

Business

Lynn Haven business climate cited

City ranks among best for manufacturing plants

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LYNN HAVEN — Lynn Haven is catching the eyes of manufacturing companies looking to relocate or expand, beating out other small cities nationwide.

“There’s a very compelling reason to live here, to build a career here, to raise a family here,” said John Boyd Jr., vice president of The Boyd Company.

Among 45 small cities the company studied, Lynn Haven ranked in the top 10 for low-operation costs and great business climate, according to a recent study released by The Boyd Company. The company is renowned for providing independent location recommendations for U.S. and overseas corporations.

More than ever, companies want to locate in smaller cities to lower business costs during the worst recession since 1975. Lynn Haven fits the bill, Boyd said.

Lynn Haven maintains lower wages than surrounding areas, comparable electric costs and lower property and sales taxes. Boyd said companies are interested in places that maintain ready-to-use buildings access to plentiful and alternative energies, great infrastructure and a skilled work force — all of which Lynn Haven has.

Among eastern U.S. cities, Lynn Haven ranked sixth for lowest operating costs. The city ranked eighth-lowest nationwide, according to the report. Okaloosa County’s Crestview landed in the top 10 as well.

“Costs only tell one side of the story, but obviously, it’s a major driver right now because of the recession,” Boyd said.

Industries interested in The Boyd Company study include those in high-tech industries, such as aerospace engineering. Lynn Haven is situated to take advantage of the military, the recent aerospace corridor agreement between Northwest Florida and three other states, the new international airport, and Port Panama City and its new intermodal distribution center, Boyd said. The Boyd Company only studies cities in which former or current clients show interest.

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a company that’s looking to come here, and that’s exciting,” said Janet Watermeier, Bay County Economic Development Alliance executive director. “This really gives credibility to the fact that this is a good place to do business.”

Lynn Haven has worked hard to garner this kind of recognition, City Manager John Lynch said. City leaders focus on infrastructure, low taxes and developing a skilled work force. About 10 years ago, the city turned down “dirty” industry, wanting something better than coal or gravel running through the city, Lynch said.

Lynn Haven has other advantages, too.

Watermeier said Lynn Haven has a nice industrial park and several large-scale, ready-to-use facilities. The major reason Trane Company is considering creating 150 to 160 jobs at its Lynn Haven facility and reducing its plant in Fort Smith, Ark., is that Trane already has the space and the site is situated to serve the Southeast, a spokesman said.

Every couple of weeks, a company inquires about Lynn Haven, Lynch said. He expects more companies to take steps to move or expand in Lynn Haven this year.

Boyd said Lynn Haven was representative of the entire metro area, meaning Panama City also has a good chance to draw attention. Currently, three companies have sent proposals for moving to Bay County, and one aviation-related company recently visited a site. That could mean a new business in the area in a year or two, Watermeier said.

“There is action. There is interest,” Watermeier said. “Even if they aren’t making a move yet, it’s good they’re looking.”

BY THE NUMBERS

What it costs to operate a high-tech manufacturing plant in Lynn Haven:

	Lynn Haven	Lenoir, N.C.*
Nonexempt Labor		
Average hourly earning:	\$17.86	\$18.91
Annual base payroll costs	\$10,201,631	\$10,801,392
Fringe Benefits:	\$3,774,604	\$3,996,515
Total annual labor costs:	\$13,976,236	\$14,797,907
Electric power costs:	\$3,063,600	\$1,454,400
Amortization costs:	\$2,907,273	\$2,620,000
Property and sales tax costs:	\$964,074	\$1,016,448
Corporate travel costs:	\$79,565	\$84,491
Total annual operating costs:	\$20,990,748	\$19,973,286

*Lowest Cost Eastern City
Source: The Boyd Company, Inc.

ABOUT THE STUDY

The Boyd Company studied 45 top small-market cities in the U.S. comparing operating costs for high-technology manufacturing. The study focused on cities with populations under 50,000.



Louisiana’s attorney general said Monday that shops can sell T-shirts with the phrase “Who Dat” and the fleur-de-lis symbol if they don’t make other references to the New Orleans Saints or the National Football League.

Shops can sell T-shirts with ‘Who Dat’ on them

BATON ROUGE, La. (AP) — Louisiana’s attorney general said Monday shops can sell T-shirts with the phrase “Who Dat” and the fleur-de-lis symbol if they don’t make other references to the New Orleans Saints or the National Football League.

Attorney General Buddy Caldwell said he had a conference call with the NFL’s general counsel to discuss cease-and-desist letters some Louisiana T-shirt makers received from the league. The letters demanded they stop selling shirts featuring the phrase that’s part of a popular cheer by Saints fans, citing trademark infringement.

“They’ve conceded and they’ve said they have no intention of claiming the fleur-de-lis, which would be ridiculous, or the ‘Who Dat,’ which would be equally ridiculous,” Caldwell said in an interview.

The NFL is only objecting to shirts that are marketed or presented as an official Saints or NFL product, Caldwell said. Shirts that are black and gold and say “Who Dat” can be sold, he said, if they don’t purport to be Saints gear and don’t include the team logo.

The chant — “Who dat say dey gonna beat dem Saints” — is often shortened to “Who Dat” on shirts and signs and has been a mainstay at the Superdome in New Orleans since the 1980s.

“People can use Who Dat all they want if it doesn’t include NFL and Saints trade-

marks,” NFL spokesman Brian McCarthy wrote in an e-mail. “We explained that we would contact merchants only if a Who Dat item also contained NFL or Saints trademarks or if it is falsely claimed that an unauthorized item is affiliated with the Saints or NFL.”

The “Who Dat” spat has outraged many Louisiana residents and merchants, who argued the NFL couldn’t claim ownership of a saying or symbol that predates the Saints, who will make their first Super Bowl appearance Sunday against the Indianapolis Colts. Gov. Bobby Jindal asked Caldwell to look into a possible lawsuit if the NFL was attempting to declare ownership rights of the phrase.

Lauren Thom, owner of the Fleurty Girl T-shirt shop in New Orleans, said she’s changed the product description of her “Who Dat” shirts after getting a letter from the NFL demanding she quit selling them. She’s sold out of her stock and now is managing back orders.

“Yes it disrupted business, but it’s been kind of great as well. We’ve had lines of people waiting to buy our merchandise,” Thom said. “One lady told me she wanted to buy anything in the store that was not NFL-licensed. I told her ‘that’s everything in the store!’”

“What started out as a letter that scared the bejesus out of me, has turned out to be the best thing ever for my business,” she said.

Sony Pictures’ lagging DVD sales bring cutbacks

LOS ANGELES (AP) — Sony Pictures Entertainment Inc., the studio behind the “Spider-Man” movie franchise, is laying off about 450 people and eliminating 100 open positions to cope with declining DVD sales.

The layoffs represent about a 6.5 percent reduction in the 6,800-strong work force at Sony Pictures, which released the Michael Jackson documentary “This Is It” and cataclysmic “2012” late last year. The studio also recently pushed back the release of “Spider-Man 4” by a year until 2012.

Most of the cuts at the studio, which is based in Culver City, will occur by the first week of March and will be in the home entertainment and information-technology units in the United States.

It’s the second time in a year for the subsidiary of Japan’s Sony Corp. to cut back.

Last March, it laid off nearly 250 people and eliminated nearly 100 open positions. That followed a move in October 2008 to reduce overtime, travel and executive benefits.

Staff were told of the latest cuts in a memo Monday and through videos by the studio co-chairs on an employee Web site.

“Our industry is affected by two things: It’s affected by the economy, of course, and it’s affected by technology,” co-chairwoman Amy Pascal says in the video. “Over the last two years, it’s

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changed people’s DVD buying habits, which has had a huge effect on our company and the industry at large.”

The home video market is crucial for studios because that is where they recoup much of the cost of producing movies. Yet the market has been sagging as people refrain from adding to their already well-stocked home collections and turn to rentals, which are far less profitable for Hollywood.

U.S. home video revenue fell 5 percent in 2009 to \$20 billion, according to the Digital Entertainment Group, an industry association of studios and electronics firms.

DVD rental and purchase revenues dropped 11 percent to \$16.4 billion, the group said. That overwhelmed a 67 percent gain in Blu-ray disc spending to \$1.5 billion and a 31 percent gain in online and video-on-demand revenues to \$2.1 billion.

Sony Pictures posted a quarterly operating loss of 6.4 billion yen (\$71 million) in the three months to Sept. 30, while Sony Corp. as a whole is forecasting a 95 billion yen (\$1 billion) loss in the year to March.

Market watch

February 1, 2010

Dow Jones industrials	+118.20	10,185.53
Nasdaq composite	+23.85	2,171.20
Standard & Poor’s 500	+15.32	1,089.19
Russell 2000	+7.21	609.25

NYSE diary

Advanced:	2,415
Declined:	650
Unchanged:	88
Volume:	4.27 b

Nasdaq diary

Advanced:	1,709
Declined:	978
Unchanged:	107
Volume:	2.03 b

SOURCE: SunGard AP

The Dow 30

Stocks	Close	Chg.
3M	80.44	-0.05
Alcoa	13.36	+0.63
Amer. Express	38.21	+0.55
AT&T	25.38	+0.02
Bank of America	15.42	+0.24
Boeing	61.70	+1.10
Caterpillar	52.94	+0.70
Chevron	73.58	+1.46
Cisco Systems	22.73	+0.26
Coca-Cola	54.38	+0.13
DuPont	33.66	+1.05
Exxon	66.18	+1.75
General Electric	16.25	+0.17
Hewlett-Packard	47.83	+0.76
Home Depot	28.39	+0.38
Intel	19.61	+0.21
IBM	124.67	+2.28
J&J	63.09	+0.23
JP Morgan	39.63	+0.69
Kraft Foods	28.06	+0.40
McDonald’s	63.89	+1.46
Merck	38.30	+0.12
Microsoft	28.41	+0.23
Pfizer	18.79	+0.13
Procter & Gamb	61.99	+0.44
Travelers Comp	50.69	+0.02
United Tech	67.55	+0.07
Verizon	29.61	+0.19
Walmart	53.48	+0.05
Walt Disney	29.52	-0.03

Stocks of local interest

Darden Rest	37.85	+0.89
Gen. Dynamics	69.43	+2.58
Hanger Group	16.40	+0.14
Hancock Hldg	40.68	-0.29
ITT	48.76	+0.45
St. Joe	26.53	+0.53
KBR	18.75	+0.02
L-3 Comms Hldgs	84.64	+1.30
Oceaneering Int.	56.45	+1.75
Regions Fin.	6.64	+0.29
Sallie Mae	10.65	+0.12
Southern Co.	32.00	+0.00
SunTrust	24.50	+0.17

Source: Matt Wegner, Financial Advisor, The Edward Jones Co., Panama City 769-1278

Precious metals

(New York spot price)

Gold	1,106.60	+25.40
Silver	16.71	+0.48
Platinum	1,555.00	+48.00

Foreign exchange

(as of 5 p.m. CST Monday)

U.S.D. \$1.00 = Canada \$1.0634

Business FOCUS

The News Herald

PANAMA CITY BEACH

2 join Resort Collection team

John F. Ward has joined the Resort Collection of Panama City Beach as vice president of golf and resort activities. Before joining The Resort Collection, Ward was the general manager at Burnt Pine Golf Club at Sandestin Golf & Beach Resort.

At The Resort Collection, Ward will manage Hombre Golf Club, Majestic Beach Resort Health Club, Resort Activities programs and golf, tennis and the health club activities for Edgewater Beach & Golf Resort.

Also at the Resort Collection, Stacey Aronson was recently hired as the vice president of lodging. Aronson will be responsible for managing all aspects of the front desk, housekeeping, laundry, rental maintenance and rental services for all properties.

Aronson previously worked at The Village at Squaw Valley in Olympic Valley, Calif., where she oversaw rental and property management. She improved employee satisfaction by 31 percent and guest satisfaction by 15 percent during her tenure.