

FY2015  
First Quarter  
Key Measures  
Performance Report

## OFFICE OF THE SECRETARY

Nearly 1,400 new jobs were announced in the first quarter representing 47 percent of EDD's annual target of 3,000 new jobs. Five large projects contributed 80 percent of the 1,397 new jobs:

- Accurate, Los Lunas, 250 (Advanced Manufacturing)
- PESCO, Farmington, 150 (Energy & Natural Resources)
- Santa Fe Brewing, 105 (Value-Added Agriculture)
- S & P Data, Rio Rancho, 425 (Back Office & Technical Support)
- Google, Moriarty, 200 (Aerospace & Aviation)

The PESCO expansion began with a Business, Retention & Expansion survey conducted by the regional representative. PESCO is investing \$3 million in the expansion. EDD provided LEDA funding of \$500,000 and JTIP will train the new workers. The Accurate and Google projects also received LEDA funds of \$400,000 and \$995,237, respectively. The two projects represent a combined investment of \$45 million in two rural communities.

Under the MainStreet Historic Theaters Initiative three rural theaters will receive LEDA funding for digital conversion: the Lea Theater in Lovington, the Silco Theater in Silver City, and the Lyceum Theater in Clovis. In addition, 51 building rehabilitations were completed in MainStreet communities during the first quarter.

The Office of International Trade continues to introduce New Mexico companies to global markets. Four trade missions/shows took place during the first quarter: three companies participated in the Mexico International Trade Mission; three companies participated in the Singapore Water Week Trade Show; three companies participated in the Thailand Oil & Gas Show; and four companies participated in the Natural & Organic Products Show in Hong Kong. Taos Mountain Energy Bars and Cowboy Up (energy drink) received sales contracts as a result of the Hong Kong show.

New Mexico FUNDIT, a Rural Economic Development Council initiative to facilitate the funding of infrastructure and business development projects, has created an application and process to vet projects.

The Film Office announced seven major productions during the quarter, two television series and five feature films: Stanistan and The Messengers (TV) and Kepler's Dream, Dig, Captain Fantastic, Bare, and Burning Bodhi (feature films).

Nineteen companies participated in the Job Training Incentive Program (JTIP), including five rural; \$2.5 million was allocated to train 340 New Mexicans.

The department began the process of redesigning its website, including the creation of the Business Resource Center.

Goal: Assist rural communities in diversifying and growing their economies

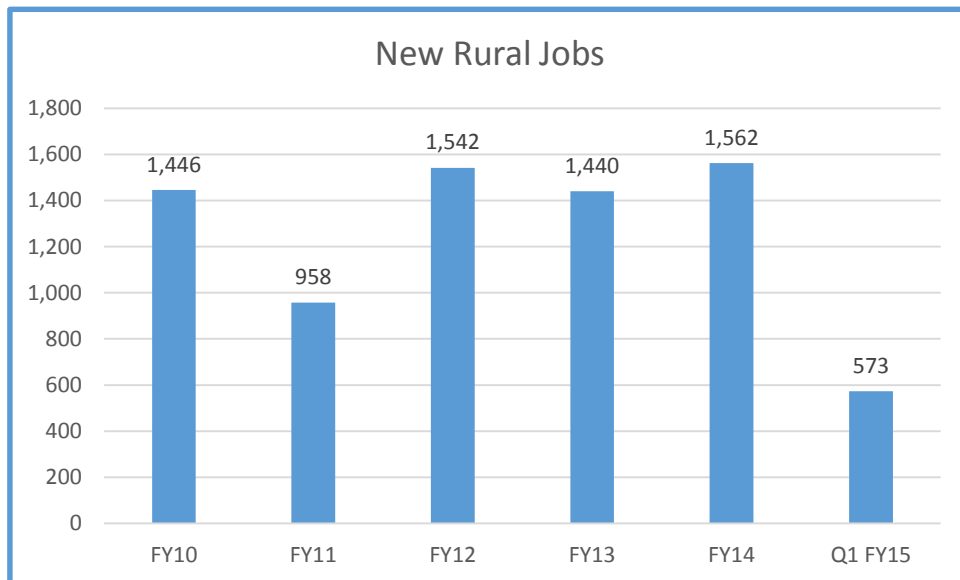
**NUMBER OF RURAL JOBS CREATED: 1,400**

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
		573		

A number of EDD programs contribute to rural job creation including JTIP, MainStreet, LEDA, and FUNDIT. JTIP assisted five rural companies, creating 30 new jobs in the first quarter of FY15. The Community, Business & Rural Development Team administers EDD’s Business Retention & Expansion (BRE) Program, calling on economic base companies in their respective regions. The process builds relationships with key rural employers and sometimes this generates positive results such as expansions that create new jobs. Two rural companies applied to JTIP and received funding for new jobs as a result of the BRE Program, FLUTe and Compass Components.

Accurate and Google contributed the largest number of new rural jobs. Accurate’s two companies, Accurate Machine and Tool and Accurate Custom Injection Mold, will construct a new 107,500 foot<sup>2</sup> facility in the Los Morros Business Park in Los Lunas. The project represents a \$30 million investment and employment upon build-out is expected to be 250.

Google purchased Titan Aerospace in Moriarty creating 200 new jobs. A LEDA investment of nearly \$1 million at the Moriarty Municipal Airport made the project possible. The company will invest \$15 million.



Goal: Increase the visibility and accessibility of the Office of Business Advocacy

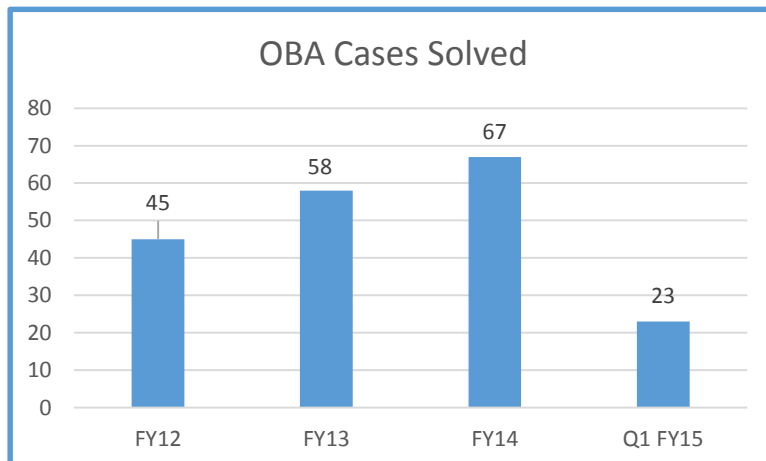
**NUMBER OF BUSINESS ADVOCACY CASES SOLVED: 40**

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	23			

The Office of Business Advocacy (OBA) was created in January, 2011, as a direct initiative from Governor Martinez and Secretary Barela. The mission of OBA is to help companies navigate state government by providing assistance with regulatory, intergovernmental and public policy issues adversely affecting businesses in New Mexico.

OBA continues to work across all industry sectors. The ability of OBA to research and identify answers and solutions has proven invaluable to small companies with limited resources and time. The issues OBA works are complex and include everything from how to appeal a federal highway sign ordinance to researching international tariff issues for solar cells imported from the Pacific Rim.

1. UPR Civil Construction, Santa Teresa
2. DaVita Healthcare Partners, Las Cruces
3. GCC Rio Grande, Tijeras
4. Comfort Inn Elephant Butte
5. American Institute of Steel Construction (AISC)
6. AMERISTAR Industries, Inc., Albuquerque
7. Big Brothers Big Sisters, Albuquerque
8. Big Brothers Big Sisters, Las Cruces
9. Corrales Water Infrastructure Project
10. El Ice Plant, Santa Fe
11. Flexible Liner Underground (FLUTE), Alcalde
12. Libration Systems Management
13. Los Alamos Connect
14. Los Lunas Training School
15. Monarch Litho, Inc., Santa Teresa
16. Poor Boys Bar, Angel Fire
17. Prime Therapeutics, LLC
18. Rhodes Salmon PC
19. Hurley Rail Project
20. Village of Glenwood
21. Rocky Mountain BioAg, Colorado
22. Santa Teresa Homeowners Association
23. Shamrock Foods, Albuquerque



## ECONOMIC DEVELOPMENT DIVISION

Goal: Deploy capital outlay funding to attract capital investment and job creation for communities through LEDA

### NUMBER OF PRIVATE SECTOR DOLLARS LEVERAGED BY EACH DOLLAR THROUGH THE LOCAL ECONOMIC DEVELOPMENT ACT (LEDA): 5 TO 1

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	12 to 1			

The Local Economic Development Act (LEDA) is one of the most effective tools for a community in need of critical infrastructure supporting economic growth. EDD has \$15 million in LEDA funding in FY15. Thirteen projects closed in the first quarter representing \$4,480,237 in LEDA funds and \$115,050,000 in private sector investment. Five of those projects are in urban areas; eight rural projects were funded.

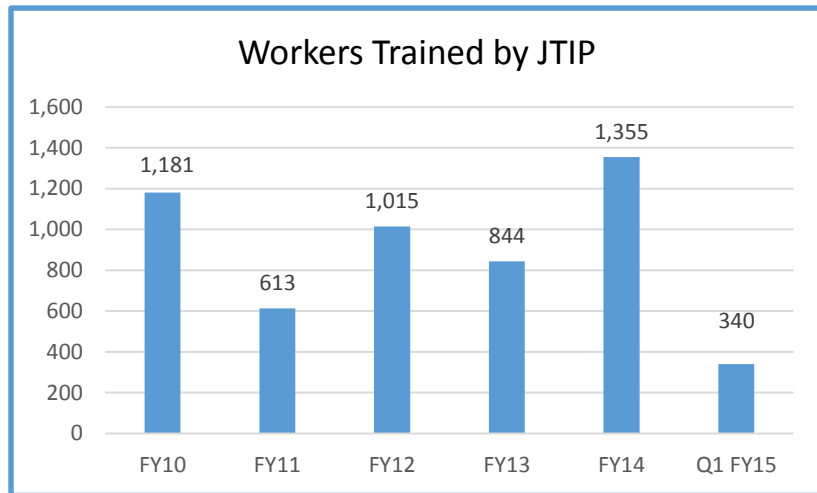
COMPANY	LOCATION	PRIVATE SECTOR INVESTMENT	LEDA ALLOCATION	PROJECTED JOB CREATION
Neptune Aviation	Alamogordo	\$18,000,000	\$200,000	10
New Mexico Poles	Alamogordo	\$350,000	\$75,000	18
Santa Fe Brewing	Santa Fe	\$12,000,000	\$250,000	105
PESCO	Farmington	\$3,000,000	\$500,000	125
Franco Foods	Las Cruces	\$3,000,000	\$75,000	50
CertoPlast	Las Cruces	\$5,000,000	\$75,000	100
Preferred Produce	Luna County	\$200,000	\$135,000	30
Lea, Silco & Lyceum Theaters	Lovington, Silver City & Clovis	\$900,000	\$300,000	3
S&P Data	Rio Rancho	\$5,000,000	\$500,000	425
NGL	Milan	\$52,000,000	\$1,200,000	100
Google	Moriarty	\$15,000,000	\$995,237	200
Strategic Aerospace	Roswell	\$400,000	\$100,000	25
PreCheck	Alamogordo	\$200,000	\$75,000	6
Totals		\$115,050,000	\$4,480,237	1,197

Goal: Increase company participation in JTIP

**NUMBER OF WORKERS TRAINED BY THE JOB TRAINING INCENTIVE PROGRAM (JTIP): 1,000**

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	340			

Nineteen companies were approved for JTIP in Q1 of FY15, including Emerging Technology Ventures in Alamogordo, FLUTE in Alcalde, Compass Components in Deming, Imagine Education in Taos and GCC Rio Grande in Tijeras. Fourteen of the participating companies are manufacturers representing the oil & gas, biotechnology, electronics, lighting, prototyping, metal refining, and green industries. In addition, several high-tech companies and two call centers were approved. The 340 trainees represent 292 new jobs, 267 urban and 25 rural. Forty-eight incumbent workers were trained through Step-Up.

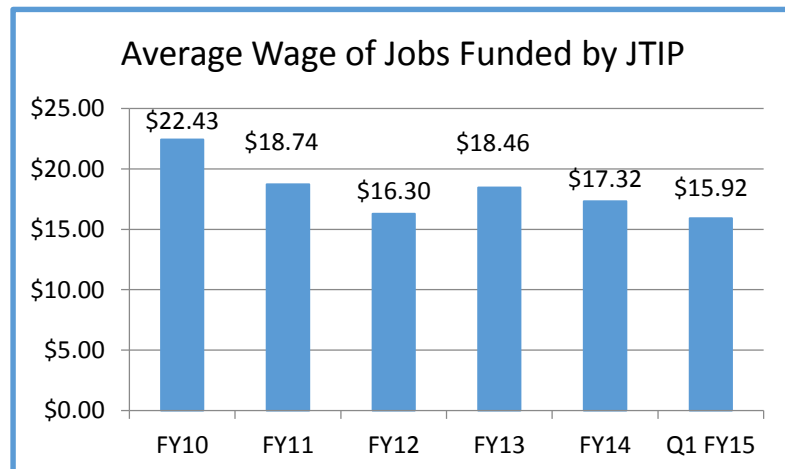


Goal: Seek high performing companies to increase the average wage of JTIP jobs

**AVERAGE HOUR WAGE OF JOBS FUNDED THROUGH JTIP: \$20**

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	\$15.92			

Although the overall average wage of companies approved in Q1 is below target, the average wage of jobs for 12 of the 19 companies approved are high-wage, including three of the five rural companies. JTIP staff continue to target technology intensive companies and others that pay high wages in order to increase the average wage.



Goal: Effectively implement marketing and business development initiatives to convey New Mexico’s competitive advantages in order to attract/expand economic base employers.

**NUMBER OF JOBS CREATED THROUGH BUSINESS RELOCATIONS AND COMPETITIVE EXPANSIONS BY THE ECONOMIC DEVELOPMENT PARTNERSHIP: 1,500**

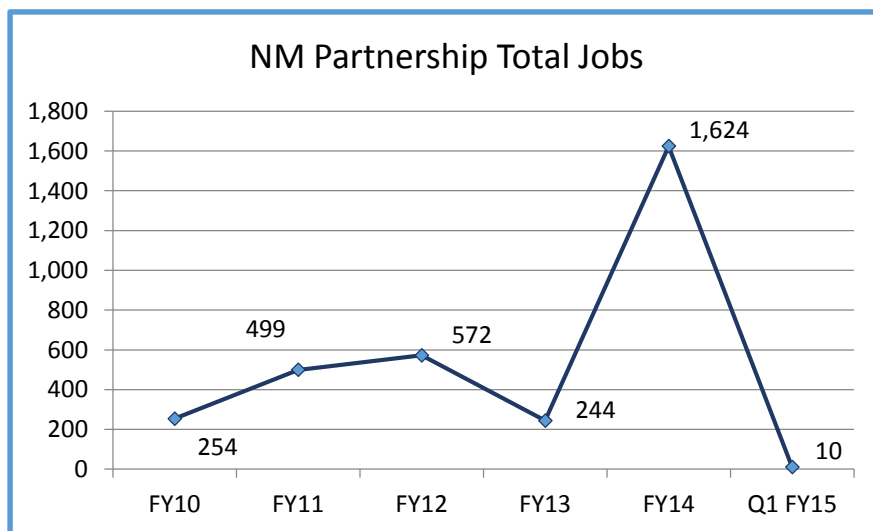
Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	10			

The Partnership participated in three sales missions to northern California, Chicago, and Denver, and participated in four trade shows and industry conferences:

- Walmart Manufacturing Summit
- Outdoor Retailer
- SPIE Optics & Photonics
- International Asset Management

Nineteen “Potential Recruitment Opportunities” or PROs were sent out to communities. There were seven site visits to the state, with one locate totaling 10 jobs. Several additional announcements are anticipated by March 31<sup>st</sup>.

The Partnership also ran advertisements in United Airlines in-flight magazine *Hemispheres*; and *Business Facilities* and *Expansion Solutions* magazines.



## FILM OFFICE (NMFO)

### WORKFORCE INITIATIVE

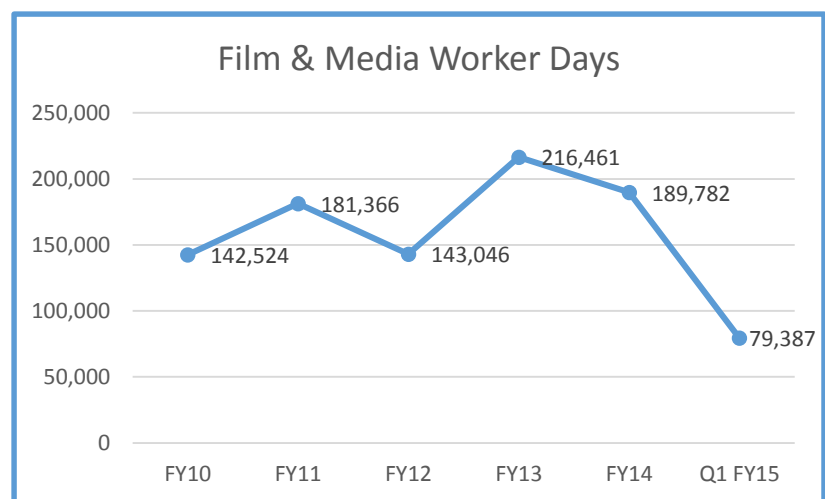
Goals: Maintain the number of applications and approved contracts for local crew workshops and lectures through the Pre-Employment Training Program (PTEP); Continue to market the Film Crew Advancement Program (FCAP).

#### NUMBER OF FILM AND MEDIA WORKER DAYS: 200,000

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	79,387			

The Job Training Incentive Program for Film & Multimedia is divided into two sub-programs, the Film Crew Advancement Program (FCAP) and the Pre-Employment Training Program (PETP), which were implemented in FY04 and FY06 respectively. FCAP provides job opportunities during production for crew to diversify their skill sets increasing continual employment in the industry. PETP focuses on refining industry skill sets between employment on productions to increase resident crew employability when job opportunities arise. The NMFO continues to expand and amend the program to effectively meet industry needs and trends.

FCAP is currently the top priority of the subprograms. It provides an additional incentive to productions to hire local crew by reimbursing the company 50% of a qualifying resident's wages for up to 1040 hours. During FY15 Q1, twelve companies qualified for FCAP with eighty-four resident participants. Six additional companies are anticipated to qualify in FY1 5Q2 with an estimated forty-three New Mexico participants. In November, the NMFO will be providing training for resident veterans regarding "Operation Soundstage," a feature of FCAP which encourages veterans to transition into the industry.



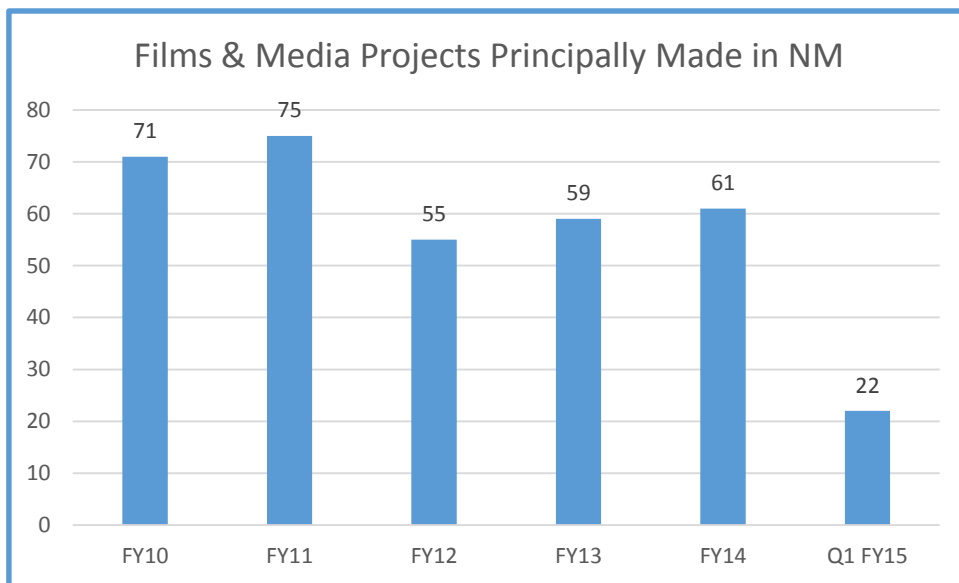


**RECRUITMENT INITIATIVE**

Goal: Attract production companies to the state and increase the number of projects of all sizes and types to shoot in New Mexico

**NUMBER OF FILMS AND MEDIA PROJECTS PRINCIPALLY MADE IN NEW MEXICO: 60**

Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	22			



**DIRECT SPENDING BY FILM INDUSTRY PRODUCTIONS IN MILLIONS: \$225M**

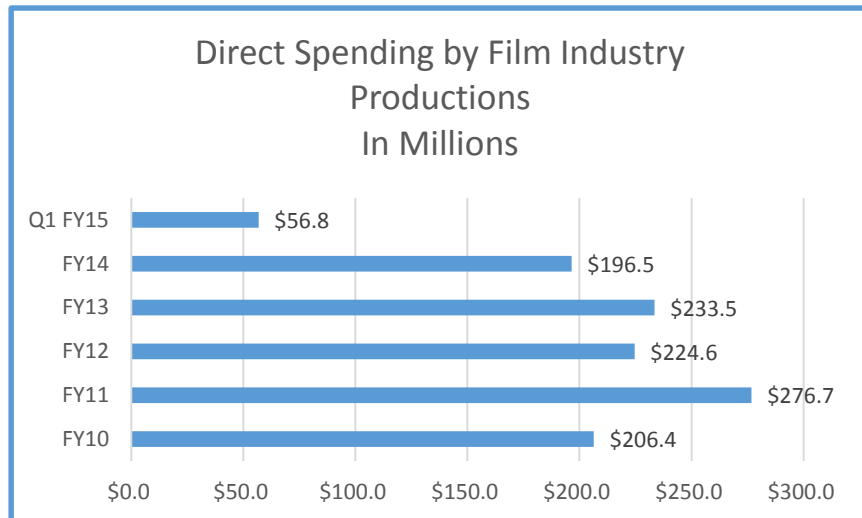
Results	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
	\$56.8M			

The Film Office’s primary purpose is to market the state to this industry, service the recruited productions, and promote job and business opportunities for New Mexico residents.

This includes consulting with productions regarding the financial aspects of their projects, guiding them through the incentives such as the Refundable Film Production Tax Credit, providing direction with locations on which to film, as well as connecting the productions with the crew, vendor services and film liaisons throughout the state.

Recent amendments to the incentive program have made New Mexico a top contender for television series and have incentivized more productions to shoot a complete project in New Mexico. In the first quarter, the NMFO has seen a significant increase of inquiries and productions scouting in-state.

In addition to promoting and providing production services, the film office has initiated emerging media opportunities through the development of a collaborative accelerator which includes expanding industry infrastructure, targeting businesses in digital technologies that affect multiple industries, and providing additional entrepreneurial opportunities for New Mexico residents.



## ***OUTREACH INITIATIVE***

**Goals: Strengthen New Mexico’s local talent base and continue to facilitate outreach to diverse filmmakers and educators in rural New Mexico**

The NMFO also provides many resources to producers, film crew and local filmmakers including regional forums, events, and social media platforms, which assist with educating the public about the industry and the division’s resources. These resources include the educational programs initiative which provides opportunities to learn about film and media training available throughout New Mexico. The second annual Film & Media Education Summit took place in Albuquerque, October 2014. The NM Filmmakers Program also creates support and resources for resident filmmakers pursuing their careers in-state, and the annual NM Filmmakers Showcase opened for applications during FY15 Q1. Screenings of local filmmakers’ projects are scheduled for later in the fiscal year. Plans for the third annual New Mexico Film & Media Industry Conference are also currently in development. In addition, expanding the Statewide Film Liaison Network continues to be a priority and the NMFO provides training of designated contacts in rural areas, which assists both the industry and communities in building economically beneficial relationships. The annual film liaison meeting took place in Farmington at the beginning of August. Equally important, in collaboration with the Tourism Department, the NMFO leads the state in developing and expanding the NM Film Tourism Initiative.