significant upgrades to www.jari.com to encompass the region's capabilities in one comprehensive site. It includes the latest information about JARI's onestop services, such as site selection, financing, business counseling and training, and workforce development. New features include:

- Building/Site Locator Businesses and developers use it to access detailed information about available site opportunities;
- Business Capability Locator (BCL) –
 This section profiles the capabilities of area businesses to help foster productive partnerships with local and prime contractors;
- JMSA Get key information about Cambria and Somerset Counties;



 GJKIZ – Updated information on the Greater Johnstown Keystone Innovation Zone includes program overviews, benefits and results;



GREATER JOHNSTOWN

PAPTAC –
 Description
 of government
 procurement
 services in

Pennsylvania.



The updated site also includes a comprehensive calendar of events and library of JARI publications, such as Business Matters, JARI Journal, Tech Post-Its, annual reports and copies of pertinent news articles. •

JARI extends its thanks to the following individuals for their service, dedication and support to the organization and its mission:

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RESULTS!

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