



## Cultivating Partnerships; Growing Our Economy



# 2012: A Year of Movement, Momentum and Making Things Happen!

Dear JARI Stakeholders:

Each and every year, JARI strives to meet the needs of employers in the Cambria/Somerset region by assisting in the retention, recruitment, expansion and start-up of companies in the communities we call home. In 2012 we placed special

emphasis on entrepreneurial activity, and the articles contained herein bear that out. As you page through the 2012 Annual Report to our stakeholders, you will read about JARI's new micro-lending capacity, as well as other initiatives aimed at helping start-ups succeed. You will also learn about recent activity in our workforce, procurement and economic development programs, including how we have assisted many displaced workers find re-employment or enhance job skills while looking for the right employment fit.

One of the best stories of the year was the announcement that Route 219 south from Somerset to Meyersdale was entirely funded and ready for bid. The start of construction may happen as soon as 2013 once all permits are in place. Tree removal has already been completed. I want to offer my thanks to our regional partners from Cumberland to Ebensburg who worked tirelessly to bring this project to fruition. The tremendous regional economic impact to follow will be unlike anything we have seen in many years.

Meantime, our Marcellus Shale Supply Chain Consortium has continued to meet quarterly, gain momentum and knowledge about the industry, and build relationships that assist in meeting industry standards or help to win

contracts. JARI has hosted Chevron, Environmental Tank, MTG, Penn State, First Commonwealth Bank and the Reschini Group to help in this educational process. In addition, I am fortunate to have a team of people who regularly assist me on shale gas matters: Lou Crocco, Scott Roberts, Matt Hughes, Bill Polacek and Bill Stewart. I want to especially thank all of you for helping JARI keep up with the latest shale news and strategies for gaining more investment and supply chain work here.

Defense sector businesses in our area employ thousands of individuals in family-sustaining wage jobs. The Showcase for Commerce continues to bring the supply chain together in downtown Johnstown in a friendly and informal venue where folks can actually make

business happen. Chairman Ed Sheehan and the Showcase Committee work all year to make this event successful. In fact, the 2012 Showcase was successful even when other shows throughout the country were significantly downsized or eliminated. Many thanks also to Congressman Mark Critz and staff, the Greater Johnstown Cambria County Chamber of Commerce and the many volunteers who helped with the 2012 edition.

JARI is proud to work for the betterment of the Cambria/Somerset region, and we are especially thankful to you, our stakeholders, for providing us with resources and partnerships to make things happen.

Best regards,

Linda Thomson  
President/CEO

**420  
CLIENTS  
ASSISTED  
IN 2012**



## Program Bolsters Start-up Businesses

Small business plays a central role in our economy, providing innovative services and specialized expertise, while stimulating job growth at the local level. Unfortunately, the current trend nationally is that the number of start-up businesses being created annually is shrinking.

One factor in the reduced number of new small businesses is a general tightening of the credit markets. Fortunately for entrepreneurs in the Cambria/Somerset region, JARI's Microloan Program began to serve new and existing small businesses in 2012 with additional financing options. The program provides crucial funding for small companies, particularly those businesses that might be categorized as higher risk by traditional

lending standards. The program fills a niche for companies by enabling them to secure financing through multiple avenues. "We partner with the city and local banks to help businesses obtain well-balanced lending," said Michele Clapper, JARI's Vice President of Economic Development.

Of course, it takes more than money to launch a successful business. That's why JARI's loan agreements are contingent upon the borrowing company's participation in JARI-led technical assistance programs. This creates opportunities to provide the loan recipient with guidance in a variety of areas that are fundamental to running a successful business. Through seminars, one-on-one counseling and direct

collaboration, Microloan Program participants receive expert professional guidance in areas of human resources, information technology, marketing, accounting and professional counseling. These services are provided by our staff and through the help of our associates within the local business

community. The result is a stable start for the new businesses we serve.

The Microloan Program, which was originally established with \$325,000 in funding from the Small Business Administration, assisted five businesses in 2012, resulting in the creation

or sustainment of 36 jobs. JARI is currently applying for additional funding in an effort to expand the program and create start-up and expansion opportunities for an even greater number of new and existing small businesses.

*Basil plants grow in a Snow Country Farms greenhouse—a Belsano-based business that received start-up capital through JARI's Microloan program.*



## Local Initiatives Strengthen Government Procurement Industry

*Attendees interact with local prime contractors during Small Business Resources & Opportunities Forum*



The Greater Johnstown Region has proven to be a viable player in the government contracting industry. Our local companies have worked their way into supply chains for all branches of the military, the Department of Defense, the Department of Energy and the Environmental Protection Agency. JARI has long been committed to supporting and growing this segment of the local economy. In 2012, the JARI Procurement Technical Assistance Center (JARI PTAC) launched a number of initiatives aimed at helping local businesses better position themselves for government work. Interested companies could tap into everything from one-on-one counseling to coordinated outreach programs that

bring together businesses for partnerships and mentoring. We also extended our reach beyond the Johnstown-based defense hub into the furthest corners of our region.

Our service area stretches from the northern edge of Cambria County into the southern-most areas of Somerset County. To maximize the contributions businesses of our region can make to the defense sector, we launched an initiative called “Community Drop-In Government Procurement Counseling.” Two such outreach events were held last year, one at the Ebensburg Campus of Pennsylvania Highlands Community College and another at Somerset Trust in Meyersdale. The events were structured to provide

attendees with a brief educational presentation, followed by a roundtable dialogue where local businesses and JARI representatives discussed the opportunities and challenges in procuring government contracts.

“These companies would never have heard of the JARI PTAC—would not have even considered government contracting—without these events,” said Bob Shark, Vice President, Procurement/Program Manager PTAC.

Because the road to becoming involved in government contracting cannot be traveled in a single day, participants were strongly encouraged to take advantage of other JARI PTAC-

sponsored events that could help reinforce the previously presented concepts. For example, following the community counseling events, all participating companies were automatically invited to attend the on-going Government Business Development Forums. These forums are designed to connect companies that are already established in government contracting with those businesses new to the process. Unlike traditional networking events, JARI actively facilitates introductions between new participants and established companies where the potential exists for working relationships. This encourages discussion that frequently leads to solidifying collaborations

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“These forums were invaluable to us in making connections with local businesses.”

Florentina Mayko  
ITSI-Biosciences

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that strengthen the capacities of both companies.

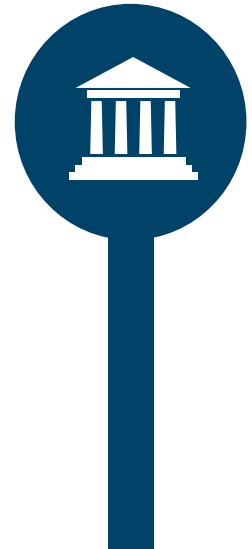
“These forums were invaluable to us in making connections with local businesses,” said Florentina Mayko, Manager Sales Operations at Johnstown-based ITSI-Biosciences. “As a direct result of our attendance, we started doing business with five new clients.”

In December 2012, in conjunction with U.S. Senator Robert P. Casey’s administration, JARI hosted the Small Business Resources & Opportunities Forum at the Pitt-Johnstown campus. While this was the third forum held around the state, it was the first in the Johnstown area and the first to receive the benefit of JARI’s experience with large-scale government contracting gatherings. What resulted was a brand new

platform with streamlined presentation segments and optimized scheduling so that attendees could speak directly with the three major buying organizations in attendance, as well as visit another 10 business support organizations. The event drew participants from 10 Pennsylvania counties and will serve as a model for future forums.

Working in such a hands-on fashion with companies through these and other initiatives, the JARI PTAC has become more effective at bringing federal procurement dollars into the Johnstown area. In the latest release of Census Bureau data, Cambria County ranked 7th out of all Pennsylvania counties for actual government

procurement spending. These statistics and the direct feedback JARI receives from local businesses tell an encouraging story about the government contracting industry and our local business community.



## Investing in Jobs

The impact of JARI's business development services on the Cambria/Somerset region is nothing short of remarkable. The numbers truly speak for themselves. In the past five years alone, we have helped our clients acquire \$1 billion in government contracts, provided professional training to more than 6,700 individuals, helped create nearly 2,000 new jobs and contributed to the retention of more than 4,600 jobs annually!

As the local economy continues to grow, so does the need for these professional services. However, due to federal and state budget cuts, JARI has been forced to seek funding for vital operating costs from the private sector. One such solution is the "It's About Jobs" campaign—a fund

raising initiative that kicked off in November 2011 and raised \$1.5 million by May 2012. Under the leadership of JARI Chair Elmer Laslo (President of 1st Summit Bank), Campaign Chair Bill Polacek (CEO of JWF Industries) and Campaign Vice-Chair Glenn Wilson (CEO of AmeriServ Financial), more than 90 area businesses contributed to help reach that milestone.

"JARI is extremely effective in helping businesses—particularly small businesses—become established in the Greater Johnstown region," said Polacek. One reason for that success lies in JARI's ability to provide a host of services to small or start-up business at no cost to the entrepreneur. The fundraising cycle continues

as these businesses stabilize and are in a position to help the next wave of area businesses with a contribution of their own. Smaller businesses have a tendency to underestimate the significance of any donation, regardless of the amount. The truth is when "It's About Jobs," any contribution is helpful.

The recognition that no gift is too small becomes

particularly important as we move into the next phase of the campaign. "Contributing to JARI's capital campaign makes good financial sense," said Wilson. "The money goes directly towards supporting a thriving business economy right where we work."

In an effort to raise an additional \$500,000, we will be meeting with representatives of another

100 local companies, asking for their support. As in the past, credit for the campaign's early success and ongoing momentum goes to the team of volunteers at the heart of the initiatives. "We're so grateful to our volunteers who work with us to reach out to local companies," said JARI President, Linda Thomson. "It's a tribute to them when attaining our goal becomes a reality."

### Fund Drive Volunteers

Mike Barletta  
John Boderocco  
Michele Bonerigo  
Christine Cox  
Bob Eyer  
Kim Kunkle  
Elmer Laslo

Bill Locher  
Mark Parseghian  
Mark Pasquerilla  
Bill Moynihan  
Bill Polacek  
John Polacek  
John Saracena

Ed Sheehan, Jr.  
Eber Verhovsek  
Kevin Volk  
Glenn Wilson  
Greg Winger

## Communication is Key

One of the critical roles JARI fills in our local business community is that of facilitator. JARI is staffed with business professionals who have spent their careers acquiring specialized knowledge that can be put to use for companies of diverse sizes and needs. Effectively communicating the availability of that expertise to companies in the Cambria/Somerset region is an ongoing challenge—a challenge we tackled head on in 2012. Recognizing there is no single correct way to reach every person or business, we focused on diversifying our message by including an expanded use of digital and social media.

A major project in 2012 was the total redesign of our website, [www.jari.com](http://www.jari.com). With concise goals of streamlined

navigation and an improved overall visitor experience, we launched a website that caters to the varying needs of our visitors. Whether you are someone who is looking to start a new business, interested in government contracting, considering locating a company in our area or simply looking to learn more about the region's business climate—our website can quickly provide visitors with answers to questions and connect them to additional resources to meet their business needs.

Keeping all of this information current is another essential part of making [www.jari.com](http://www.jari.com) a valuable economic development tool. Built on a platform that enables our staff to easily maintain all content, visitors can

be confident that the information found on these pages is up-to-date and accurate.

Other popular features include a property locator, which conveniently categorizes available commercial properties in our area, and our business directory, which is a growing catalog of area businesses and their capabilities.

With the flagship of our digital marketing in place, our desire to reach out to our clients in a more proactive way led us to the unveiling of “Business Matters Weekly,” an email newsletter delivered to more than 4,000 subscribers every Wednesday afternoon. This easy-to-read digest provides a convenient means for people within the local business community

to learn of opportunities and initiatives that might be beneficial to them. Each issue is limited to two or three relevant topics that provide an at-a-glance summary of pertinent business information.

Our online and e-communication directive continued to reach into other avenues, leveraging popular social media resources such as Facebook and LinkedIn to deliver our message to an even larger audience. This expanded, 21st century marketing approach complements and supports our traditional marketing initiatives, communicating a consistent and engaging message to businesses within the Greater Johnstown Region.



## Serving Families, Industry and Our Community

When people have access to career opportunities with family-sustaining wages, the effects can be felt community-wide. The result is stronger families, a vibrant workforce and a competitive job market, which lays the foundation for a robust local economy. That is the goal of JARI's Workforce Development program.

**4,000+**  
**INDIVIDUALS**  
**SERVED**  
**IN 2012**

Central to JARI's multi-faceted approach is the ability to identify "high priority" occupations. These are positions within the local economy that are likely to grow over the next 3-10 years. An analysis of Pennsylvania labor data coupled with information shared by members of JARI-led business consortia spell out which types of jobs will be in greatest demand. "Our companies are telling us their specific needs," said Debi Balog, JARI's Workforce Development Director. "This means our local agencies and

educators are getting real-time information about the emergence of local industry trends."

Once these trends are established, the focus can be turned to education and training. When the Manufacturing Consortium prioritized the need for welders, JARI went to work with the PA Fund for Workforce Solutions and United Way of the Laurel Highlands to secure funding for training. But the total funding was only enough to train 10 people—fewer than the consortium's projected demand. In an effort to bring costs down and increase the number of prospective trainees, Gross Brothers Welding and Fabrication, JWF Industries and Riggs Industries offered to donate the critical but costly scrap

metal for the course, resulting in the creation of five additional seats in the class.

A similar collaboration unfolded when the healthcare industry expressed the need to fill a growing void in its ranks. As a result of consortium discussions, JARI helped to acquire funding through Highmark's Local Workforce Initiative to train 50 Certified Nursing Assistants. The program specifically targeted economically low-skilled, disadvantaged members of the community, the unemployed and the underemployed. However, it soon became apparent that potential candidates lacked the resources to pay for the medical screenings required for program acceptance. When JARI presented the situation to the executive

director of the Johnstown Free Medical Clinic, she immediately agreed to provide physicals at no cost, as needed. The clinic's show of support enabled 14 people, who otherwise would not have qualified, to receive training for an occupation that both meets the needs of local businesses and makes a real difference in the day-to-day lives of local families. Additionally, when Highmark heard about the Johnstown Free Medical Clinic's contribution to the effort, the insurance provider in turn donated \$10,000 to the clinic, demonstrating the willingness of different parts of the community to work together for a common goal.

For Barb Scappino of Nanty Glo, the benefit of the JARI-led training program was immediate. "I worked



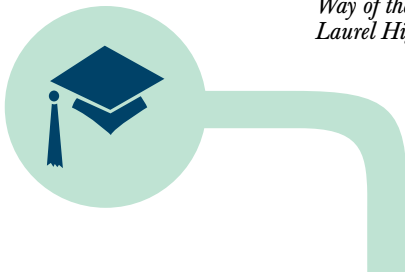
hard and achieved my goal,” said Scappino, who is part of the 50% of participants that found employment upon completion of the program. “I am very thankful for the free classes.”

In all, JARI’s Workforce Development program actively served more than 4,000 individuals in 2012. The healthcare and manufacturing industries received an additional boost at last year’s Job Summit at the University of Pittsburgh at Johnstown. Representatives from both industry and government were on hand to educate the 300 attendees on career opportunities, required qualifications, potential career paths and how those positions are expected to evolve over time.

Annually, JARI supports two job fairs in conjunction with PA CareerLink® of Cambria County, Cambria-Rowe Business College, Goodwill Industries, Penn Highlands Community College and Hiram G. Andrews Center, which aim to connect job seekers with up to 60 employers from Cambria and Somerset Counties. A new component of last year’s fairs was a special emphasis on senior members of the workforce. The fairs included presentations and workshops for people aged 55 and older with the message that “age is an asset and experience is a benefit.”

High school students took center stage during 2012 Careers Week. JARI, in partnership with Goodwill Industries, unveiled a new Interactive Career

Fair format at Greater Johnstown High School. Unlike previous years, participating companies at the event were asked to add some level of interactivity to their presentations to engage students. Attendees watched training videos and experienced actual demonstrations of equipment and devices—all with a goal of giving students a first-hand look at potential careers. Additionally, the CERMUSA (Center of Excellence for Remote and Medically Under-Served Areas) Hummer was made available by Saint Francis



University to showcase advancements in telehealth.

Elsewhere, Ferndale Area High School welcomed members of the business community for a creative look at career possibilities during its “Careers in Demand” week. “The in-class program was fabulous,” said Lori Dodson, Guidance Counselor at Ferndale Area School District. “This helps

our students understand what members of the professional world are looking for in employees. Getting this level of involvement from the community is crucial for their development.”

And attracting and training workers in the skills businesses need is equally beneficial for them. For JARI, successful workforce development is a two-way street.

*Participants in the welding training program organized by JARI, the PA Fund for Workforce Solutions and United Way of the Laurel Highlands*



## Partners with Small Business

Entrepreneurs are a vital part of the economy. According to the Small Business Administration, 9 out of every 10 new jobs created in America come from small businesses. JARI has always had specialized programs and services geared towards helping start-up businesses establish, flourish and grow in the Cambria/Somerset region. With training programs, financing, technical assistance and more, we've helped hundreds of area businesses get off the ground.

In 2012, we committed to put even more emphasis on helping our region's entrepreneurs. These reinvigorated efforts can be witnessed through the results of numerous programs that are helping our local start-up businesses. For example,

our Microloan program has helped launch five new small businesses. And, our one-on-one counseling sessions have provided entrepreneurs with clear guidance on day-to-day business logistics.

Another way we are reaching out to help our area's small businesses is through our "Lunch and Learn" training sessions. At least once each month, we recruit experts from our business community to provide information on a variety of subjects. These presentations are a convenient way for local companies to hear directly from the experts on topics such as human resources, marketing, technology in the workplace and much more.

These are tactics that have proven to be effective. When

we speak with businesses we've worked with, we learn firsthand about the value of our services. "JARI provided me with the fundamental knowledge I needed to get started. I got a lot of ideas and learned some of the business aspects that I didn't know," said Thomas Adams, owner of Adams Country Market, Mundys Corner.

Financing is a critical component for business start-ups. One way we help local companies is by promoting the area's Keystone Innovation Zones (KIZ), which are geographic areas in Cambria and Somerset Counties designed to create "knowledge neighborhoods". Start-up businesses in these areas can earn up to \$100,000 in tax credits, which can be used to

cover tax liability or sold for a return of as much as 90% of its value. This can provide the resources necessary for young companies to sustain themselves and continue to grow.

"I wanted to create a company in an area where it really meant something to create jobs," said Mike Stohon, president and CEO of In-Shore Technologies, located in the Downtown Johnstown KIZ.

In November 2012, the Greater Johnstown Region's business community joined with businesses and leaders around the world to celebrate Global Entrepreneurship Week, a celebration to pay tribute to those who create new economic activity which results in more wealth and jobs for a community or nation. With our history of

working with companies in the Cambria/Somerset region during their formative years, we were ideal to lead the cause.

When asked about JARI's influence when she was opening Rhonda's Sewing Boutique & Special Events Rentals in Somerset, PA, owner Rhonda Bittner said, "JARI encouraged me to grow my idea into something else—something more." Her story and those of more than a dozen other local companies were told to the region through a partnership between JARI, the Tribune-Democrat and Forever Broadcasting. Each day the spotlight shined on another local company that is working to build business, create new jobs and deliver innovative solutions from the Greater Johnstown Region.

## JARI

### 2012 Staff

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**Linda Thomson**, President/CEO

**Debi Balog**, Director  
Workforce Development

**Holly Bodolosky**, Staff Accountant

**Michele Clapper**, Vice President,  
Economic Development

**Sherry Click**, Administrative Assistant

**Michelle Nyanko**, Government  
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**Cindy Saylor**, Executive Assistant

**Bob Shark**, Vice President,  
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**Joette Watson**, Chief Financial Officer

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