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INTRODUCTION

Northeastern Pennsylvania (NEPA), which encompasses Northern I-81 Corridor communities such as Scranton, Pittston, Wilkes-Barre, and Hazleton, has a long history of supporting a diverse array of manufacturing operations.

Several factors in NEPA combined to grow the manufacturing industry. These include a highly productive and cost competitive labor supply, quick access to raw materials, close proximity to the Northeast's major metropolitan areas, a superior interstate network, abundant and reliable utilities, and available industrial sites and buildings in tax abatement zones.

According to the Pennsylvania Department of Labor and Industry, in 2018 there were 829 establishments with manufacturing operations in Lackawanna and Luzerne counties, employing more than 28,000 people.





TOP MANUFACTURING EMPLOYERS IN NEPA

COMPANY	PRODUCTS	COUNTY	APPROX. EMPLOYEES
A. Rifkin Company	Textile bags	Luzerne	D
Altadis USA	Cigars, boxes, & wrappers	Carbon	D
Altec Industries	Industrial trucks & tractors	Luzerne	D
American Silk Mills	Fiber, yarn, & thread mills	Luzerne	D
Arlington Industries Inc.	Electrical fittings	Lackawanna	С
Aryzta	Frozen Bakery Products	Luzerne	D
Bemis Company, Inc.	Polyfilm	Luzerne	С
Bimbo Bakeries, USA	Bakery products	Luzerne	С
Bridon American Corp.	Wire & wire rope	Luzerne	С
Cardinal Glass	Insulating, laminated glass	Luzerne/Lackawanna	D
Cargill Cocoa and Chocolate	Cocoa products	Luzerne	D
Cargill Meat Solutions	Meat processing facility	Luzerne	В
Cascades Tissue Group of PA	Paper products	Luzerne	D
Citterio U.S.A.	Meat products & processing	Luzerne	D
Cornell Iron Works	Steel rolling doors	Luzerne	С
CPG International	Compression molded polyethylene slab	Lackawanna	В
Crystal Windows and Door Systems	Windows	Lackawanna	D
Dial Corporation Henkel	Household laundry products	Luzerne	D
Diamond Manufacturing Co.	Perforated metal & plastic	Luzerne	D
EAM Mosca	Plastic strapping	Luzerne	D
E.S. Kluft & Company	Luxury mattresses	Luzerne	D
Fabri-Kal Corp.	Packaging products	Luzerne	С
ON Semiconductor	Semiconductor manufacturer	Luzerne	D
First Quality Nonwovens	Nonwoven fabric	Luzerne	С
General Dynamics	Military tanks & shells	Lackawanna	С
Gentex Corporation	Personal protective products	Lackawanna	В
Gertrude Hawk Chocolates	Chocolate & cocoa products	Lackawanna	В
Golden Technologies	Home health care	Lackawanna	С
Gonnella Frozen Products	Frozen bakery products	Luzerne	D
Graham Packaging	Plastic containers	Luzerne	D
Greiner Packaging	Plastic food containers	Luzerne	D
Hershey Company	Molded chocolate	Luzerne	С
Hydro Mountain Top, PA	Aluminum anodized & fabricated extrusions	Luzerne	С
Innocor Foam Technology	Polyurethane Foam	Lackawanna	E
InterMetro Industries Corp (HQ)	Wire shelving, material, & handling storage	Luzerne	В
International Paper	Corrugated shipping containers	Luzerne	В
Kappa Graphics L.P.	Commercial printer	Luzerne	D
		Luzerne	D

KEY

- **A 1000+** employees
- **B 500-999** employees
- **C 250-499** employees
- **D 100-250** employees
- **E less than 100** employees

COMPANY	PRODUCTS	COUNTY	EMPLOYEES
Letica Corporation	Commercial plastic containers	Luzerne	D
Lion Brewery	Beverages	Luzerne	D
Lockheed Martin Tactical Defense	Nuclear components, armaments, etc.	Lackawanna	В
Luzerne Optical Laboratories	Ophthalmic lenses	Luzerne	D
MACtac	Electro sensitive paper	Lackawanna	D
Maid-Rite Specialty Foods	Frozen portion control meats	Lackawanna	С
Medico Industries	Metal, heavy equipment, & ammunition manufacturing	Luzerne	D
Mesko Glass	Glass & glass product manufacturing	Lackawanna	D
MIA Products	Ice cream & frozen dessert manufacturing	Lackawanna	D
Mission Foods	Tortilla manufacturing	Luzerne	С
Morgan Advanced Materials	Technical & decorative ceramics	Luzerne	D
Multi-Plastics Extrusions, Inc.	Plastics	Luzerne	D
Nardone Brothers Baking Co.	Bakery	Lackawanna	D
Nature's Way	Bottled beverages	Luzerne	D
Noble Biometrics	Conductive fiber & fabric	Lackawanna	D
Northeastern Envelope Company	Commercial printer	Lackawanna	D
Offset Paperback Inc., Div Bergelsman Corp.	Frozen bakery products	Luzerne	С
P.A. Hutchison Company	Book printer	Lackawanna	D
Preferred Meal Systems	Prepackaged frozen food items	Lackawanna	D
Pretium Packaging	Clear polyester bottles	Luzerne	D
Pride Mobility Products Inc.	Lift & power wheelchairs & scooters	Luzerne	В
Procter & Gamble Paper Products	Paper products, tissues, & diapers	Wyoming	Α
Progressive Converting (Pro Con)	Paper converting services	Luzerne	D
QTG (Quaker Oats Corporation)	Beverages	Luzerne	С
Quadrant Engineered Plastic Products	Plastic sheets	Lackawanna	D
Quad Graphics	Telephone directory printing	Luzerne	С
Sandvik Materials Technologies	Seamless tubular products	Luzerne	С
Sanofi Pasteur	Vaccines	Monroe	Α
Schott North America	Optical, ophthalmic, & specialty glasses	Lackawanna	С
Silgan White Cap	Metal closures	Lackawanna	D
Simmons Company	Mattresses	Luzerne	С
Simona-America	Plastic sheets	Lackawanna	D
Simplex Industries, Inc.	Modular homes	Lackawanna	С
Tempur Sealy International, Inc.	Mattresses	Luzerne	E
Tobyhanna Army Depot	Electronics repair, fabrication, & component manufacturing	Monroe	Α
Trion Industries Inc.	Store fixtures	Luzerne	С
Universal Printing Co.	Commercial printer	Lackawanna	D
US Nonwovens	Detergent, geotextile	Luzerne/Lackawanna	D
UTC Cargo Group	Sport, racing, concession trailers	Carbon	D
Valmont Newmark	Tubular steel poles	Luzerne	D
Weatherly and Hazleton Casting	Foundry	Luzerne	D
Wyman-Gorden - True Form	Aerospace product & parts manufacturing	Luzerne	D

APPROX.

LOCATION

NEPA is in the center of the Boston/Washington Corridor and is at the confluence of six major highways. Interstates 81, 80, 84, 380, 476, and 78 meet here and provide excellent access to firms wishing to serve Maine to Virginia and west to Ohio.

More than 51 million people live within 200 miles of NEPA. New York City, Philadelphia, Harrisburg, and Syracuse are located within two hours of the region.

Interstates 81, 80, 84, 380, and 78 are toll-free in NEPA. There are no major bridges or tunnels in the region to delay truck departures or arrivals. The region's main highway, I-81, runs from the US/Canadian border in the North to Knoxville, Tennessee in the South.

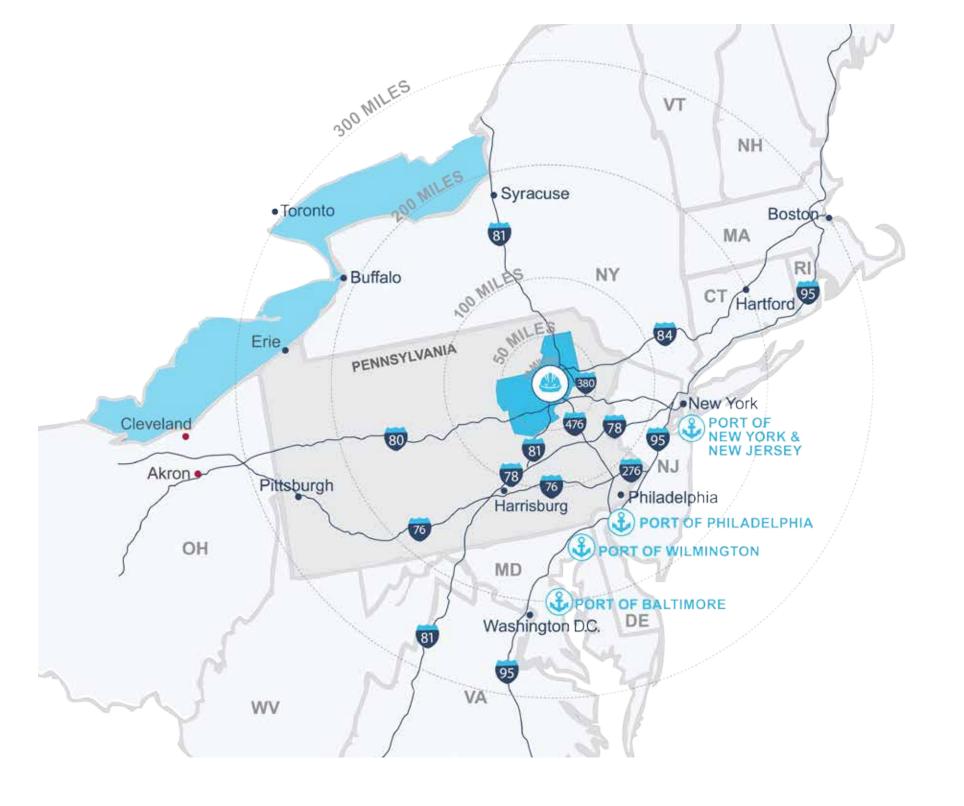
I-81 intersects several major East-West highways, which include I-80 (access to New York City), I-78 (access to the Lehigh Valley and New Jersey), I-84/I-90 (access to Boston), I-76 (access to Pittsburgh and Philadelphia), I-70/I-270 (access to Washington DC), and I-83 (access to Baltimore).

The Northern I-81 Corridor is quickly accessible to most major seaports along the East Coast, which has seen an increase in volume since the Panama Canal expansion was completed in June 2016. In fact, many ports on the East Coast have had to undertake channel deepening and expansion projects of their own in order to accommodate the growing size of the vessels that are coming through the canal.

RADIUS 100 MILES 17,049,097 200 MILES 51,067,989 300 MILES 65,595,311 400 MILES 83,103,487 500 MILES 99,002,235 Source: NEPA Alliance

DISTANCE TO MAJOR CITIES FROM CENTER OF NEPA

CITY	MILES
Allentown, PA	67
Morristown, NJ	96
Philadelphia, PA	113
Harrisburg, PA	116
Port Newark, NJ	126
New York, NY	128
Syracuse, NY	152
Baltimore, MD	194
Hartford, CT	198
Washington, DC	237
Pittsburgh, PA	290
Boston, MA	301





TRANSPORTATION RESOURCES

Dozens of truckload and less than truckload firms serve the region including ABF Freight, A. Duie Pyle, Bolus Freight Systems, Calex Logistics, Con-Way Freight, Evans Distribution Systems, Estes Express Lines, Kane is Able, Karchner Logistics, M.S. Carriers, NFI Logistics, New Penn Motor Express, Pitt Ohio Express, PRIME, Inc., R.C. Moore, R&L Carriers, RLS Logistics, Ward Trucking, and YRC National.

In addition to the trucking companies with operations in NEPA, there are also numerous national and local third party logistics (3PL) companies located here. Some of the most active 3PLs in NEPA include Kane is Able, Romark Logistics, FedEx Supply Chain, XPO Logistics, Penske Logistics, J.B. Hunt, and LeSaint Logistics.

UPS, FedEx Ground, and FedEx Express all have major facilities in NEPA.

The Wilkes-Barre/Scranton International Airport (airport code AVP) offers service to seven major hubs with one-stop service to more than 450 destinations worldwide. AVP provides direct daily flights to Atlanta, Charlotte, Chicago, Detroit, Newark, Pittsburgh, Washington DC, and Philadelphia. Carriers include Regional Sky, Delta, United, and American Airlines. AVP is also served by Aviation Technologies, one of the finest fixed base operators in the Northeastern United States.

Several rail freight carriers serve the region, including Class One railroads (Canadian Pacific Railway and Norfolk Southern Railway) and short line railroads (Luzerne and Susquehanna Railroad, Reading Blue Mountain & Northern Railroad, and Pennsylvania Northeast Regional Railroad Authority). Several local business parks are rail served.



LABOR AVAILABILITY

Local employers report that most non-skilled workers commute up to 20 miles to work while skilled workers will commute more than 30 miles. Local commutes are enhanced by an excellent interstate and local road network. For example, a 20 mile commute can typically be made in less than 30 minutes. According to the United States Census Bureau, average daily commutes to work range from 20 to 25 minutes throughout NEPA.

Recent unemployment information for 20, 30, and 40 miles from the center of NEPA follows:

			ENTER OF NEPA ATION = 458,789
YEAR	CIV. LABOR FORCE	EMPLOYED	UNEMPLOYED
2018	226,078	214,888	10,915 (4.83%)
			ENTER OF NEPA ATION = 700,294
YEAR	CIV. LABOR FORCE	EMPLOYED	UNEMPLOYED
2018	342,270	324,271	17.575 (5.13%)
YEAR 2018			ENTER OF NEPA ATION = 990,293 UNEMPLOYED 25,034 (5.12%)



The following statistics, released by PA L&I, demonstrate how the region's unemployment rate has compared to the state and nation in recent years. These are seasonally adjusted rates that have been rounded:

YEAR	NEPA REGION CIV. LABOR FORCE	EMP.	UNEMP.	NEPA RATE %	PA RATE %	U.S. RATE %
2019	277,300	263,700	13,600	4.9%	4.0%	3.8%
2018	278,900	263,600	15,300	5.5%	4.8%	4.1%
2017	277,700	262,000	15,600	5.6%	5.1%	4.7%
2016	281,400	264,700	16,700	5.9%	5.3%	4.9%

Labor availability for companies needing seasonal help is enhanced by the fact that there are more than 51,000 college students in the immediate NEPA area, many of whom often seek part-time employment.

LABOR MANAGEMENT

The rate of unionization of private employers in NEPA has been steadily declining since the 1980s. In 1986, 18.4% of the private workforce in NEPA was unionized. By 2017, the percentage had dropped to 3.2%. Source: **unionstats.com**

Source: PA Department of Labor and Industry

LABOR COST

Employers considering establishing a facility along Pennsylvania's I-81 Corridor sometimes consider locating in counties in the Lehigh Valley, Southeast, and South Central parts of the state. Here is how NEPA (Lackawanna and Luzerne counties) compares to those areas and the state averages for industrial labor costs.

MANUFACTURING EMPLOYMENT

PA COUNTY	AVERAGE MFG. WEEKLY WAGE	AVERAGE MFG. ANNUAL WAGE	STATE REGION
LACKAWANNA LUZERNE	\$9 54 \$996	\$49,608 \$51,792	NORTHEAST NORTHEAST
CUMBERLAND	\$1,008		SOUTH CENTRAL
DAUPHIN			SOUTH CENTRAL
LEBANON			SOUTH CENTRAL
LANCASTER			SOUTH CENTRAL
YORK			SOUTH CENTRAL
BERKS			
PHILADEPHIA			
PA AVERAGE			
BUCKS			
NORTHAMPTON			
LEHIGH			
CHESTER	\$1,481		
MONTGOMERY		\$81,848	
DELAWARE			

Source: PA Department of Labor and Industry



TRANSPORTATION & WAREHOUSING EMPLOYMENT: 2017

PA COUNTY	AVERAGE T&W WEEKLY WAGE	AVERAGE T&W ANNUAL WAGE	STATE REGION
LUZERNE	\$803	\$41,756	NORTHEAST
NORTHAMPTON			LEHIGH VALLEY
YORK			SOUTH CENTRAL
LEBANON			SOUTH CENTRAL
LEHIGH	\$904	\$47,008	LEHIGH VALLEY
LACKAWANNA	\$906	\$47,112	NORTHEAST
DELAWARE	\$908		SOUTHEAST
LANCASTER		\$48,048	SOUTH CENTRAL
BERKS		\$48,256	LEHIGH VALLEY
CUMBERLAND		\$48,724	SOUTH CENTRAL
PA AVERAGE	\$948		
CHESTER			SOUTHEAST
MONTGOMERY			SOUTHEAST
BUCKS			SOUTHEAST
DAUPHIN			SOUTH CENTRAL
PHILADEPHIA	\$1,167	\$60,684	SOUTHEAST

Source: PA Department of Labor and Industry



LABOR QUALITY

NEPA is known throughout the United States for its dedicated and highly productive workforce. In fact, prominent national site selection consultant John Rhodes of Moran, Stahl and Boyer said, "It's almost like Northeast PA defines what work ethic is. People come to work with an eagerness and a willingness to get the job done."

Here are comments from executives from a few of NEPA's manufacturing employers:

"We have a great workforce. We have capable people who are passionate about achieving their goals. We are in a low-cost area, yet we have people with the skills you might think you would find only in a high-cost area. Everything in Northeast PA is just right. It's the Goldilocks theory of doing business."

SCOTT MEUSER, CHAIRMAN & CEOPRIDE MOBILITY PRODUCTS CORPORATION, EXETER, PA

"Even though we own and operate 73 retail stores that cover a 150 mile radius from Pennsylvania to New Jersey and upstate New York...I can tell you that the very best people we have working for us can be found right here in Northeastern PA. In this business, we live for the holiday seasons. That means we have no choice but to meet our commitments. And our employees do everything to make sure that happens – year after year. We just have terrific people."

DAVID W. HAWK, CHAIRMAN OF THE BOARD, DIRECTOR OF RESEARCH & DEVELOPMENTGERTRUDE HAWK CHOCOLATES, DUNMORE, PA





"In practical terms, our reason for being here is that we have a very high-quality workforce, which is interested in doing good work. The core of our business is not based on high output. We make highly-engineered products at generally low volume. We don't focus on large degrees of automation...so we really do depend upon a workforce that has a lot of individual skill. And we cross train our people for that reason...A lot of our employees can do various jobs. The people here are very capable and committed to learning a variety of skills – and their work ethic is outstanding."

L. PETER FRIEDER, JR., PRESIDENTGENTEX CORPORATION, CARBONDALE, PA

"The three main draws of this area were the location between Interstates 81 and 80 which works very well for us; the Keystone Opportunity Zone program; and the workforce in the Hazleton area, wich is very good. Hiring people was not an issue at all. We received hundreds of applications for the positions we had available and have maintained most of the people we intially hired."

STEVE BOUCHER, GENERAL MANAGER ES KLUFT, HAZLE TOWNSHIP, PA

"Our Northeastern Pennsylvania employees are amazing. If you give them a problem or goal and divide them into teams and give them the basic tools...they will come up with the right solution. They have a very good work ethic. Our retention is higher and our absenteeism is lower than the average in our industry. This year alone we are giving out more than 70 awards to employees with over 15 years of service."

RUDY SINGH, P.E., DIRECTOR OF MANUFACTURINGBERWICK OFFRAY LLC, BERWICK, PA

"A company is only as good as its employees and we are very happy that Northeastern Pennsylvania offers workers so positively inclined towards manufacturing"

STEVE CHEN, C.O.O.

CRYSTAL WINDOWS & DOOR SYSTEMS, BENTON TOWNSHIP, PA



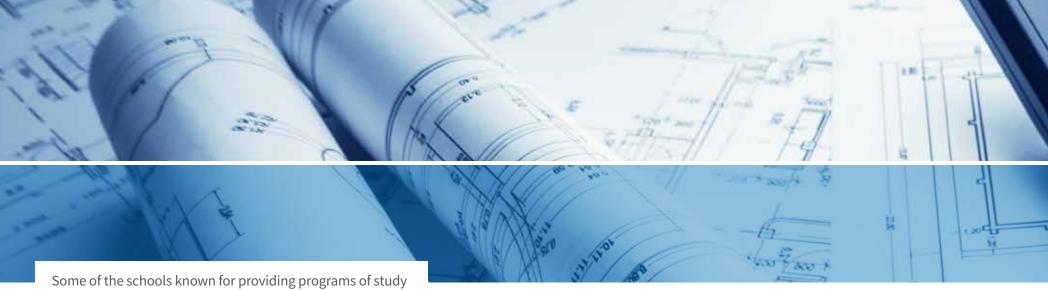




There are **17** colleges and universities with more than **51,000** enrolled students located within about a one hour drive from the center of NEPA. Several of these schools offer programs of study that support the manufacturing sector. These schools often work together to provide customized training programs to local employers. In addition, Pennsylvania College of Technology, which specializes in training manufacturing employees, is just 90 minutes away.

SCHOOL	ENROLLMENT	MILES FROM CENTER OF NEP
King's College kings.edu	2,308	4
Wilkes University wilkes.edu	5,545	4
Luzerne County Community College luzerne.edu	5,360	4
Misericordia University misericordia.edu	2,879	19
Penn State - Hazleton hazleton.psu.edu	900	21
Penn State - Wilkes-Barre wilkesbarre.psu.edu	545	22
Geisinger Commonwealth School of Medicine geisinger.edu/education	440	23
University of Scranton scranton.edu	5,380	24
Lackawanna College lackawanna.edu	1,477	24
Penn State - Scranton worthingtonscranton.psu.edu	1,100	26
Marywood University marywood.edu	3,200	28
Johnson College johnson.edu	471	28
Clarks Summit University clarkssummitu.edu	990	31
Keystone College keystone.edu	1,400	31
Bloomsburg University bloomu.edu	9,658	41
Northampton Community College northampton.edu	2,529	47
East Stroudsburg University esu.edu	6,830	55

Total Enrollment: 51,012



Some of the schools known for providing programs of study that are of interest to manufacturing employers include:

Luzerne County Community College (luzerne.edu)

Luzerne County Community College's (LCCC) main campus is located in Nanticoke in Luzerne County. LCCC has 11 satellite campuses in NEPA and offers a vast array of quality liberal arts and technology programs. A public, two-year comprehensive college, LCCC is accredited by the Commission on Higher Education Middle States Association of Colleges and Schools. LCC offers more than 100 academic, technical, and career training programs including:

- Architectural Engineering Technology
- Automotive Technology
- Building Maintenance Technology
- Computer Systems and Security Technology
- Computerized Numerical Control Technology
- Diesel Truck Technology
- Electrical Construction Technology
- Electronics Engineering Technology
- Dual Track Automated Systems Robotics
- · Engineering Design & Manufacturing
- Industrial Maintenance
- Mechatronics
- Nanofabrication Manufacturing Tech Electronics

- Nanofabrication Manufacturing Tech Science Track
- Plumbing, Heating and Air Conditioning Technology
- Sustainable Energy Technology
- Welding

Johnson College (johnson.edu)

A private, two-year college, Johnson College offers 13 degree programs that focus on providing its students with technical skills. The 44-acre campus is located in Scranton in Lackawanna County and is accredited by the Accrediting Commissions of Career Schools and Colleges (ACCSC). Areas of study include:

- Logistics & Supply Chain Management
- Architectural Drafting & Design Technology
- Carpentry & Cabinetmaking Technology
- Electrical Construction & Maintenance Technology
- Heating, Ventilation & Air Conditioning Technology
- Advanced Manufacturing Engineering Technology
- Biomedical Equipment Technology
- Computer Information Technology
- Electronic Engineering Technology
- Welding Technology
- Automotive Technology
- Diesel Truck Technology
- Diesel Preventative Maintenance Technology



The Pennsylvania State University is a public, state-related research university with 24 campuses across Pennsylvania, including three in NEPA. Known as one of the leaders in higher education, Penn State has been highly ranked by many well-known sources, including U.S. News & World Report, Kiplinger's Personal Finance, The Wall Street Journal, Academic Rankings of World Universities (AWRU), and National Science Foundation. Additionally, it has recently been ranked 36th in the Times Higher Education World University Rankings for 2018. Some of the school's areas of study include:

- Electrical and Computer Engineering Technology
- Industrial Engineering
- Plastics Engineering Technology
- Project and Supply Chain Management
- Food Science
- Agribusiness
- Supply Chain and Information Systems
- Master of Manufacturing Management

Lackawanna College (lackawanna.edu)

Located in Scranton, Lackawanna College is a private, two-year college that began in 1894 as the Scranton Business College. This premier institution offers many degree and certificate programs and recently created its School of Petroleum & Natural Gas. Programs include:

- Baking & Pastry
- Culinary Arts
- Petroleum & Natural Gas Technology
- Surgical Technology

Pennsylvania College of Technology (pct.edu)

An affiliate of The Pennsylvania State University, Pennsylvania College of Technology is an established institution focused on applied technology education. Located in Williamsport, Pennsylvania, Penn College administers the state's largest worker training program through its Workforce Development and Continuing Education division. Programs include:

- Baking & Culinary
- Heating, Ventilation & Air Conditioning
- Surgical Technology
- Applied Technology Studies
- Automated Manufacturing & Machining
- Electronics & Computer Engineering Technology
- Engineering & Industrial Design Technology
- Plastics & Polymer Engineering Technology
- Welding & Metal Fabrication
- Brewing & Fermentation Science
- Automotive
- Diesel & Power Generation

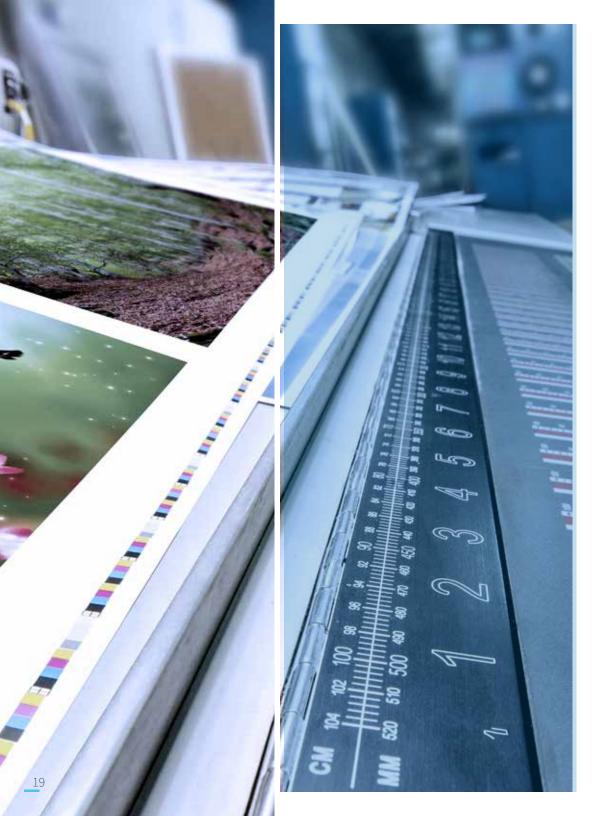












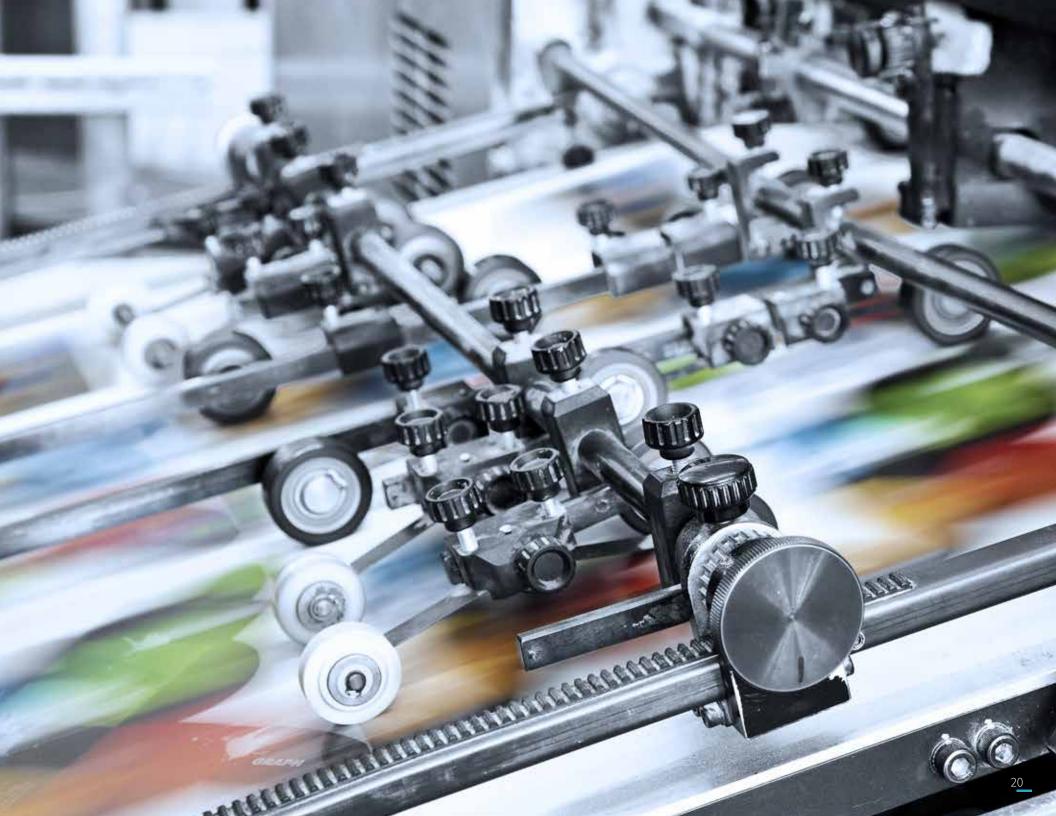
In addition to the higher education institutions that serve the region, several local businesses and technical schools provide training programs that benefit area employers. These include:

FORTIS (fortis.edu)

A leading post-secondary network of institutions, FORTIS provides its students with reliable learning and training. FORTIS offers career-based training, diploma, and degree-granting programs at over 40 different schools in 15 states. These campuses, like the ones located in Forty Fort and Scranton, offer programs in healthcare, business, technology, as well as many other trades.

New Horizons Computer Learning Centers (nhnepa.com)

New Horizons Computer Learning Centers has a convenient location in Plains Township in Luzerne County. New Horizons offers innovative training programs to assist companies and their employees.



GUARANTEED FREE TRAINING PROGRAM (WEDnetPA)

This program provides grants through the Pennsylvania Department of Community and Economic Development (DCED) for essential skills and advanced technology training. The maximum amounts that can be provided are up to \$450 per trainee and \$75,000 per company for essential skills training and up to \$850 per trainee and \$50,000 per company for advanced technology training. To be eligible, employees must be full-time and earn at least \$10.88 per hour.

Training costs must be "reasonable" as defined by market rates and/or other criteria. Regardless of how it is conducted (classroom, online, etc.), each training session must be a minimum of 30 minutes in length.

Training can be provided by a WEDnetPA partner institution, the company's in-house staff or any third-party provider.

WORKFORCE INNOVATION & OPPORTUNITY ACT

This federal program, which is administered by local Workforce Development Boards (WDBs), provides grants to train individuals who meet certain eligibility requirements such as those who recently lost their job or are underemployed. The program typically covers 50% of wages during training but WDBs have the authority to increase the funding to 75% in certain circumstances.

Eligibility requirements include those who:

- were recently laid-off or terminated from employment
- are unemployed
- are collecting Food Stamps or TANF
- are employed and their income is below the self-sufficiency guideline
- are a displaced homemaker
- are homeless

The grant funds can be used for job search and placement, skills assessment and evaluation, counseling, training service, for individuals and companies, supportive services, and labor marketing information

Please visit dced.pa.gov for more information.

OTHER RESOURCES

Many manufacturing companies in Northeastern Pennsylvania benefit from local support organizations including Northeast Pennsylvania Manufacturers & Employers Association (MAEA), Northeastern Pennsylvania Industrial Resource Center (NEPIRC), and Ben Franklin Technology Partners of Northeastern Pennsylvania (BFTP-NEPA). These organizations help manufacturing companies with training, consulting, networking, and much more.





Northeast Pennsylvania Manufacturers & Employers Association (MAEA) provides continuing education and training to employees, certification programs, workshops, and networking. MAEA also consults in human resources, process improvement, supply chain management, Information Technology, Safety, and Affirmative Action plans.

www.maeaweb.biz



Northeastern Pennsylvania Industrial Resource Center (NEPIRC) provides consulting services specifically to the manufacturers in Northern and Northeastern Pennsylvania. NEPIRC assists their clients with lean and continuous improvements, quality management systems, industry certification, innovation, sustainability, workforce development, and supply chain development.

www.nepirc.com



Ben Franklin Technology Partners of Northeastern Pennsylvania (BFTP-NEPA) provides companies with funding and business assistance and introduces them to a prominent network of innovative expert resources. BFTP-NEPA has a regional headquarters in Bethlehem, PA with local offices in Wilkes-Barre.

BFTP-NEPA invests in early-stage companies that cannot secure seed funding through conventional means and assists young, unproven firms as they prepare to raise additional capital. Investments typically up to \$50,000 per year for up to three years.

Selection is competitive and is based upon many factors, including the company's ability to create and/or retain highly paid, sustainable jobs. To qualify, a company must be:

- A manufacturing firm or technology company offering significant potential for future growth through the development or application of an innovative technology. Retail and service companies are not eligible.
- Located in, or relocating to, Northeastern Pennsylvania.
 The region served by BFTP-NEPA includes 21 counties, including Lackawanna and Luzerne counties.

http://nep.benfranklin.org

REAL ESTATE

MERICLE COMMERCIAL REAL ESTATE SERVICES

In the late 1980s, Mericle Commercial Real Estate Services became the first private for-profit developer to construct industrial shell buildings on speculation in NEPA. Mericle purchased land that had been developed by area chambers of commerce and constructed speculative buildings ranging from 40,000 square feet to 100,000 square feet. Since that time, Mericle has developed more than 22 million square feet of industrial, office, and flex space in NEPA, including numerous bulk industrial buildings. More than 14,500 people work in Mericle-developed properties.

Today, Mericle owns and maintains more than 15 million square feet in NEPA. Mericle is a vertically integrated "master builder" that self-performs its development projects. The company's approximately 250 employees design, construct, and maintain all of its facilities.

Among its in-house team are three Leadership in Energy & Environmental Design (LEED) accredited professionals who obtained Silver LEED status for Mericle buildings occupied by Amazon.com, Kimberly Clark, and Benco Dental.

Several years ago, Mericle started a Green Building Program and made a commitment to provide lower operating costs to tenants through the implementation of eco-friendly, energy-saving measures. By constructing tight building envelopes, installing energy-efficient T-bay lighting and HVAC systems, improving ventilation and indoor air quality, and using native and adaptive landscaping and recycled/regional materials, Mericle is making a concerted effort to "go green."

In addition to regularly constructing buildings on speculation, Mericle also prepares sites in advance for new construction. In fact, through its ReadyToGo!™ Program, Mericle is developing more than 90 such sites in 11 NEPA business parks.

Mericle's Design Department obtains all necessary permits and approvals, and its in-house Excavation Division, considered to be one of the largest of its kind in the US, clears, grades, and compacts the ReadyToGo!™ Sites and makes them ready for the immediate construction of building foundations. These sites also have all permits and approvals in hand, all utilities in place, and can accommodate buildings ranging from as small as 10,000 square feet to as large as 1 million square feet.

Mericle's vertically integrated "one-stop-shop" structure and its aggressive development of speculative industrial buildings and ReadyToGo!™ Sites are very helpful to manufacturers and distributors operating under compressed timeframes wishing to deal with a single source.

Mericle has provided commercial real estate solutions to a variety of manufacturing companies. These include Greiner Packaging International, Cardinal Glass, Freedom Corrugated, Bakkavor, E.S. Kluft & Company, Graham Packaging, Itoh Denki, Mission Foods, QuietFlex Manufacturing, Sealy, and Simmons Company.

For more information about Mericle's available buildings and sites visit **mericlereadytogo.com**.





A study done by site consulting firm The Boyd Company for the economic development agency Penn's Northeast, determined annual operating costs for a hypothetical 225,000 SF, 350-employee production facility as follows:

TOTAL GEOGRAPHICALLY-VARIABLE OPERATING COST RANKING: NATIONAL 225,000 SF, 350 EMPLOYEE PRODUCTION FACILITY

REGION

Long Island, NY
Newark/North NJ
Boston, MA
Poughkeepsie/Hudson Valley, NY
Philadelphia, PA
Camden/South Jersey
Chicago, IL
Baltimore, MD
Lehigh Valley, PA
Lancaster County, PA
Scranton/Wilkes-Barre, PA

Source: The Boyd Company

TOTAL ANNUAL OPERATING COSTS

\$31,638,536 \$30,341,466 \$29,509,537 \$29,421,140 \$29,249,322 \$28,760,328 \$28,475,530 \$27,239,553 \$26,667,960 \$26,335,369 \$25,000,087



COLD CHAIN SPACE

Some of the nation's largest **cold storage** companies have major industrial facilities in NEPA. For example, Henningsen Cold Storage Company, United States Cold Storage, Inc., Americold, and RLS Logistics, together operate about 1 million square feet of cold chain space here. In addition, PRIME Inc., one of North America's largest refrigerated trucking companies, has a large terminal in NEPA.



UTILITIES Northeastern Pennsylvania is utility strong with public water and sewer, abundant power, and fiber service

readily available to business parks.

NEPA is strategically located within Pennsylvania's Marcellus Shale Natural Gas play. High pressure gas mains owned and maintained by UGI Penn Natural Gas provide service to area business parks.

The discovery of an estimated 500 trillion cubic feet of natural gas in the rock located under a 22.4 million acre area that covers much of NEPA and the Northern Tier of Pennsylvania has had an enormous impact on the regional economy. The Marcellus Shale region has been recognized as the "largest unconventional natural gas reserve in the world."

Thousands of acres in NEPA and the Northern Tier have been leased by natural gas firms. Billions of dollars are being invested here by Southwest US energy companies. Because of this investment in Marcellus Shale, NEPA is expected to have access to abundant and affordable natural gas for decades to come.



Water quality and pressures are very good in the area. In fact, in some business parks, companies choose to install pressure reducers to control water pressure to their buildings.

Water is primarily supplied in NEPA by Pennsylvania American Water Company (PAWC). PAWC is part of American Water, which has one of the most advanced water quality laboratories in the US, located in Belleville, Illinois.

There, the company performs tests to monitor for approximately 100 regulated contaminants and other "emerging contaminants" that are not currently regulated. Additionally, PAWC provides input to the US Environmental Protection Agency as new testing regulations are developed.

Since 1993, the American Water research team has won nearly two dozen awards for best research, received more than \$31 million in research grants, and been granted four patents for water and wastewater research.

Several local sewage treatment facilities can accept large amounts of biochemical oxygen demand (BOD) and suspended solids without requiring businesses to pretreat their effluent.

Power is supplied to several local industrial and office parks via PPL Electric Utilities and UGI Utilities. In most parks, 4000 amp service is offered. Pennsylvania continues to have some of the lowest costs of electricity in the Mid-Atlantic and New England regions.

Numerous telecom vendors, including Verizon, Frontier Communications, Level 3, and Comcast provide fiber, copper, and cable service to local business parks.

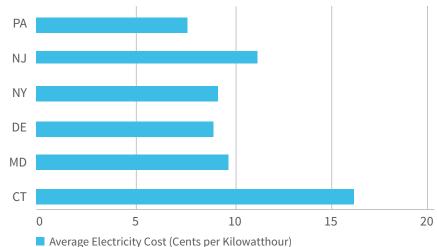


LOCATION

Scranton/Wilkes-Barre, PA Lehigh Valley, PA North Jersey Long Island, NY Poughkeepsie/Hudson Valley, NY

ANNUAL NATURAL GAS COST (1)

AVERAGE ELECTRICITY COST FOR PA & SURROUNDING STATES



Source: www.eia.gov, February 2019

⁽¹⁾Annual cost reflects estimated monthly use of 75,000 therms of natural gas, with gas prices that reflect two-year annual averages for 2015 and 2016. Does not include city gate to plant site meter charge. (Source: "Food & Beverage Processing Industry Operating Costs", The Boyd Company, Inc.)



A variety of grant, tax credit, tax abatement, and low interest loan programs exist to help manufacturing employers reduce their operating costs. Some of the programs commonly used by manufacturers follow. More information about most of these programs can be found at **dced.pa.gov**.

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE (LERTA)

Mericle's CenterPoint Commerce & Trade Park offers industrial sites and buildings located in Local Economic Revitalization Tax Assistance (LERTA) Zones. In CenterPoint, all of the local taxing bodies – the county, the municipality, and the school district – have approved the zone status.

Real estate taxes on improvements are abated 100% for 10 years for buildings constructed in CenterPoint. The table below gives estimates of total savings that will be realized for various building sizes via LERTA. Actual savings may vary depending upon the cost of construction required to meet a tenant's specifications.

SQUARE FEET	EST. SAVINGS
150,000	\$1,068,000
250,000	\$1,779,000
500,000	\$3,559,000



JOB CREATION TAX CREDIT PROGRAM (JCTC)

The Job Creation Tax Credit Program (JCTC) offers a \$1,000 state tax credit per new full-time job per year to employers who demonstrate effective development or deployment of leading technologies in business operations. Businesses must create at least 25 new full-time jobs or expand their existing workforce by at least 20% within three years of approval. Tax credits will not be applied until the workforce increase requirement has been met.

In order to count as a full-time employee under the JCTC program, new employees must earn an average of 150% of the federal minimum wage, excluding benefits. The credit may be utilized to pay a number of state business taxes. At least 25% of all available tax credits will be awarded every year to businesses that employ 100 or fewer employees.

An eligible business must agree to maintain its operation in Pennsylvania for a minimum period of five years from the start date of approval.

PENNSYLVANIA FIRST PROGRAM

This Pennsylvania Department of Community and Economic Development (DCED) program provides funding to companies that create/retain a substantial number of jobs. Businesses can receive support in the form of grants, loans and loan guarantees for job training, property acquisition, site preparation, land and building improvements, purchasing and/or upgrading machinery and equipment, infrastructure, environmental assessments and remediation, and working capital. The company must pay at least \$10.88/hour. A \$10 to \$1 private investment match is required. The max assistance is \$5,000 per job (discretionary).

The program requires participants to commit to operating at the approved project site for a minimum of seven years.

Businesses must achieve one of the following standards within three years of receiving Pennsylvania First Program funding: (1) create or retain a minimum of 100 full time jobs at the project site; (2) increase their full time employment within the commonwealth by at least 20%; (3) provide a substantial-number of new, full time employment opportunities within a high growth industry; or (4) create or retain fewer than 100 full time jobs at project sites that are located in counties or communities suffering from high unemployment.

PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY (PIDA)

This state program provides low interest, fixed rate loans for real estate (max 15 years) and machinery and equipment (max 10 years), for manufacturing, industrial, office, and R&D firms and others. Companies must apply through a certified economic development organization. A typical interest rate in Pennsylvania in mid 2018 was 3.5%, but the rate is subject to change quarterly. Companies must retain/create jobs (up to \$35,000 per job can be made available for retained jobs and up to \$50,000 per job for created jobs). The max loan for real estate is \$2.25 million and the max loan for M&E is \$1.5 million.



PENNSYLVANIA ECONOMIC DEVELOPMENT FINANCING AUTHORITY (PEDFA)

The **PEDFA Tax Exempt Bond (PEDFA)** program assists in financing land and building acquisition, machinery and equipment acquisition and installation, as well as renovations and new construction.

The loan amount must fall between \$400,000 and \$10 million and may be pooled bond transactions or stand-alone transactions. The loan can be up to a 30-year term. Since 1989, the base interest rate has averaged 46 percent of Prime. The rate is weekly variable and dependent on a variety of market factors. Those eligible for the PEDFA Tax Exempt Bond Program are industries such as manufacturing, energy, solid waste disposal, wastewater treatment, transportation facilities, assisted living/housing, and nonprofit 501(c)(3). Eligible businesses may apply through Industrial Development Authorities and Industrial Development Corporations.

Please visit dced.pa.gov for more specific details and guidelines for all of Pennsylvania's incentive programs.

LUZERNE COUNTY'S BUSINESS DEVELOPMENT PROGRAM

The goal of Luzerne County's Business Development Program is to create improved employment opportunities while strengthening our labor market through job training opportunities.

In order to receive a loan under this program, the business must demonstrate a positive direct impact on the community in which it is located, on residents of that community, or on the local and/or regional economy. The applicant must demonstrate the need for assistance through the program and commit to creating employment opportunities that meet the job creation incentives.

Loan funds are available for eligible businesses at an interest rate of 1.5% for terms of 7 or 15 years. The County can finance up to 50% of the eligible project costs. Monthly repayments of principal will be required for the term of the loan. County funds will be secured by a letter of credit from a financial institution. Funding will be provided for land and/or business acquisition, construction/renovation activities, purchase of machinery and equipment, and professional and financial fees. Funding may also be obtained for working capital by manufacturing firms. To view the details of the program or for more information, please visit www.luzernecounty.org.



FOREIGN TRADE ZONES

There are more than 2,000 acres of **Foreign Trade Zone (FTZ)** land located in six NEPA business parks.
Theselands are part of Foreign Trade Zone #24 under the auspices of the Eastern Distribution Center. Much of Mericle's CenterPoint Commerce & Trade Park near Pittston, PA is in an FTZ. Mericle also owns properties in the Jessup Small Business Center and Valley View Business Park near Scranton, which have FTZ status.

FTZs encourage and expedite import/export cargo movements. These specially designated zones are considered outside the Customs territory of the United States, which means that merchandise can be stored, exhibited, assembled, manufactured, and processed without being subject to formal Customs entry procedures and payment of duties unless and until the merchandise enters the Customs territory for domestic consumption. FTZs offer a variety of benefits including duty deferral, relief from inverted tariffs, duty elimination on waste and scrap, duty exemption on re-exports, and no duties on domestic content, added value, and rejected or defective parts.

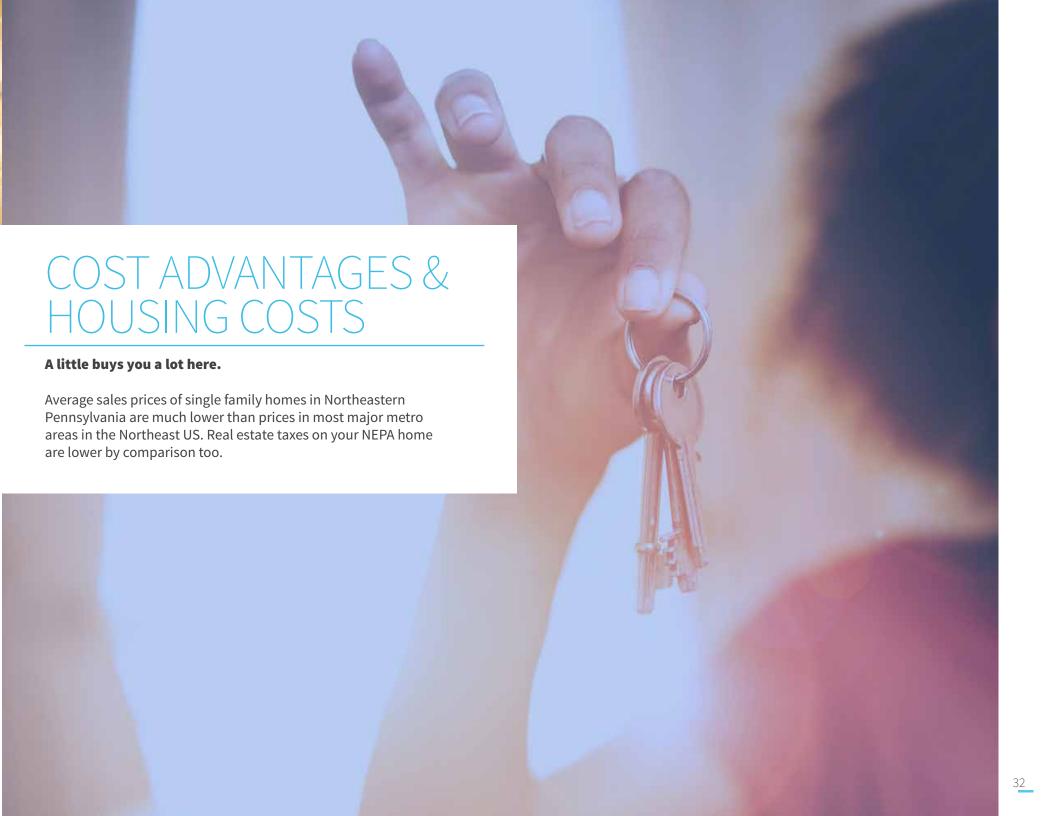


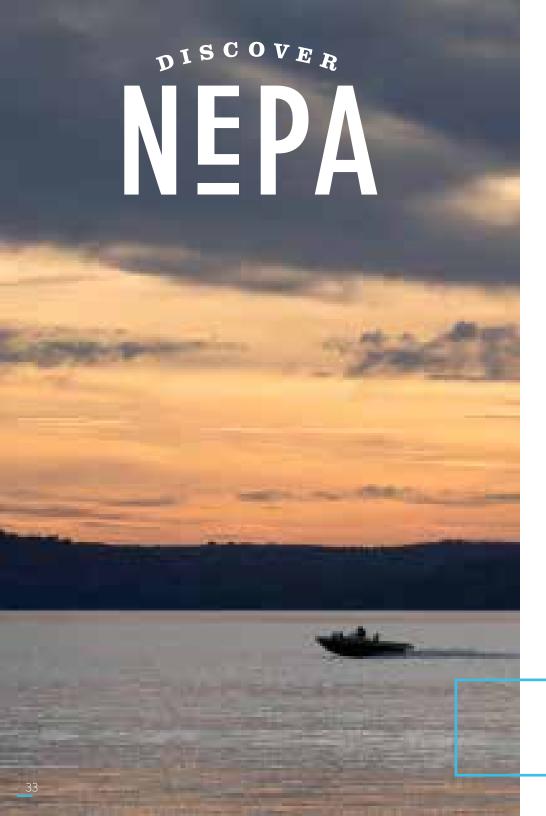
AVERAGE SALES PRICES & ANNUAL REAL ESTATE TAXES OF 4 BEDROOM HOMES - 2017

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COUNTY	AVG. SALES PRICE	AVG. ANNUAL R.E. TAXES
Luzerne (PA)	\$241,545.00	\$3,673.55
Lackawanna (PA)	\$242,096.00	\$3,510.00
York (PA)	\$284,201.45	\$5,058.55
Lancaster (PA)	\$308,618.75	\$4,907.15
Gloucester (NJ)	\$309,576.60	\$8,668.10
Orange (NY)	\$325,685.95	\$7,751.10
Northampton (PA)	\$328,922.50	\$6,337.85
Dauphin (PA)	\$334,942.50	\$5,250.30
Lehigh (PA)	\$337,082.50	\$6,502.85
Cumberland (PA)	\$338,345.00	\$4,296.40
Dutchess (NY)	\$343,734.15	\$7,046.00
Burlington (NJ)	\$370,740.00	\$9,304.95
New Castle (DE)	\$378,670.00	\$2,536.80
Montgomery (PA)	\$387,795.50	\$5,739.25
Camden (NJ)	\$404,219.50	\$12,530.65
Prince Georges (MD)	\$409,315.75	\$5,648.25
Hartford (CT)	\$410,210.00	\$8,368.05
Passaic (NJ)	\$443,310.95	\$11,526.05
Hudson (NJ)	\$456,820.00	\$10,186.80

[Continued]	AVG. SALES	AVG. ANNUAL
COUNTY	PRICE	R.E. TAXES
Bucks (PA)	\$458,121.30	\$6,779.95
Delaware (PA)	\$471,860.00	\$9,153.85
Chester (PA)	\$480,999.25	\$6,929.80
Morris (NJ)	\$487,500.00	\$11,300.00
Anne Arundel (MD)	\$507,011.80	\$2,586.50
Rockland (NY)	\$514,576.15	\$12,040.70
Suffolk (NY)	\$537,000.00	\$12,500.00
Middlesex (NJ)	\$550,000.00	\$12,100.00
Somerset (NJ)	\$552,747.45	\$11,828.40
Howard (MD)	\$556,906.65	\$6,706.05
Fairfield (CT)	\$608,445.00	\$9,917.30
Nassau (NY)	\$625,000.00	\$16,250.00
Bergen (NJ)	\$627,500.00	\$13,900.00
Fairfax (VA)	\$670,590.00	\$6,571.60
Montgomery (MD)	\$710,697.45	\$6,609.30
Union (NJ)	\$751,200.00	\$18,779.95
Westchester (NY)	\$760,441.00	\$14,904.55
Essex (NJ)	\$798,815.50	\$21,008.55
Arlington (VA)	\$981,924.20	\$8,542.20





Ten counties. One region. DiscoverNEPA™.

Why is Mericle, a real estate developer, promoting Northeastern Pennsylvania's (NEPA's) quality of life? Mericle has been very fortunate to provide commercial space to several hundred companies since 1985 and we are especially proud that more than 14,500 people work in the buildings we've developed in NEPA. However, when companies are going through the site selection process, more factors come into play than just the availability of a certain type of building or site.







Leisure, Shopping, Sports & Adventure

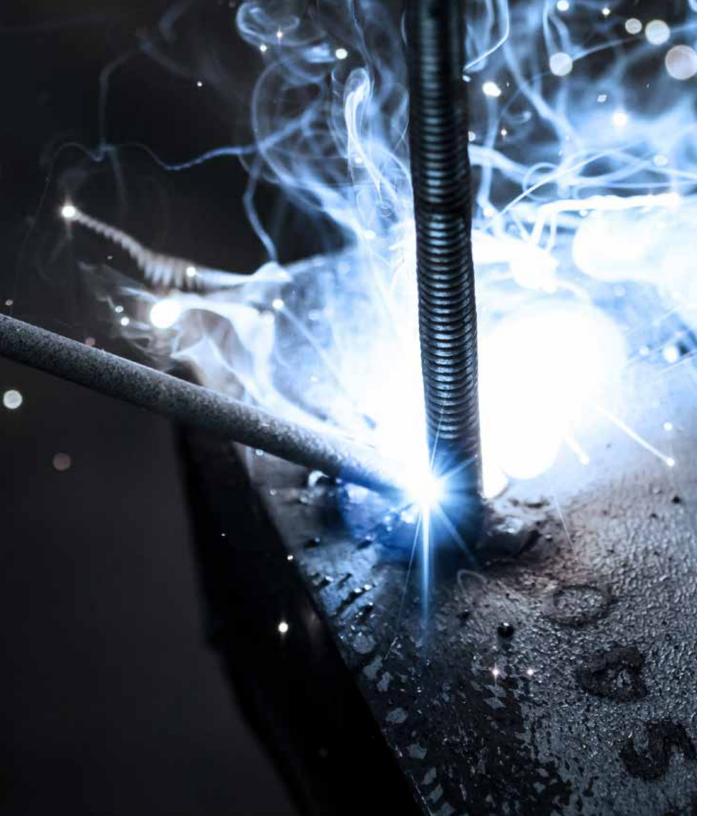


Skilled Workers & Low Costs of Living

Many skilled workers, especially millennials, are drawn to those communities known as great places to live. Northeastern Pennsylvania offers quick access to big city amenities, affordable living, safe neighborhoods, access to recreation, and the opportunity to be heard and make a difference. NEPA is the Northeast's best bet if you are seeking a stress-free, healthy lifestyle complete with thousands of world-class amenities.

We created DiscoverNEPA[™] to show this region's best and brightest. We hope our tenants and other area businesses will use DiscoverNEPA[™] as a tool to recruit talented people and their families to this region.

We invite you to visit DiscoverNEPA.com and to follow us on Facebook, Instagram, and Twitter. Mericle is Northeastern Pennsylvania proud.



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