



MTIDA

LOCATION
ELECTRICITY
SITE SELECTION

YOUR CONNECTION TO THE INDUSTRIAL ADVANTAGE LOCATION

FOCUSING ON MIDDLE TENNESSEE

Middle Tennessee. The Hub of the Southeast.

Middle Tennessee has a reputation for attracting quality industries and keeping them. The reason:

- 50% of the U.S. population within 600 mile radius of Nashville, the State's capitol.
- 38 county service area serves as a distribution point for 75% of all major U.S. markets.
- A geographical advantage for manufacturing, distribution, and corporate headquarters.

The Industrial Advantage

In addition to its strategic location, Middle Tennessee offers other advantages to a wide variety of industries:

- Cap on franchise/inventory tax for distribution/warehousing facilities.
- Tax incentives on machinery, manufacturing, and distribution equipment/racking systems.
- Jobs Tax Credit Program
- Abundant workforce in "Right-to-Work" state
- Reliable TVA electric power
- Highly-developed transportation system

And a climate that supports business and growth.

LABOR



Middle Tennessee offers an ample supply of labor in both rural and urban areas. The state's "Right-to-Work" law guarantees an "open shop" — no worker is forced to join a labor union when hired, even if a union exists at the place of employment.

Excellent rural road systems and a moderate climate allow employers to draw labor from a wide geographical area.

POPULATION

Over 34 percent of the state's estimated population of 5.175 million reside in the Middle Tennessee area.

RECREATION

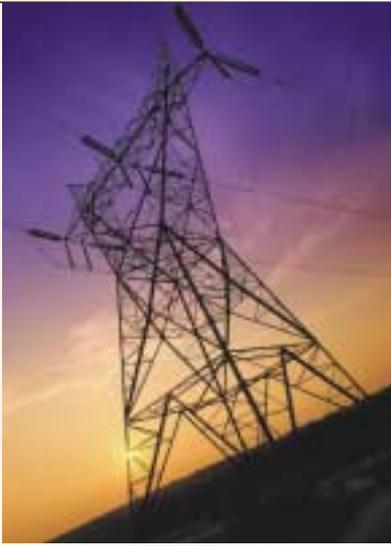


The "Three States of Tennessee" — The West Tennessee delta . . . the mountains of East Tennessee . . . and Middle Tennessee's rolling hills — offer year-round recreational and sports opportunities:

- 29 major lakes for boating, fishing, canoeing.
- 30 beautifully equipped and maintained state parks.
- A 12-month season for golfers, hunters, and fishermen.
- Professional sports.
 - The Tennessee Titans NFL team
 - NHL's Predators
 - AAA Nashville Sounds Baseball
- Major college football, basketball, and baseball.
- Host to the BellSouth Senior Classic golf tournament.

Utilities

ELECTRICITY



Electric power for the Middle Tennessee region is provided by TVA and the local distributors of TVA power. TVA is the nation's largest single power corporation, supplying the energy needs of more than 8 million people throughout Tennessee and portions of six adjoining states. TVA power is distributed through 159 municipal and cooperative power distributors.

TVA power is one of the most efficient and reliable systems in the country, offering numerous advantages to businesses and industry:

- Generating capacity of more than 28 million kW.
- A diversified mix of generating sources — nuclear (20%), fossil (61%), and hydroelectric (19%).
- Interchange arrangements with neighboring systems which increases service reliability.
- A commitment to providing reliable power at the lowest possible cost.
- Power supply options and programs that help lower cost and promote industrial growth and expansion.

TVA is uniquely qualified to meet the growing demands for electric energy today, and well into the 21st century.

NATURAL GAS

Tennessee's extensive network of natural gas pipelines combined with its virtually untapped resources, assures all customers of long-term, dependable supplies at competitive rates.

- An estimated 45 billion cubic feet of natural gas reserves.
- Served by 10 major interstate pipeline companies.
- Customers are supplied from both public and private utilities of municipal systems.

WATER

Tennessee boasts a plentiful water supply. Ninety percent comes from 29 major lakes, and 2,100 miles of major streams. These waterways are fed by 45 to 55 inches of annual rainfall.

Transportation

Combined with the state's strategic location, Tennessee's multi-modal system offers limitless shipping opportunities:

HIGHWAY NETWORK

- Highly-developed transportation system.
- 6 legs of the interstate system intersect in Nashville and Davidson county, fanning out to major industrial cities in the Southwest, Midwest, and Northeast.
- Three major interstates serving Middle Tennessee radiate east/west (I-40), north/south (I-65), and northwest/southeast (I-24).
- TN 840 south of Nashville forms an outer corridor intersection east I-40; I-24 south; I-65 north; and I-40 west.
- Easy access to Atlanta, St. Louis, Detroit, and Chicago.

AIR

The Nashville International Airport provides convenient accessibility to nearly 100 markets in the U.S., Canada, and Mexico.

- Sixteen passenger airlines.
- An average of 400 daily arrivals and departures.
- Eleven all-cargo carriers.



Middle Tennessee also has an extensive outlay of general aviation airports. Most communities are within 30 minutes of an airport.

RAIL

The CSX Transportation Railroad has a piggyback and container-loading facility in Nashville operated by CSXI. CSXI handled over 100,000 containers through this facility last year.

CSX Transportation and its 34,500 employees provide rail transportation and distribution services over 22,700 route-mile network in 23 states, the District of Columbia and two Canadian provinces.

- The rail connects Middle Tennessee to major cities throughout the U.S. and Canada.
- The rail system provided routes to such markets as New York, Philadelphia, Detroit, Chicago, Cincinnati, Louisville, St. Louis, Memphis, Birmingham, Atlanta, and New Orleans.
- CSX Transportation has one of their major switching yards in Nashville.

Middle Tennessee is also served by several shortline railroads that have operating connections to CSX Transportation.

- The R.J. Corman Railroad (Bowling Green, KY to Cumberland City)
- The South Central Tennessee Railway Authority (Dickson to Hohenwald).
- The Caney Fork and Western Railroad (Tullahoma to Sparta).
- Tennessee Southern Railroad (Columbia to Pulaski and Florence, Alabama).
- Walking Horse and Eastern Railroad (Wartrace to Shelbyville).
- Nashville Eastern Railway (Nashville to Cookville).

TAXES

Tennessee's "tax effort" — how much it uses its capacity to tax compared with other states — is among the lowest in the nation. The state tax structure is highlighted by:

- No state tax on wages.
- No inventory tax on finished goods or goods-in-process.
- No sales tax on qualified industrial machinery and distribution warehouse equipment (with required capital investment).
- Excise tax credit equal to 1% of the purchase price of industrial machinery and distribution warehouse equipment (with required capital investment).
- Jobs tax credit of \$2,000 or \$3,000 per full-time employee for eligible businesses that meet requirements of increased employment and additional capital investment.
- Tax exemption on finished goods inventory in excess of \$30 million on or after 7/15/98.
- A graduated, weighted sales apportionment formula for franchise and excise taxes.

FINANCING

Fifty-eight Industrial Development Boards in Middle Tennessee offer low-interest financing for manufacturing projects. Priority is given to manufacturing projects and other types of economic activities that export more than half of their products or services outside of the state. Other financing opportunities include:

- Loans for industrial buildings and equipment from the state's small cities CDBG program.
- TVA's Special Opportunities Counties Program, Economic Development Loan Fund, Urban Development Action Grants, and the Small Business Administration's 503 Loan Program.
- Grants up to \$1 million from the Tennessee Industrial Infrastructure Program.
- Limited funds for manufacturing infrastructure from the Appalachian Regional Commission.

INDUSTRIAL TRAINING

Through the state's Industrial Training Service, a training program can be tailored to a company's specific needs at virtually no cost. Employee skills and productivity can be maximized through technical assistance available in:

- Employee recruitment and screening.
- Pre-employment programs.
- Job-specific training.
- Workforce Development.
- Travel expense support.
- Industrial materials.

CULTURAL ACTIVITIES

Building on a strong professional music industry base that began with country music, Nashville has become a vibrant city of the arts serving the entire state.

- Widely acclaimed concerts, ballets, operas, plays, and musicals at the Tennessee Performing Arts Center.
- Home to major recording studios and music publishers from every genre.
- Notable museums and galleries featuring the work of local, regional, and national artists.
- Regularly held folk art and craft fairs.

EDUCATION

Middle Tennessee has a vast array of educational centers, including:

- 11 colleges and universities.
- Four special-purpose institutions
- Nine two-year institutions.
- 10 technology centers.
- Two two-year extension centers.
- 12 professional and career schools.
- 10 centers of excellence, five chairs of excellence, and four centers of emphasis are located on the campuses of Middle Tennessee's higher education institution.

Middle Tennessee's network of technology centers and community colleges combined with the state's Industrial Training Service assures an available pool of trained employees.



TELECOMMUNICATIONS

The Middle Tennessee area is covered by more than 80,000 miles of fiber optic cable from BellSouth. The network is linked to digital switching centers that provide access to some of the most sophisticated telecommunications services available in the world.

Meetings and information exchange are facilitated through Integrated Services Digital Network (ISDN), which links people electronically with voice, high-speed data, and video simultaneously over a single phone line.

The high-tech Tennessee Economic Development Center is available as a resource for businesses needing interactive video conference and other user-friendly multi-media technology.

INDUSTRY

Middle Tennessee enjoys a diversified industrial mix, with representatives from all 20 standard industry classifications. The heaviest concentrations are in machinery, transportation equipment, printing and publishing, metals, food, and apparel.

Some of the leading industries include:

Aladdin Industries Inc.	Jostens, Printing and Publishing
Amana Refrigeration	Magnatek Inc.
Aquatech Inc.	Mallory Controls Co.
Berkline Corp.	Nissan Motor Manufacturing
Bridgestone/Firestone Inc.	Peterbilt Motors Co.
Carrier Corp.	Quebecor Printing
Cosmolab Inc.	R.R. Donnelley & Sons Co.
Dell Corporation	Russell Stover Candies
Dupont Co.	Saturn Corp.
Empire Berol USA	State Industries Inc.
Ferodo America Inc.	Textron Aerostructures
Fleetguard Inc.	The Trane Co.
Ford Motor Co., Nashville Glass	Toshiba America Consumer Products
Frigidaire Home Products	TRW
Gabriel Ride Control Products	Tyson Foods Inc.
Inter-City Products Corp.	Whirlpool Corp.

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The Role of MTIDA

The Middle Tennessee Industrial Development Association is an economic development agency founded by the electric cooperatives and municipal power systems in Middle Tennessee.

Guided by a board of directors, MTIDA represents and promotes industrial development in 38 Middle Tennessee counties, stretching from the Kentucky border to the Alabama state line.

Since its inception in 1962, MTIDA has aided some of the nation's leading industries in establishing new and branch plants in the Middle Tennessee area.

Middle Tennessee has a reputation for attracting quality industries and keeping them. This hub of the southeast-anchored by Nashville, the state's capital-boasts a central location with 50 percent of the country's population residing within a 600-mile radius.

Some of the area's industrial advantages include a stable, diversified economy, an available, skilled workforce, and a superior, multi-faceted transportation system.

Nashville serves as the nucleus of Middle Tennessee and offers widespread advantages to the entire region. Often referred to as the "Athens of the South," the city has a well-founded reputation as a southern educational center and is a printing and publishing capital, a medical center of the mid-South, and a major center of the arts. Its music industry now represents virtually every genre of music, and the city has become a widely acknowledged center for health care corporations.

The steady growth of the area's population attests to the viability of the region.



MTIDA

Middle
Tennessee
Industrial
Development
Association

The Middle Tennessee Industrial Development Association offers complete location services (without obligation and in strict confidence) to firms seeking manufacturing or distribution facilities for new or branch operations. These services are offered by electric cooperatives and municipal power systems in Middle Tennessee.

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