



START-UPS  
SMALL BUSINESSES  
JOB CREATORS

PROVIDING ASSISTANCE



COORDINATING

COLLABORATING



# Adapting to the needs of our changing communities



FOCUSING ON  
THE FUTURE



FOSTERING IDEAS



GOVERNMENT  
CONTRACTING

DIVERSE OPPORTUNITIES



# JARI

## Growing Your Region

2014 ANNUAL REPORT

# 2014: A Milestone Year for JARI

Dear JARI Stakeholders: JARI celebrated its 40th anniversary in 2014. A unique event, the premiere of the movie “A Thing Called JARI...40 Years in the Making,” honored our past leaders and planted the seeds for the next generation. Chaired by Bill Locher of Somerset Trust Company with Dan Hummel, AmeriServ Financial; Grace Markum, High Impact<sup>2</sup> Consulting; and Tyler Trimbath, Community Elf, this team worked together to make it all happen. Although I have been here only 15 of those 40 years, it is with much gratitude that I write this letter as a preface to our 2014 Annual Report.

JARI is a special organization. There are no greater examples of community leadership and pride than exemplified by the members of our boards of directors, by the many financial contributors who

ways: a new and energized mission statement, a clear strategic plan and an updated brand, revealed during the 40th anniversary event.

I also want to thank our JIDC Board of Directors,



The new JARI logo, unveiled at the 40th anniversary event

provide the capital to allow our mission to be carried out, and by our partners who work hand in hand with us on a daily basis to grow our region. Our JARI Board of Directors, chaired by Bill Polacek of JWF Industries, resolved to lead the way to a better region, and did so in significant

led by Dr. Jim Greco, Cambria/Somerset Authority; our Defense Business Council, led by Edward J. Sheehan, Jr., Concurrent Technologies Corporation; and the members of our Workforce Consortia, led by Michele Bonerigo, In-Shore Technologies; Carole

Kakabar, Ferndale Area School District; Shawn Kaufman, Riggs Industries; Lindsey Hilbrecht, North American Höganäs; Sally McClintock, Meadowview Nursing Center; Linda Fox, Conemaugh Health System; Dave Johnson, North American Höganäs; and Paul Seitz, Phoenix Rehabilitation and Health Services, for their year-round efforts on behalf of JARI.

People often ask me how JARI can provide the services we do while not charging for most of them. It is quite simple: companies throughout the region have received support in some way from JARI and in turn, pay it forward by supporting our work with emerging and prospective companies.

We continue to support mature companies as well, especially with expansion and training services. By offering services with no fees to young innovators, we are supporting the **pay it forward initiative** and helping future high-growth companies to succeed here.

Your investment in JARI is needed now more than ever in the history of our organization. As state and Federal funding sources have decreased in scope and in actual dollars, I challenge you to financially support small business development and the continued growth of your region to enhance economic opportunity in Cambria and Somerset Counties. Thanks to all for your support!

Linda Thomson  
President/CEO

# Infrastructure Upgrade Keeps Firm Competitive

North American Höganäs in Hollsopple receives 85 percent of its raw materials by rail – so when a key railroad siding began to show its age, the company’s ability to function was threatened. But thanks to Johnstown Industrial Development Corporation (JIDC), a \$262,672 grant was approved through the Rail Freight Assistance Program for vital repairs, securing the company’s supply line – and its future in the region.

“We get 8 to 15 rail cars of scrap material a day. Without that rail spur, we’d have to bring it all in by truck—and that’s very expensive. We would not

be competitive,” explained Terry Heinrich, vice president of finance for North American Höganäs,



which employs 220 at the Hollsopple location.

JIDC helped North American Höganäs secure a Rail Freight Assistance Program grant from the Commonwealth of Pennsylvania providing 70 percent of the needed

funding to repair the siding, which includes a bridge that was first built 35 years ago. Höganäs

provided 30 percent in match. The \$375,000 project refurbished the entire 1.5-mile siding, which branches off the main railroad to the plant.

“This grant came from just one of the many programs JIDC works through to

assist with infrastructure improvements,” said Michele Clapper, JIDC vice president, economic development. “There are a wide range of programs out there that can apply to existing and new companies, and we will help match the best program to a particular company’s needs and walk them through each step of the process.”

Infrastructure improvements for a specific company can have positive effects on the entire business climate. For example, the rail siding improvement makes nearby property more attractive for development at some point in the future.

“That repair was going to be well over a quarter million dollars. But JIDC told us about the grant and helped us through the whole process of completing the application and all the paperwork. They even connected us with certified contractors to do the actual work,” Heinrich said. “That spur is very important to us, and JIDC helped us get it done with a 70 percent reduction in our costs.”

## Financing Assistance at a Glance

- 91 COMPANIES RECEIVED FINANCING ASSISTANCE
- \$189,000 IN MICROLOANS
- \$452,134 IN KIZ TAX CREDITS

## Got Funds? Helping Large and

Martin-Baker America needed an additional 18,000 square feet at its Stonycreek Township location to keep up with the continued growth of the company. With JIDC's help, East Hills Commons, the landlord, was able to secure a low-interest loan through the Pennsylvania Industrial Development Authority (PIDA). The expansion, which was completed in April 2014, ensured Martin-Baker America's lease and enabled the company to expand.

"We had a number of areas that needed more room to operate, and we anticipated further growth," explained

Mike Santoro of Martin-Baker America. "With the addition, we're a more organized operation, and

space is better. Finally, we're in a much better position to accept extra work without any hiccups."



**OVER \$5 MILLION**  
provided to local companies through financing and tax credits

it's been beneficial to the government contracts – shipments move along a lot better. We've eliminated an offsite storage area so that inventory could be consolidated into one building and the working

That's just one example of the ways JARI helps new and established companies of all sizes with financing needed to grow. There are a wide variety of programs suited for large and small businesses and JARI can

# Small Businesses Continue to Grow

help identify which is best suited to the business and project in question.

## KEYSTONE INNOVATION ZONE INITIATIVE

Another key program is the Keystone Innovation Zone (KIZ) initiative, which encourages innovation and entrepreneurship in specific industry clusters in specific geographic areas. Qualifying businesses can receive tax credits up to \$100,000. In 2014, five area companies received a total of \$452,134 in credits, and in 2015 the geographic areas will expand.

“JARI’s knowledge of the KIZ program has

been very beneficial to us,” said Nicole D’Atri, finance director for Conxx, which qualified for KIZ in 2009. Conxx is an IT

“ JARI has been extremely helpful with the loan as well as some of the business stuff like keeping our ledger and helping us to be healthier financially. ”

company that provides communication solutions, such as encrypted data networks and video surveillance. They have four offices throughout Pennsylvania, Maryland and Utah, including one in

Richland Township. “We were able to hire additional staff due to financial incentives obtained through the KIZ program.”

## MICROLOAN PROGRAM

The microloan program, which was previously offered in Cambria and Somerset Counties only, expanded to include Blair County in 2014. This program offers loans of up

to \$50,000, and in addition, the funding helps ensure companies’ success by offering technical assistance in everything from human resources to marketing. In 2014, seven microloans totaling \$189,000 closed.

Microloan program participant Rustin Fluke owns the Mill House Café in Westmont, which offers gourmet coffee and a menu of gluten-free options, such as sandwiches and bakery treats. The Mill House Café employs Fluke, his wife and eight part-time employees. For Fluke, the program has been instrumental.

“My wife and son eat gluten-free, so we were

doing a lot of our own baking. Initially, we pursued a bakery to carry our baked goods, but to have our own cafe is much better.”

“We wouldn’t have the cafe without JARI, because we didn’t have a nest egg saved. In addition to the loan, JARI has been extremely helpful with some of the business stuff like keeping our ledger and helping us to be healthier financially,” Fluke added.

75 percent of the jobs that will be filled in the next three to five years are replacement positions, mostly in the blue-collar trades and healthcare

# Local Businesses and Agencies Cooperate

JARI's workforce readiness, training and recruitment programs reached thousands of people in 2014, a year when the nation's economy began to pick up steam.

"Our area has a large number of job openings that need to be filled in a short period of time," said Debi Balog, workforce development director. "Companies are finding it difficult to recruit qualified workers because the pool of available workers' skill sets do not meet the skills needed for the available jobs. Therefore, we have to provide short-term customized training programs to help fill those positions. Our strategy is

two-fold—training for the jobs of today and training for jobs in the future."

## SHORT-TERM: TRAINING AND FACILITATING

Collaboration with consortia members and industry partners helps

For example, the Manufacturing Consortia worked together to obtain over \$17,000 to offset the cost of a metallurgy training class.

In fact, in 2014 alone JARI's outreach activities included 69 counseling sessions,

"As a participant in the Career Awareness Activities," Brian Gibson, guidance counselor, Blacklick Valley Junior Senior High School stated, "the presenters were friendly, knowledgeable and enthusiastic, which led to an invaluable learning experience for our students. This was an excellent way to tie in Pennsylvania's Academic Standards for Career Education and Work."

A key 2014 initiative was the "Are You Ready to Work" campaign, which provided training in computer skills, communication and work readiness – skills that workers in all industries need – as well as outreach.



**JARI'S SERVICES**  
 contributed to the  
 creation of 402 new jobs  
 and the retention of  
 2,375 existing jobs

JARI understand hiring trends and other real-time data, allowing JARI to better assist those looking for employment and training opportunities.

training programs that served 526 and job fairs, career awareness activities, focus groups and industry tours that reached 2,749.

# to Keep People Working

The program was funded by a grant from the Community Foundation for the Alleghenies, and target audiences included displaced and underemployed workers as well as those who need to update their skill sets.

Participants were enthusiastic in their praise of the program.

Comments included:

*“I have a job offer, and these courses have made me comfortable accepting it.”*

*“I will hopefully be able to transition from working on the plant floor into management.”*

*“The course will help me communicate better at job interviews.”*

JARI also facilitated customized retraining programs to meet the short-term needs of area employers.

## LONG-TERM: PIPELINE DEVELOPMENT

Even as JARI works to fill the short-term needs of employers and workers, the organization also plans for the future through pipeline development – that is, understanding what future hiring trends will be and making sure tomorrow’s workers have access to the right training. Industry consortia are vital partners in this effort.

JARI uses these projections to work with Career and Technology Centers,

local school districts and colleges and universities to adapt their programs to provide training that’s relevant to long-term job projections so their future students can get work.

Industry tours for 742 students from 8 school districts helped young people explore potential careers. Finally, job fairs in Cambria and Somerset Counties provided job seekers and employers the opportunity to make connections. More specifically, a customized job training fair was held for the manufacturing industry.

## Workforce Development at a Glance

- 2,749 PARTICIPANTS IN CAREER AWARENESS EVENTS AND ACTIVITIES
- 268 DISLOCATED WORKERS ASSISTED
- 526 INDIVIDUALS TRAINED

# Specialized Job Training for Johnstown Residents

A new JARI workforce training program is providing 20 Johnstown residents with the training, tools and certifications they need to obtain family-sustaining jobs – absolutely free of charge. The new program is funded by the Neighborhood Assistance Tax Credit Program (NAP), which allows companies with state tax liability to make a donation to JARI's workforce program in exchange for 75 percent in tax credits.

“A common theme among manufacturing businesses that contributed to the program was, ‘anything you can do to help us get qualified workers,’” said Debi Balog. “Other contributors echoed

that theme in a different way, saying things like, ‘any investment you can bring to the community that helps people gain employment – that impacts us all.’”

Workforce training is expensive and funding can be difficult to obtain – but the NAP Tax Credit Program is an innovative way to help meet the challenge. Although 2014 was the program's first year, nine companies came forward to contribute \$211,400.

The program guidelines require a specific neighborhood focus so JARI collaborated with the Greater Johnstown School District, the City of Johnstown

9 companies contributed \$211,400 to the NAP Tax Credit Program

Community and Economic Development Department and Bill Findley, retired, Department of Labor, workforce information specialist, to research and identify the area of highest priority. Ultimately, Hornerstown was chosen as the targeted area. Later, the program was expanded to include the entire city.

“Some 40 percent of our population meets the guidelines for poverty, which is severely poor,” said Mike Vuckovich, principal and vocational director of the Greater Johnstown Senior High School. “I couldn't be more pleased to be a part of this partnership, because it's about investing in our youth by creating vocational opportunities.”

In addition, JARI worked with industry consortia and other partners to investigate the question of what kind of workers are most in demand, and identified construction industries as a priority to meet infrastructure and building needs, many connected to the 219 South project. Electricians are also a priority, as many seasoned electricians are reaching retirement age. In

fact, some 22 companies reported they would be interested in hiring graduates in these areas.

Twenty spots were available in the 400-hour training program, which is valued at \$7,000 per person, plus tools and books. Graduates will have everything they need to begin working immediately, including relevant safety certifications. Training began in April 2015.

The trainees will give back to the community, too. A community work day is scheduled as part of the training program so trainees can use their new skills by working at Sandvyle Conservancy refurbishing and installing lighting.

In addition, \$6,000 has been secured for



# Area Businesses Succeed and We All Win

internships at Greater Johnstown High School for students enrolled in construction and electrical training programs, providing \$1,000 stipends.

“There’s a great local tradition of former Johnstown High School Trojans helping to re-engineer our community,” Vuckovich said. “JARI is a big part of this program, and we’re looking forward to a great future with JARI at the helm.”

JARI is grateful to our 2014 contributors: CAMCO, Environmental Tank & Container, Hastings Machine Company, Kessler Financial Group, Inc., Lincoln Contracting & Equipment Company, Inc., North American Höganäs, Northwest Savings Bank, Somerset Trust Company and Zamias Services, Inc.

The more business in this region, the better for everyone. The cycle is simple – when new companies open their doors or existing companies expand, employment opportunities increase for residents and people who might move here. Employees spend their salaries at local businesses on everything from services to consumer goods to mortgages.

As the business climate is enhanced, this area becomes more vibrant and diverse – and even more attractive as a place to live, work or open a business.

These benefits are well-understood, but unfortunately there is not as much Federal and state

grant money available for JARI’s initiatives as there was at one time. Further, JARI does not charge for most of the services provided, in an effort to

and consulting principal for HR Consultants, Inc., a contributor to JARI. “JARI supports, educates and provides expert panel resources that help

positive cycle by giving back to JARI,” said Linda Thompson.

Maybe JARI has helped your business – or maybe you simply want to invest in our region’s future.

When you donate to JARI, you help us fulfill our mission of establishing and growing companies in our region. You can **pay it forward today** by making a secure donation online at [www.jari.com](http://www.jari.com) – or call us at (814) 535-8675 to set up a personal meeting.



## BUSINESS SERVICES

- 401 clients assisted
- 12 new start-ups

make them as accessible as possible. That means all donations, large or small, are more important than ever in helping JARI carry out its mission.

“The most important part of our economy is new job creation, which is primarily stimulated through small businesses,” said Jonna Contacos-Sawyer, president

businesses get off to a good start – and they help the bigger employers, too.”

“Fortunately, we live in a generous community. In 2014, JARI received \$335,950 in private contributions.”

“When JARI can help companies get started and grow here, we all win. Then, in turn, companies we’ve assisted can continue that

# Collaboration Secures Local Government Contracts

Collaboration is a common theme among area businesses, particularly those within the government contracting sector.

Since 2003, the JARI Procurement Technical Assistance Center (PTAC) has helped facilitate more than \$2.6 billion in government contracts to 142 local companies, and that track record of success continues under new program manager Lenora Leasure.

“We meet with businesses to see if they’re ready to sell to the government – typically, start-ups are not, but if they’ve had success in the commercial market we can assist in getting them ready,” explained Leasure.

The JARI PTAC enables local businesses to successfully compete for state, Federal and local government contracts through a wide variety of services. For example, the PTAC staff helps companies

thanks to the PTAC’s help with bid-matching, getting certifications and more,” explained Lynne Faint, owner of Principal Diversified Business Group, Inc. “That hand-held guidance and education is

Networking through Showcase for Commerce, including the Government Procurement Expo and other events create yet another avenue for local companies to partner with prime contractors, subcontractors and governmental agencies.

“I have shared some opportunities, and am always telling other small businesses to share what is available through JARI,” Faint added. “It’s a way for me to help pay it forward.”

Leasure held similar positions in different geographical areas before becoming the JARI PTAC’s new program manager. Since coming to Johnstown, she’s been impressed with how readily area businesses cooperate and collaborate.

“It’s really astounding in my eyes because you don’t see that kind of cooperation everywhere. You can see the difference it’s made over the years in the economy locally,” she explained. “Everyone shares information with the attitude that what helps my business will also help yours, and we’ll all reap the benefits.”



**\$247 MILLION**  
in reported locally awarded  
government contracts

qualify for set-asides such as veteran-owned or women-owned businesses, create capabilities statements and get access to various databases. Once appropriate opportunities are identified, PTAC staff can provide assistance throughout the bid and proposal process.

“I wondered how I would ever get a federal contract – but now I have several,

what a small business needs to take advantage of those opportunities.”

Another example of collaboration is the Defense Business Council, a group of area business representatives who do a significant amount of work in this sector. These representatives advise and collaborate with the PTAC staff to bring additional contracts to the region.

“Through JARI and coordinating educational events, which we are noted for because of our government contracting expertise, we have been able to establish great relationships with other companies,” noted Jean Solarczyk, marketing director for Wessel & Co. “Plus, presenting for Showcase for Commerce has enabled us to have larger visibility within the industry. We are so adamant about the pluses of Showcase that we make sure we invite new clients.”

# JARI

## 2014 STAFF

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**Linda Thomson**, President/CEO

**Debi Balog**, Director,  
Workforce Development

**Holly Bodolosky**, Staff Accountant

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

**Katie Franklin**,  
Administrative Assistant

**Lenora Leasure**, Program Manager,  
JARI PTAC

**Michelle Nyanko**, Government  
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# JIDC

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**Paul Seitz**, Business Development,  
Phoenix Rehabilitation and  
Health Services

**JARI will be *the* collaborative force  
that enhances all aspects of our  
region to grow a diverse economy  
and build vibrant communities**

*JARI MISSION STATEMENT*

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**Thank you to those who continue to support our work in this community.**

**If you would like to support our mission, you can donate at [www.jari.com](http://www.jari.com)  
or call us at (814) 535-8675 to set up a personal meeting.**

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