German Robotics Company, First Success of 2009

LEADS’ first 2009 success came early this year. Vulkan Technic, a German robotics company, that LEADS had been working with since July of 2008, announced the opening of their North American office here in Cheyenne on January 14th. With the signing of their lease agreement for a temporary downtown office, they have started building their North American operations.

Currently only one employee from Germany is here working on setting up the U.S. arm of the company. Gregor Tierscheid, Manager for North American Operations, is happy to relocate himself and to expand the company to the United States, and specifically, to Cheyenne. “Cheyenne is a great place to open our U.S. operations,” stated Tierscheid. “It is centrally located in the US and the proximity to the University of Wyoming is key because we need skilled people that want to stay in the profession so their experience and knowledge is not lost within a few years if they were to move to another company.”

With plans to have anywhere from five to ten employees by the end of the year located here, Tierscheid and Vulkan Technic have a lot of work to do. Tierscheid is working on obtaining visas and getting all the legal work done for the company here in the United States. They will then begin working on building their presence on the North American continent, first focusing on service for their current clients and then growing their client base.

LEADS is excited to have an international manufacturing company choose Cheyenne as its North American home. “This is a great accomplishment for Cheyenne and Laramie County,” stated Scott Sutherland, vice president of Cheyenne LEADS. “To have a high-tech German robotics company choose Cheyenne as the site for its North American headquarters says a lot to others within the industry about where Laramie County is headed in the future.” Not only are we excited, but we think this early success is a forecast of what is to come this year.
To: LEADS Members  
From: LEADS Board of Directors Marketing Committee Chair, Leigh West

Last year, as we began the process of developing our budget for the next fiscal year, we quickly realized that if we were going to accomplish the goals and objectives established by our membership and board we were going to have a budget short fall. Further analysis pointed out that we have not changed our membership dues structure since 1986, the year of LEADS inception. We recognized that we need to develop more appropriate dues structure carefully and thoughtfully and that will happen over the course of this year.

But that still did not solve the shortfall in revenue that we were looking at for 2009. The difficult decision we faced was how could we continue to meet our objectives this year and not cut important development activities. We decided to ask our members to make a one-time special investment in LEADS to help us through this year.

Thanks to your confidence in the important work we do, many members sent in additional support. The members that have contributed to date are on the left. Our sincere thanks for your vote of confidence in LEADS and support of our mission!

Mark Your Calendars, It’s Banquet Time!

Time sure does fly! The 2009 Annual Membership Meeting and Banquet is almost here and we hope that you are ready to join us once again. This year the Annual Banquet will be held at the Holiday Inn with a great speaker and a dinner of steak and trout. The event will be on Friday, March 13.

Business owner, speaker, sales trainer, author, salesman . . . our speaker, Tom Reilly, is all of these. Since 1981, Tom has traveled globally sharing his content-rich message of hope. Tom is literally the guy who wrote the book on Value-Added Selling. Additionally, he has written twelve other books including Crush Price Objections. His award-winning column, Strictly Sales, appears monthly in Industrial Distribution magazine. Tom is also a faculty member for University of Industrial Distribution. Prior to moving back to St. Louis in 1981 to pursue a full-time speaking and sales training career, Tom owned and operated a chemical company in Houston, Texas. His motto is simple: “Add Value . . . Not Cost. Sell Value . . . Not Price!”®

You will not want to miss this opportunity to hear this great speaker talk about a value approach to our community and our businesses during these challenging times. On Saturday, March 14, Mr. Reilly will present a half day seminar under the sponsorship of Manufacturing-Works and Cheyenne LEADS. The Saturday seminar will be an expansion of Reilly’s keynote speech on Friday but directed specifically to businesses. That event is $50 per person for LEADS members. If you have any questions or would like to make reservations early for either event, please call the LEADS office at 638-6000.
Wyoming Senate Revenue Committee Says No to Exemption for Economic Development

As has been reported in previous newsletters, nearly two years ago Cheyenne LEADS applied for a property tax exemption for our developed but vacant land in our business parks. That exemption was denied by the Laramie County Assessor and that decision was appealed to the State Board of Equalization. The Board of Equalization also denied the exemption under existing Wyoming law. Both during and after this process, it was suggested that LEADS seek legislative clarification in the form of a new, specific exemption.

Following that ruling a couple state legislators contacted LEADS and offered to sponsor legislation to do just that. Ultimately Representative Pete Illoway (Cheyenne) worked to draft language and submit a bill for consideration in the current Legislative session. With Representative Illoway’s assistance and testimony from the Wyoming Economic Development Association (WEDA) and others involved in economic development elsewhere in Wyoming, the bill passed the House of Representatives by a vote of 50 to 10. However, the bill was amended during committee and floor debate. The amendments were well intentioned and expanded the bill but, in so doing, created real concerns about unintended consequences.

The problematic amendment could have removed or improved upon during committee hearings on the Senate side and at least one Senator was prepared to do that. The bill was assigned to the Senate Revenue Committee under the Chairmanship of Senator John Schiffer (Kaycee). That committee heard testimony by Representative Illoway; WEDA representatives; the Cheyenne, Laramie County Economic Development Joint Powers Board and other economic development entities across the state, outlining the difficulties presented by the current situation and supporting the proposed clarifications to the tax exempt statutes. Brenda Arnold, Laramie County As-
sessor, testified on behalf of the Wyoming Association of County Assessors. That organization was neutral on the original bill but opposed, with good reasons, to the bill as amended. After the testimony, Senator Grant Larson (Jackson) moved to advance the bill so that it could be worked, however that motion died for lack of a second. In addition to the Chairman, other committee members choosing not to advance the bill were Senator Cale Case (Lander), Senator Marty Martin (Rock Springs) and Senator Drew Perkins (Casper).

The legislative effort is now dead for this session and LEADS will continue to pay nearly $80,000 a year in property taxes. LEADS is in a position to be able to do this for a couple more years before we face the prospect of selling off business park property that we now hold for job creation. However there are smaller economic development groups around the state that could be in serious financial difficulties even sooner. We are currently counseling our colleagues across Wyoming to be extraordinarily cautious in how they use the Business Ready Communities grant program. It appears to us that most of the intended uses of those funds could create liabilities that could cripple an economic development agency. That certainly is too bad, particularly when the state so badly needs to continue its investment in meaningful economic development and job diversification.